

PURCHASING CARD DOCUMENT

Subject: IUP Purchasing Card Program Document
(See IUP Purchasing Card Program Procedural Guidelines for detailed procedures. This document and all other Purchasing Card documents and forms are located at www.iup.edu/purchasingcard.)

Date: February 22, 2019

Distribution Code:

Reference Number:

1. PURPOSE:

IUP's Purchasing Card Program is designed to improve efficiency in the Processing of high volume, low dollar purchases. This document defines the limits and acceptable uses of the IUP Purchasing Card.

2. SCOPE:

The Purchasing Card Program will reduce the use of departmental purchase requisitions and purchase orders in procuring appropriate items with a cost of \$1,000 or less. Eligible products costing less than \$500 must be purchased using the Purchasing Card Program. The Purchasing Card Program will eliminate the need for petty cash accounts held by departments. This card program is for **OFFICIAL UNIVERSITY PURCHASES ONLY**.

3. OBJECTIVE:

The Purchasing Card Program will reduce paperwork and provide an additional avenue for procuring high volume, low dollar items. Cardholders will gain the ability to initiate transactions by telephone, fax, or Internet, within the limits of this document. Payments to vendors will be made via the Mastercard credit card system. Accounts Payable will make all payments to the issuing Mastercard bank.

4. PURCHASING CARD PROCEDURAL HIGHLIGHTS:

The Purchasing Card shall be used by University employees who have attended purchasing card training, received a copy of the University's Purchasing Card Procedural Guidelines, and have signed a Cardholder Agreement acknowledging receipt of the above and the willingness to comply with all provisions therein.

- A. The Card Administrator shall provide training sessions and documents to employees in order to fulfill the above mandatory requirements.

- B. Financial Managers may authorize issuance of a card to employees. In doing so, the Financial Manager accepts **full responsibility** for all uses of the Purchasing Card by the employee.
- C. Use of the Purchasing Card shall be limited to the following conditions:
1. Effective October 2006, the total cost of a single purchase transaction shall not exceed a Cardholder's single purchase limit. The single purchase limit will be \$1,000 or less, within budget availability.
 2. Payment for a purchase shall not be split into multiple transactions to stay within the single purchase limit.
 3. Total monthly purchase transactions shall not exceed the Cardholder's monthly purchase limit of \$7,500, within budget availability.
- D. The Purchasing Card **shall not be used** to purchase any item prohibited by law, policy, or regulation as referenced in the Purchasing Guidelines or as specified below:
1. Use of the card is for official university business only. The card is not to be used for personal purposes. **(Strictly Prohibited)**
 2. The card may not be used to purchase personal items with the intention of reimbursing the University after the purchase. **(Strictly Prohibited)**
 3. The card may not be used to purchase any of the following specific items:
 - Meals, travel, hotel or entertainment
 - Food
 - Cash advances
 - Gifts or gift certificates
 - Licensed software
 - Telephone calls/monthly service
 - Annual contract maintenance
 - Contractual services
 - Construction and renovation
 - Engraving Services
 - Copying or printing
 - Public advertising
 - Live animals
 - Nuclear materials
 - Alcohol, tobacco products, or controlled substances
 - Weapons or ammunition

Computer equipment (any \$ amount), including but not limited to computers, laptops, iPads, tablets and printers that have the capacity of retaining data and will require an ECCN tag because they are Export Control items. These items must be purchased through Procurement and must be delivered directly to Shipping and Receiving.

5. DEFINITIONS:

Financial Manager: Employee authorized to initiate or approve expenditures out of a specific SAP Cost Center or WBS.

Monthly Purchase Limit: A dollar amount limitation of all Purchasing Card transactions of a designated cardholder within the same transaction month (cycle).

Purchasing Card: University Mastercard to be used for official university business purchases of eligible items.

Purchasing Card Administrator: The person responsible for management of the program, including approval or coordination of approval of all policies, procedures, and requests for card issuance.

Purchasing Cardholder: Employee who has been issued a Purchasing Card and who is authorized to make purchases in accordance with these procedures.

Single Purchase Limit: A dollar amount limitation on a single purchasing transaction.

Vendor: A merchant from which a cardholder is purchasing goods under the provisions of this program.

6. RESPONSIBILITIES:

A. The Cardholder is responsible for:

1. Complying with all purchase limits as outlined in Sections 4C and 4D of this document.
2. Complying with IUP Purchasing Card Procedures.
3. Complying with timeframes for submission of purchase supporting data and requests for documentation as established by the Purchasing Card Administrator.
4. Ensuring purchase costs are reasonable.
5. Making official University business purchases only.
6. Informing vendors of the University's tax-exempt status.
7. Retaining itemized receipts for all card purchases to be submitted as documentation with monthly statement.
8. Verifying that all purchases listed on statement are accurate.
9. Resolving erroneous charges with vendor or Purchasing Card company.

10. Completing monthly expense report and identifying SAP cost center or WBS to be charged for each item purchased.
11. Safeguarding his/her Purchasing Card.
12. Reporting lost/stolen Purchasing Card immediately according to Purchasing Card Procedures.
13. Reviewing and authorizing charges against his/her Purchasing Card.
14. Returning the Purchasing Card upon termination of employment with the University.

7. PROCEDURES:

Refer to the IUP Purchasing Card Guidelines and Procedures Document