



Benedict College

# Procurement Card Manual

---

*Procedures for compliance with Procurement Card guidelines.*

May 31, 2023 • Financial Affairs

---

Contents

- Program Overview..... 1
  - Purpose..... 1
  - Program Benefits..... 1
  - Credit Card Company..... 1
- and Procurement Card Controls..... 1
  - Responsibilities of and Procurement Cardholders..... 1
  - Responsibilities of Approvers..... 2
  - Card Credit Limits..... 2
  - Card Security..... 3
  - Lost, Stolen or Misplaced Cards..... 3
  - Employment Change/Transfer/Termination..... 3
- and Procurement Card Policies and Procedures..... 4
  - Who Should Have an or Procurement Card..... 4
  - Type of Cards..... 4
    - Card..... 4
    - Procurement Card..... 4
  - How to Apply for an or Procurement Card..... 4
  - Training..... 5
  - Purchasing from Minority Business Enterprises..... 5
  - Vendor Tax Information..... 5
  - Where Cards and Procurement Cards Can Be Used..... 5
  - Procurement of Goods/Services..... 5
  - Foreign Expenditures..... 6
  - Required Documentation..... 6
  - Billing/Shipping Address..... 7
  - Declines by Merchants..... 7
  - Disputes..... 7
  - Returns for Credit..... 7
  - Splitting Purchases..... 7
  - Amazon Purchases..... 8
  - Prohibited Purchases..... 8
  - Audits..... 8
- Penalties..... 8
  - Cardholder and Departmental Penalties..... 8
- Contact..... 8

Appendix .....	9
How to Make Purchases in Workday Decision Tree .....	9
and Procurement Card Usage Guidelines .....	9
Create Report Job Aid .....	9
Create Report in Workday Video .....	9
Create Procurement Card Verification.....	9
Verify Procurement Card Transactions.pdf .....	9
Card Prohibited Purchases .....	9

# Program Overview

## Purpose

The Benedict College credit card program is designed to provide a more efficient means of making routine purchases, which allows more control at the department level, defrays travel s, and streamlines the procurement cycle. Cardholders can use their Card to purchase allowable goods and services as long as departments follow required state and College regulations and guidelines. This manual outlines the benefits of the Card program; describes the responsibilities of cardholders, and departments; and enumerates the rules of the program.

## Program Benefits

The credit card program provides the following benefits:

- Allows departmental personnel more time to perform other important tasks related to the College’s educational mission.
- Expands the vendor base by enabling cardholders to buy in person from local vendors, by telephone, or online. Cardholders may also receive the lowest discounted price from vendors since vendors will be paid quickly.
- The Card is used to pay for travel s as well as the purchase of commodities under \$2,000.
- Merchants are paid within 24 to 72 hours, depending upon how fast they transmit the transaction to their servicing bank and how quickly the bank routes transactions to Visa. Since merchants will be paid promptly, they should be more inclined to accept cardholders’ orders.

## Credit Card Company

The College utilizes a Visa card and has selected Synovus to provide the Procurement Card management program.

# Procurement Card Controls

## Responsibilities of Procurement Cardholders

Cardholders are responsible for the following:

- Completing online training and agreeing to a Cardholder Agreement Form to acknowledge the responsibilities associated with using a Procurement Card.
- Ensuring the physical security of the Procurement Cards and protecting the account number from being used or seen by any other individual.
- Following the Purchasing Guidelines by making purchases of goods or services for their departmental needs and providing documentation for each purchase.
- Obtaining purchase orders for all non-travel purchases greater than \$2,000.

- Identifying disputed items and contacting the merchant directly to resolve disputes.
- Immediately reporting lost, stolen or compromised cards to the Finance office, and Synovus.
- Notifying the Finance office of charges that may be improper or fraudulent.
- Ensuring that Card transactions are submitted and verified within twenty (3) days of the transaction.

## Responsibilities of Vice Presidents

Vice Presidents are responsible for:

- Reviewing, signing, dating and returning the monthly Card statements of their subordinates
- Following-up with the subordinate on any transactions that are in violation of the policy.
- Disciplining the employee per the guidelines for unauthorized use of the Card.

Transactions will not be approved if the following criteria is not met:

- Ensure a detailed description is provided within the Memo field.
- The appropriate department account field is not completed.
- Link all travel expenditures to the corresponding Spend Authorization before approving the transaction.

Whenever questions or concerns arise based on the receipts submitted by the cardholder, receipt copies must be obtained directly from the vendor and compared to the receipts submitted by the cardholder.

## Card Credit Limits

A cardholder's monthly credit limit and single-transaction limit are electronically established for each billing cycle. The monthly credit limit restricts the total amount of spending during the statement period. The single-purchase limit restricts the total amount available to purchase for a single transaction. The single-transaction limit does not affect how much can be spent per day; it only affects how much can be spent per transaction.

Initial card credit limits and changes to limits are approved by Pcard administrators and should be based on their departmental budget and needs. Every cardholder should keep track of their credit balance or call Synovus using the phone number located on the back of their card to inquire about the remaining balance of available funds.

The College's Procurement Card billing periods begin the first day of the month and

continue through the last day of the month.

Pcard administrators may approve temporary overrides to transaction types and/or credit limits.

The temporary override will be completed after Finance office review and approval has been granted. Temporary or permanent changes to monthly limits for non-travel related request over \$2,000 require presidential approval.

### Card Security

Procurement Cards should always be protected and kept in a secure location. The only person authorized to use a Procurement Card is the cardholder whose name appears on the face of the card. Under no circumstances should a cardholder allow another individual to use their card. Since the Procurement Card is a regular Visa card, it can be mistaken for a personal credit card. For this reason, it is recommended that the cards be kept separate from any personal credit cards.

Misuse or abuse of the card could result in cancellation of Procurement Card privileges, termination of employment, and possible criminal charges. Procurement Cards must be used strictly for College business.

### Lost, Stolen or Misplaced Cards

If a cardholder loses a Procurement Card or if it is stolen or misplaced, the cardholder should notify the Finance office, and Synovus Bank (phone number) immediately. The cardholder must provide receipts for valid transactions that were recently made on the card prior to reporting it lost or stolen.

The approver should closely monitor all transactions posted and dispute charges that appear to be fraudulent. The cardholder's department will be liable for all charges incurred if a fraudulent transaction is not disputed within 30 days following the end of the billing cycle in which the disputed transaction occurred. If an individual loses or misplaces a card more than 3 times, Pcard privileges may be revoked.

### Employment Change/Transfer/Termination

It is the cardholder's responsibility to contact the Finance office to cancel their card. The card is cancelled after the cardholder has notified the Finance office by phone or email. It is recommended that the cardholder destroy the card using a shredder. Cardholders also have the option of returning their card to the Finance office, however, this is only suggested when the request is made by phone and the Finance office has already cancelled the card in the Synovus system.

It is the responsibility of the cardholder and their department to ensure that all outstanding transactions are submitted and approved.

## Procurement Card Policies and Procedures

### Who Should Have a Procurement Card

Cards may be requested for any administrator, staff, and faculty who travel or purchase commodities for their department.

### Type of Cards

#### Procurement Card

A Procurement Card is a credit card that is set up for usage in. It may only be used for non-PO purchases. Cards should be utilized for travel purchases, regardless of the dollar amount, and non-PO purchases under \$2,000.

### How to Apply for a Procurement Card

The Vice President of the new user should send an email to the president requesting a Card for the employee. The email should include a statement as to why the employee should have a card. Once approved, the new cardholder should complete the training, and sign the cardholder agreement.

## Training

Training and job aids on how to submit Card transactions and verify Procurement Card transactions are available online. Refer to the Appendix.

## Vendor Tax Information

Synovus is responsible for issuing tax documents to vendors that accept the Visa card. The Card holder is not responsible for obtaining any additional tax information from the vendor.

## Where Procurement Cards Can Be Used

The Procurement Card can be used at any business that accepts Visa, subject to card limitations and merchant category code (MCC) restrictions. All purchases must be made in accordance with established College rules and regulations. Generally, cards may be used in person at a merchant's location, by telephone, or online.

## Procurement of Goods/Services

All purchases made with a Procurement Card must be made for official College business.

- **Backorders**-At times a merchant is unable to fill an order immediately and will need to place an item(s) on backorder. Cardholders should ask the merchant to charge their card only for the items initially shipped. The merchant should not charge for the backordered items until they are shipped.
- **Travel**- Cards should be used to pay for travel s (e.g. register for conferences, purchase airline tickets, pay for hotels, rent cars, etc.).



- **Memberships**-College approved memberships are normally institutional memberships with one or more designated representatives. However, individual memberships may be approved at the discretion of the appropriate department head. Individual memberships may be taxable to the employee.
- **Taggable purchases**-Taggable assets (defined as equipment, fixtures and other tangible personal property of a non-consumable and non-expendable nature with a value or acquisition cost of \$2,000 or more and a normal expected life of one year or more) may ***not*** be purchased with Procurement Card. Taggable asset purchases require a purchase order.

### Foreign Expenditures

Procurement Cards are Visa cards and may be used wherever Visa cards are accepted. and Procurement Cards may be used if a faculty/staff member will travel to a foreign country. Travelers should retain all receipts for goods, services or travel expenditures while in foreign.

### Required Documentation

A receipt or substitute documentation must support each purchase. It must include the vendor's name, transaction amount, purchase date, and an itemized description of the goods or services received. All documentation is required to be uploaded.

## Billing/Shipping Address

The billing, shipping, and statement address is the college's shipping address. This address is where the merchant ships/delivers the commodities and sends receipts.

## Declines by Merchants

If an Procurement Card is declined at any point of sale, including an online purchase, the cardholder should contact Synovus at the number on the back of the credit card or call or email the Finance office to report the incident. Declines typically can be resolved within 24 hours. Cardholders can avoid most declines by keeping track of the remaining balance on their Procurement Card.

Some hotels and other entities have a policy of putting a hold amount on a card prior to charging. Make sure you understand the policy of the merchant for credit card purchases. This hold will reduce your available balance for spending.

## Disputes

If a billing error is discovered while reviewing transactions, the cardholder should contact the merchant directly to resolve the dispute. If the dispute cannot be resolved with the merchant, the cardholder should contact Synovus using the phone number on the back of the card to initiate a dispute.

Synovus must receive the dispute within 60 days following the end of the billing cycle in which the erroneous charge was incurred.

## Returns for Credit

If a department finds the goods received are unsatisfactory, the cardholder should contact the merchant as soon as possible. Depending on the circumstances, cardholders may want to return the merchandise or retain the goods in exchange for a full or partial credit. **In no circumstances should a cardholder accept cash for returned goods. If store credit is issue, that document should be uploaded along with receipts of purchase.** Regardless of the outcome, the bank will charge the Procurement Card for the original purchase. Therefore, cardholders should ensure that the merchant will credit the Procurement Card in the manner and dollar amount that is agreed upon.

## Splitting Purchases

A cardholder should never ask a merchant to split a charge into two or more transactions to accommodate the cardholder's credit limit. If a charge exceeds the single purchase limit on a card, the cardholder should contact the Finance office for assistance. Cardholders jeopardize their Procurement Card privileges by splitting charges.

## Prohibited Purchases

Examples of prohibited purchases on the Card can be found in the Guidelines.

## Penalties

### Cardholder and Departmental Penalties

Departments and cardholders are responsible and accountable for all purchases made with a Procurement Card. Any employee who fails to use their card properly or abuses it may be subject to disciplinary action, up to and including dismissal.

Cardholders will be given a written warning for first offense violations, except for purchases of prohibited items. The Finance office will review the circumstances of each offense and may offer waivers, at their discretion. Violations will result in the following enforcement of policies by the Finance office.

- Splitting charges or sharing Procurement Cards: First offense-written warning, second offense-one-month suspension, third offense-card cancellation.
- Failure to submit/verify/approve transactions within twenty (3) days of the transaction: First offense- written warning, second offense-a suspension equal to the greater of three days or until the transactions are approved.
- Purchase of prohibited items: First offense-one-week suspension, second offense-one-month suspension, third offense-card cancellation.
- Frequent errors and late approvals: multiple violations or a combination of violation types will result in cancellation of the card. *Note: Reissuance of a card due to cancellation must be approved by the appropriate president.*

## Appendix

### Prohibited Purchases

The following items are prohibited from being purchased with a Procurement Card: