



Purchasing Card Program Policies and Procedures

GENERAL POLICIES AND PROCEDURES

Purchasing Cards will only be issued to individuals, in the individual's name, (there will be no departmental cards).

- Cardholder must be an employee of the University.
- Only one Purchasing Card may be issued in an individual's name.
- Purchasing Cards will not be transferable between individuals or University departments.
- A default University account number (department/fund) will be assigned to each Purchasing Card. Each Cardholder will be assigned to a Departmental Liaison.
- Departmental Liaison may be liaison for him/herself.
- Departmental Liaison may be auditor for more than one department/fund.
- Employee's Department Head must approve the request for a card, assign the default account number, assign the Departmental Liaison for the Cardholder and submit information to the University Purchasing Card Coordinator.
- Department Head approval delegates transaction authority to the Cardholder.
- Bank of America to be paid once a month from prepaid expense account.
- Departmental bills will be distributed electronically to Department Liaisons on the purchasing Card System. Liaisons will have the capability to and will be responsible for overriding default account number, identifying transactions subject to use tax, and approving bill.
- Departments will be responsible to assure credit card charges are accurate on the monthly accounting reports.

PARTIES INVOLVED

Agency - Winthrop University who arranges with the card issuer, Bank of America, for the issuance of Purchasing Cards to approved University employees and agrees to accept departmental liability for the employees' use of the cards.

Cardholder - an employee of the University who is approved by his/her department head to use the Purchasing Card to execute purchase transactions on behalf of the University.

Card Issuer - Bank of America's services were contracted for by the State of South Carolina, to issue Visa Purchasing Cards to University employees, to bill the University for all purchases made on the cards, and to collect payment from the University on behalf of the vendors.

Department Head - University official who must approve employee's request for a Purchasing Card, assign Departmental Liaison, designate default account number for purchases on the Purchasing Card, and submit application to the University Purchasing Card Coordinator. Department Head approval delegates transaction authority to the Cardholder.

Departmental Liaison - an employee in each department responsible for proper use of the Purchasing Card within that department. Each Cardholder will be assigned a Departmental Liaison and the liaison will be responsible for reviewing transactions of individual Cardholders to make sure the transactions are classified as an appropriate University expense.

Purchasing Card Coordinator - the central coordinator located in Procurement Services who coordinates the Purchasing Card program for the University and acts as the University's intermediary in correspondence with the card issuer.

Vendor - the merchant from whom a Cardholder is making a purchase.

CARDHOLDER RESPONSIBILITIES

The Cardholder must only use the Purchasing Card for legitimate business purposes. The Purchasing Card may not be used for entertainment, cash, and other categories as included in the Blocked Vendor list included in these policies and procedures. Misuse of the card will subject Cardholder to disciplinary action in accordance with University Policies and Procedures relating to disciplinary action and termination for cause. The Cardholder must:

- Ensure the Purchasing Card is used only for legitimate business purposes.
- Maintain the Purchasing Card in a secure location at all times.
- Not allow other individuals to use the Purchasing Card.
- Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction does not exceed limit established on card unless authorized by the appropriate University procurement official.
- **The Purchasing Card may NOT be used to reserve or pay for hotel accommodations that pertain to employee travel.**
- The Purchasing Card may NOT be used to purchase computers, including laptops and tablets
- Card may not be used to initiate cell phone plans, changes, or upgrades without authorization from the University's cell phone liaison.
- **Card may not be used to purchase gift cards, stored value cards, calling cards, pre-paid cards, or similar products.**
- Obtain all sales slips, register receipts, and/or Purchasing Card slips (with appropriate justification documented on the receipt) and provide same to Departmental Liaison for reconciliation, approval and allocation of transactions.
- Incorporate the [Sustainable Procurement Policy](#) into buying decisions where possible
If receipt has been lost and a duplicate cannot be obtained, it is the cardholder's responsibility to document the purchase via a "missing receipt form" and cardholder's supervisor must sign. Use of this "missing receipt form" more than three times in one fiscal year will result in suspension of card privileges.
- Notify Departmental Liaison if the default account number should be changed on an individual transaction.
- Attempt to resolve disputes or billing errors directly with the vendor and notify Bank of America if the dispute or billing error is not satisfactorily resolved.
- Ensure that an appropriate credit for the reported disputed item(s) or billing error appears on a subsequent Cardholder Memo Statement.
- Verify charges on the monthly VISA statement, sign, forward VISA statement to immediate supervisor for review and signature, and provide same to liaison.
- Not accept cash in lieu of a credit to the Purchasing Card account
- Immediately report a lost or stolen card to Bank of America at 1-888-449-2273 (24 hours a day, 365 days a year).
- Immediately notify Departmental Liaison and/or University Purchasing Card Coordinator of a lost or stolen Purchasing Card at the first opportunity during business hours.
- Return the Purchasing Card to Departmental Liaison upon terminating employment with the University or transferring Departments within the University.

DEPARTMENTAL LIAISON RESPONSIBILITIES

Each Department Head must designate one or more Departmental Liaisons for his/her department. The Department Head will assign a Departmental Liaison for each Purchasing Card application approved for

his/her employees. A Departmental Liaison may also be liaison for his/her own card. The Departmental Liaison must receive training before any individuals in the department may receive a Purchasing Card. Responsibilities include:

- Collecting original copy of vendor receipts and original copy of purchasing card receipts from Cardholders and reconciling to Bank of America billing statements.
- Retaining all charge slips and receipts for audit by internal and external auditors.
- Notating missing receipts for audit purposes
- Approving and/or updating default account number on Purchasing Card System of individual Cardholder account in advance of the monthly default cut-off date for approvals established by the University Purchasing Card Coordinator.
- Identifying transactions which require the submission of use tax to the South Carolina Department of Revenue.
- Attempting to resolve any disputes with vendor and/or Bank of America not resolved by Cardholder.
- Notifying University Purchasing Card Coordinator in 3 to 5 days of any unresolved disputes, noting the reason for dispute.
- Requesting the University Purchasing Card Coordinator to change default account for individual cards as needed and approved by Department Head.
- Notifying University Purchasing Card Coordinator of lost or stolen cards.
- Requesting University Purchasing Card Coordinator to cancel a Cardholder's card e.g.(terminated employees, transferring departments, loss of purchasing card privileges) as approved by Department Head.
- Collecting canceled cards from Cardholders and forwarding to University Purchasing Card Coordinator.

UNIVERSITY PURCHASING CARD COORDINATOR RESPONSIBILITIES

The Director of Procurement Services will designate a Purchasing Card Administrator, who is responsible for the over-all Purchasing Card program. Responsibilities include:

- University liaison with Bank of America.
- Reviewing Department approved applications for completeness of required information.
- Submitting completed application to Bank of America and receiving Purchasing Card from Bank of America.
- Training Departmental Liaisons before releasing Purchasing Cards.
- Training Cardholder before releasing Purchasing Card.
- Having Cardholder sign Cardholder agreement, signifying agreement with the terms of the Purchasing Card program.
- Handling disputed charges/discrepancies not resolved by Cardholder or Departmental Liaison.
- Initiating change of Purchasing Card default account number upon request of Department Liaison as approved by Department Head.
- Securing revoked Purchasing Cards and submitting information to Bank of America.
- Receiving Bank of America bill and electronically distributing to Departmental Liaisons.
- Electronically notifying Departmental Liaisons of Bank of America billing distribution and advising Liaison of cut-off date for approvals.
- Processing upload of bill to accounting for charging individual departments.
- Reviewing usage of Purchasing Card data for appropriateness.

CARDHOLDER ELIGIBILITY

Criteria to receive a University Purchasing Card is as follows:

- Applicant must be an employee of the University.
- Applicant's request for a Purchasing Card must be approved by his/her Department Head.
- Applicant must be assigned a Departmental Liaison selected by his/her Department Head.

Employee must attend a training session before he/she may be issued a Purchasing Card.

- Each individual Cardholder must sign a Cardholder agreement in the presence of the University Purchasing Card Coordinator.

CARDHOLDER LIABILITY

The Purchasing Card is a corporate charge card which will not affect the Cardholder's personal credit, however, it is the Cardholder's responsibility to ensure that the card is used within stated guidelines of the Purchasing Card Cardholder Manual as well as University Policies and Procedures relating to the expenditure of University funds. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination.

CARD TERMINATION

The University Purchasing Card Coordinator is required to close an account if a Cardholder: (a) transfers to a different University department, (b) moves to a new job in which a Purchasing Card is not required; (c) terminates University employment or (d) for any of the following reasons which will also subject Cardholder to disciplinary action in accordance with University Policies and Procedures relating to disciplinary action and termination for cause.

- The Purchasing Card is used for personal or unauthorized purposes.
- The Purchasing Card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to the University.
- **The Purchasing Card is used to reserve or pay for hotel accommodations that pertain to employee travel.**
- The Cardholder allows the card to be used by another individual.
- **The Cardholder splits a purchase to circumvent the limitations of the South Carolina Consolidated Procurement Code.**
- The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the South Carolina Consolidated Procurement Code.
- The Cardholder fails to provide Departmental Liaison with required receipts.
- The Cardholder fails to provide, when requested, information about any specific purchase.
- The Cardholder does not adhere to all of the Purchasing Card policies and procedures.

LOST, MISPLACED OR STOLEN PURCHASING CARDS

Cardholders are required to immediately report any lost or stolen Purchasing Card to Bank of America toll-free at 1-888-449-2273 (24 hours a day, 365 days a year). The Cardholder must also immediately notify his/her Department Liaison and/or the University Purchasing Card Coordinator about the lost or stolen card at the first opportunity during normal business hours.

SPENDING CONTROLS

The Purchasing Card is to be used only for the purchase of supplies. Winthrop University's spending parameters for each Visa purchasing card issued is set at \$1,500 to \$2,500 per transaction with a maximum of \$10,000 per month per card. Some individuals are only authorized to spend \$500.00 per transaction with a maximum of \$10,000 per month per card. The University, through Procurement Services, will adjust limits as determined by demonstrated need.

ERRONEOUS DECLINES

Should the Purchasing Card be erroneously declined by a vendor, the Cardholder should immediately contact the University Purchasing Card Coordinator for assistance. If purchase is being made outside of normal University business hours, the employee must find an alternate payment method or terminate the purchase and contact the University Purchasing Card Coordinator during normal University hours.

EMERGENCY TRANSACTIONS

Emergency transactions over \$2,500 may not be handled with the Purchasing Card due to State

procurement regulations. For any transaction which does not meet the spending controls assigned to the card, the Cardholder must contact Procurement Services for assistance.

CREDITS

Vendors will issue all credits to the individual Purchasing Card account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. Under no circumstances should a Cardholder accept cash in lieu of a credit to the Purchasing Card account.

UNRESOLVED DISPUTES AND BILLING ERRORS

The Cardholder is responsible for contacting the vendor to resolve any disputed charges or billing errors. If the matter is not resolved with the vendor, the Cardholder/Departmental Liaison should

- Contact Bank of America at 1-888-449-2273 directly for assistance.
- Mail or fax to Bank of America at 1-602-597-2980 a signed "Dispute Form" to document the reason for the dispute if form is requested by Bank of America.
- Contact the University Purchasing Card Coordinator for assistance if an acceptable resolution is not obtained.
- The total amount billed by Bank of America will be charged to the individual departmental accounts and credits for disputed transactions will be posted to departmental accounts when the credit appears on the Bank of America billing.

SECURITY AND STORAGE

Purchasing Cards

Cardholders should always treat the University Purchasing Card with at least the same level of care as one does their own personal credit cards. The card should be maintained in a secure location and the card account number should be carefully guarded. The only person entitled to use the card is the person whose name appears on the face of the card. The card may not be lent to another person for any reason.

Program Documentation

The Departmental Liaison assigned to each Purchasing Card will maintain the Cardholder's original copies of vendor receipts/packing slips/charge slips and cardholder's billing statement. All other documentation concerning the Purchasing Card program will be maintained by the University Purchasing Card Coordinator located in Procurement Services. This documentation includes, but is not limited to, applications, Cardholder agreements, agency billing statements, reconciliation of accounting statements, and copies of transmittals and correspondence with Bank of America.

VENDOR SET UP

Procurement Services will conduct a study of frequently used vendors for purchases under \$2,500 which qualify for use of the Purchasing Card by Cardholders. If a vendor frequently used by University employees does not accept the Visa card, the University will assist in recruiting the vendor to take the necessary steps to begin acceptance of the card and provide this information to Bank of America. Cardholders should contact the Departmental Liaison or University Purchasing Card Coordinator when encountering vendors who do not accept the card.

VENDOR BLOCKING

The University has adopted the State of South Carolina Blocked Vendor List with adjustments. Transactions will be blocked at the point-of-sale level at these vendor types.

PURCHASING CARD SET UP AND CLOSURE

All contact with Bank of America for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by the University Purchasing Card Coordinator who is located in Procurement Services.

Card Set Up

- University employee completes a University Purchasing Card application and submits to his/her Department Head for completion and approval.
- Department Head completes the application by providing the name of the Departmental Liaison and default account number to be assigned to the card.
- Department Head signature approval delegates transaction authority to the Cardholder.
- Approved application is to be sent to the University Purchasing Card Coordinator.
- University Purchasing Card Coordinator reviews application for completeness and submits application to Bank of America in format approved by Bank of America.
- Upon receipt of the Purchasing Card from Bank of America, the University Purchasing Card Coordinator will conduct a training session with the Cardholder prior to issuing the card.
- Cardholder signs Cardholder Agreement signifying agreement with the terms of the Purchasing Card program. Card Maintenance

Closure

- **Lost or Stolen Cards**

Cardholder must immediately report the lost/stolen card to Bank of America at 1-888-449-2273. Cardholder must also notify the University Purchasing Card Coordinator who will follow up with Bank of America.

- **Terminated or Transferred Employees**

Departmental Liaison is to secure Purchasing Cards from terminated employees and employees who transfer to another University department. The Departmental Liaison will immediately notify the University Purchasing Card Coordinator by phone of the termination or transfer. A request for closing the Cardholder account will be submitted to Bank of America by the University Purchasing Card Coordinator within 2 days of receiving the notification . All Purchasing Cards are to be returned to the University Purchasing Card Coordinator for disposal.

- **Other Card Revokes/Closures**

University Purchasing Card Coordinator will notify Bank of America immediately of all revokes and closures.

RECONCILIATION, APPROVAL & ALLOCATION OF BILLING

Receipt and Payment of Bank of America Billing

Bank of America will electronically bill the University within seven (7) days after the close of the billing cycle on the 27th of each month.

Allocation of Purchasing Card Charges to University Departments

A default University budget information has been assigned to each Purchasing Card issued. Bank of America will submit monthly an electronic billing statement to the University and all Purchasing Card transactions will be charged to the default budget number unless adjustments are made as follows:

- Designated Departmental Liaisons review and confirm purchases via BankofAmerica's WORKS System. Liaisons are notified automatically via email by WORKS when there is a task to perform..
- Departmental Liaisons will change default account number, if necessary.

Departmental Liaisons will identify transactions requiring payment of use tax.

- Departmental Liaisons will approve electronic bill in advance of the monthly default cut-off date for approvals established by the University Purchasing Card Coordinator.
- Departmental Liaisons will assemble and retain Cardholders statements, charge slips and receipts for audit by internal and external auditors. Receipts for purchases made from Federal funds must be maintained for 7 years and all other receipts for 3 years.
- University Purchasing Card Coordinator will process upload of the departmental charges to accounting for charging individual departments.
- The total amount billed by Bank of America will be charged to the individual departmental accounts and credits for disputed transactions will be posted to departmental accounts when credit appears on the Bank of America billing.

VERIFICATION

Winthrop University's internal control policies and procedures are as follows:

Cardholder will:

- Submit vendor receipt/packing slip and charge slip to Department Liaison. If order is by telephone/fax, the Cardholder should supply a copy of the order blank or a description of order to Departmental Liaison.
- Indicate alternate account number for purchases to be charged if different than the default account number assigned to the Purchasing Card.

Department Liaison will:

- Match Cardholder receipts to electronic billing.
- Enter alternate account number, when applicable.
- Identify transactions requiring the payment of use tax.
- Approve charges to department fund in advance of the monthly default cut-off date for approvals established by the University Purchasing Card Coordinator.
- Retain all receipts and vouchers for audit by internal and external auditors. Receipts for purchases paid from Federal funds are to be maintained for 7 years. All other receipts to be maintained for 3 years.

University Purchasing Card Coordinator will:

- Establish and notify Departmental Liaisons of monthly cut-off date for approvals.
- Make periodic audits of card use and charges for appropriateness through the use of the Purchasing Card System. Areas to be monitored include, but not limited to, compliance with SC Consolidated Procurement Code, compliance with Purchasing Card regulations, compliance with University regulations, and sales and use tax charges. Non-use of card by cardholders will also be monitored.