

# **Ithaca College Procurement Card POLICY AND PROCEDURES MANUAL**

## **1.0 PURPOSE**

To establish guidelines for the use and to define the limits of use for the Ithaca College Procurement Card provided to approved personnel in order to make purchases of low dollar goods and/or services.

## **2.0 ATTACHMENTS**

[Procurement Card Email/Agreement and Approval Form](#)

## **3.0 GENERAL**

### **3.1 DEFINITIONS**

- 3.1.1 *Supplier:* A company from which a cardholder is purchasing materials and/or equipment or services under the provisions of this procedure.
- 3.1.2 *Cardholder:* Personnel who have been issued procurement cards and who are authorized to make purchases in accordance with these procedures.
- 3.1.3 *Approval:* Every procurement card transaction must be reviewed and approved by an identified individual other than the cardholder and the departmental coordinator.
- 3.1.4 *Program Administrator:* The person responsible for all program details, including all cardholder inquiries.
- 3.1.5 *Department Coordinator:* Designated departmental employee(s) responsible for reviewing online transactions and posting transactions to the proper accounts.
- 3.1.6 *Statement of Account:* The monthly listing of all transactions by the cardholder, issued by the bank directly to the cardholder.
- 3.1.7 *Single Purchase Limit:* A dollar limitation on purchasing authority delegated to a cardholder. This dollar limit may vary from cardholder to cardholder.
- 3.1.8 *Requisitioner:* An employee who has a need for materials or services that can only be fulfilled by a supplier. Under the Ithaca College Procurement

Card Program a requisitioner may be a cardholder.

## 4.0 PROCEDURE

### 4.1 INTRODUCTION

4.1.1 This program has been established to provide a more rapid turnaround of requisitions for low-dollar value goods, and to reduce paperwork and handling costs. By using the Ithaca College Procurement Card you can dramatically shorten the payment cycle from what it is under the traditional requisition process. The traditional process includes pricing inquiry, order placement, delivery of goods, invoice and voucher review. The requisitioner who has been issued a procurement card may now initiate a transaction in-person or by telephone, within the limits of this policy, and receive goods. Payments to supplier are made via the VISA settlement system. Accounts Payable will make periodic settlements with the bank.

### 4.2 RECEIVING A PROCUREMENT CARD

4.2.1 Ithaca College employees may apply to be cardholders by reading the on-line Procurement Card Policy and Procedure document, forwarding the completed email notification and the completed Ithaca College Procurement Card Agreement and Approval Form to the Program Administrator in the Accounts Payable and Travel Services Office. The agreement indicates that the Cardholder understands the procedure and the responsibilities of being a cardholder. The enrollment form indicates all information needed to set the cardholder up properly in the procurement card system. The form is available at the end of the online training.

4.2.2 The Program Administrator will maintain all records of procurement card requests, limits, and cardholder transfers and lost/stolen/destroyed card information.

### 4.3 PROCUREMENT CARD RESTRICTIONS

#### 4.3.1 NO LENDING OR SHARING CARDS

The unique procurement card that the Cardholder receives has his/her name and department embossed on it and shall **ONLY** be used by the Cardholder. **NO OTHER PERSON IS AUTHORIZED** to use that card. The cardholder may make transactions on behalf of others in their department. However, the Cardholder is responsible for all use of his or her card.

#### 4.3.2 DO NOT "SPLIT" A TRANSACTION

Use of the Procurement Card will be limited to the following conditions:

The total value of a transaction shall not exceed a Cardholder's single purchase limit. Payment for a purchase **WILL NOT** be split into multiple transactions to stay within the single purchase limit.

- 4.3.3 Departments may add additional procedures or restrictions to the Procurement Card Policy. If departments place additional restrictions on the use of the Procurement Card, beyond what is in the Official College Policy, those restrictions should be presented in writing to the Cardholder(s).

#### 4.4 UNAUTHORIZED PURCHASING CARD USE

- 4.4.1 The procurement card SHALL NOT BE USED for the following:

Personal purchases  
Gift Certificates  
Needles or Syringes  
Radioactive Materials  
Research Animals  
Pest Control Services  
Cash Advances

A single purchase that exceeds the Cardholder's single purchase limit.

Travel expenses including meals and entertainment while traveling.

Security Systems: These systems must be coordinated through the Ithaca College Campus Safety Office.

Capital Assets: A capital asset is an item that is permanent in nature having a life of at least two years, is tangible, and is held for purposes other than investment or resale.

Consultants, Freelancers or Contractors: Individuals who are hired to perform a specific service or provide highly specialized advice or professional expertise. There are tax and insurance issues related to these payments. If you are unsure whether or not an individual is a consultant contact the Program Administrator.

- 4.4.2 A Cardholder who makes unauthorized purchases or carelessly uses the procurement card may be personally liable for the total dollar amount of

such unauthorized purchases plus any administrative fees charged by the Bank in connection with the misuse. The Cardholder may also be subject to disciplinary action.

#### 4.5 MAKING A PURCHASE OR RETURN

- 4.5.1 Procurement Cards can be used as payment for goods or services from a “Supplier of Choice” within the guidelines of this policy and procedures document and any additional guidelines outlined by your department.
- 4.5.2 Purchases may be made in person, over the Internet, by phone, by fax or by U.S. Mail.
- 4.5.3 Always inform the supplier that this is an Ithaca College purchase and that Ithaca College is exempt from New York State Sales Taxes. The Ithaca College Sales Tax Exemption Certificate Number is printed on the Procurement Card. If you are charged sales tax, contact the merchant and obtain a credit on the procurement card for the amount of the sales tax. Report any supplier who refuses to honor Ithaca College’s New York State Sales Tax Exemption Certificate to the Procurement Card Administrator.
- 4.5.4 Cardholders should utilize the following “checklist” when making a purchase:
  - 1. Confirm that the supplier agrees to accept VISA.
  - 2. Direct the supplier to include the following information on the shipping label and packing list:
    - Cardholder’s name and telephone number
    - Complete delivery address
    - The supplier’s order number
  - 3. It is extremely important that all purchases be sent to the cardholder ordering the merchandise, as this will ensure that the documents necessary for the record keeping are readily available to the cardholder.
  - 4. If necessary, advise the individual within your area who receives merchandise of the supplier’s name and order number, anticipated delivery date, number of boxes expected, and carrier (UPS, Fed Ex, etc.).
- 4.5.5 If items purchased by the use of the credit card are found to be unacceptable, the Cardholder is responsible for obtaining replacement or correction of the item as soon as possible.
- 4.5.6 If the Cardholder is disputing a charge, he/she must first contact the supplier for resolution. If these attempts fail, the cardholder shall complete a Dispute Form, which may be obtained from the Department Coordinator or Purchasing Card Administrator.

#### 4.6 PURCHASING FOR FEDERAL AND STATE GRANTS

- 4.6.1 Federal and State Grants may be audited and are subject to external and internal controls.
- 4.6.2 It will be the responsibility of the Department Coordinator to see that all procurement card receipts for Federal and State Grants are signed by the Principal Investigator, have appropriate documentation and approvals, and are in compliance with the college policies and procedures as outlined in this document.
- 4.6.3 It is the responsibility of the Principal Investigator to review and sign all procurement card receipts for Federal or State Grant expenditures. By signing the receipt the Principal Investigator has ensured that the costs charged to the grants are allowable, allocable, and reasonable.

#### 4.7 CARDHOLDER RECORD KEEPING

- 4.7.1 Whenever a procurement card purchase is made, receipts and supporting documentation shall be retained as proof of the purchase. This documentation will be used by the Department Coordinator to verify and post the purchase on line to the department account(s) that the cardholder has indicated on the receipt.
- 4.7.2 When cardholders make a purchase they must submit the receipts and supporting documentation to their Department Coordinator within three days of the purchase. The cardholder will indicate on the receipt the account(s) and amount(s) the purchase will be posted to along with the cardholders name and departmental phone number. **FAILURE TO SUBMIT THE SUPPORTING RECEIPTS AND OR DOCUMENTATION TO THE DEPARTMENT COORDINATOR MAY RESULT IN THE LOSS OF PROCUREMENT CARD PRIVILEGES.**
- 4.7.3 Department Coordinators must keep approved statements and original receipts for five years for auditing purposes.

#### 4.8 REVIEW OF MONTHLY STATEMENT

- 4.8.1 At the end of each billing cycle, the Cardholder shall receive from Tompkins Trust Company his or her monthly statement of account that will list the Cardholder's transactions for that period.
- 4.8.2 The Cardholder will review each transaction listed on the monthly statement for accuracy within five (5) working days of receipt. The

Cardholder will report any errors on the statement to their Department Coordinator. The Department Coordinator in conjunction with the Program Administrator will take the necessary steps to correct these errors.

- 4.8.3 After reviewing their monthly statement Cardholders must submit the statement to their Department Coordinator. The Department Coordinator must obtain signature/approval from the Cardholder's Supervisor for each monthly statement. The Approving Supervisor's signature/approval of each Cardholders monthly statement indicates that the Cardholder was authorized to make those purchases and they were made in accordance with applicable procedures.

#### 4.9 DEPARTMENTAL COORDINATOR RESPONSIBILITIES

- 4.9.1 Departmental Coordinators review and post on-line transactions using the receipts and or documentation submitted to them by their department cardholders within five working days of receiving the open batch email notification.
- 4.9.2 The Department Coordinator will work with the Program Administrator to obtain any delinquent receipts and or documentation. The Program Administrator will send a reminder to cardholders that paperwork needs to be submitted to their Departmental Coordinator.
- 4.9.3 The Department Coordinator will submit their Cardholders monthly statements with the supporting receipts and documentation attached to the appropriate statement to the Cardholder's Supervisor for signature/approval. After the Supervisor has approved and returned the monthly statements to the Department Coordinator the Department Coordinator will retain these statements for five (5) years for auditing purposes.
- 4.9.4 On-line batches that are not updated within 10 working days of the open batch email notification will be reported to the Department Coordinator's Supervisor.
- 4.9.5 It is the responsibility of the Department Coordinator to notify their back up Coordinator when they will need their assistance in updating on-line batches.

#### 4.10 SUPERVISOR RESPONSIBILITIES

- 4.10.1 The Supervisor will review and sign/approve all the monthly statements for each Cardholder in their area. After approval, the Supervisor will return all the statements to the Department Coordinator for retention and

auditing purposes. The signature/approval by the Supervisor indicates that the Cardholders were authorized to make those purchases and they were made in accordance with applicable procedures.

#### 4.11 CARD SECURITY

- 4.11.1 It is each Cardholder's responsibility to safeguard his/her purchasing card and account number.

The Cardholder must not allow anyone else to use his or her account number. A violation of this trust could result in the Cardholder having his/her card withdrawn and disciplinary action.

- 4.11.2 If the card is lost or stolen the Cardholder shall immediately notify Tompkins Trust Company at (607) 273-3111. The Program Administrator and Department Coordinator are also to be notified immediately.

- 4.11.3 A new card will be promptly issued to the College after the reported loss or theft. A card that is subsequently found by the cardholder after being reported lost shall be destroyed.

#### 4.12 CARDHOLDER SEPARATION

- 4.12.1 Prior to separation from the college, the Cardholder shall surrender the procurement card and current procurement card receipts to his/her Department Coordinator. The Department Coordinator will forward the card to the Program Administrator for cancellation with Tompkins Trust Company.

### 5.0 AUDIT'S

- 5.1 All procurement card transactions are subject to periodic audits by the Budget Office for compliance with the policies and procedures outlined in this document.