

IUP PURCHASING CARD PROGRAM PROCEDURAL GUIDELINES

Updated June, 2016

1. Obtaining a Purchasing Card
2. Making Purchases
3. Returning Purchases
4. Cardholder Record Keeping and Monthly Reporting Requirements
5. Disputing Erroneous Charges
6. Lost/Stolen Purchasing Cards
7. Cardholder Separation, Transfer or Termination
8. Important Dates and Contacts
9. Attachments

Please note that effective 2/9/09, all requests for purchases less than \$300 that were previously handled by Procurement Services will be replaced by an IUP Purchasing Card for purchases permissible under the purchasing card policy. Employees that currently do not have purchasing cards will need to request one through Financial Operations. Please note that the cards are issued to the individuals initiating the purchases, and are not issued to departments.

Please note that effective 1/3/11, the minimum dollar amount for purchases being handled by Procurement Services has been changed from \$300 to \$500. Therefore, most purchases for materials/merchandise which would normally be ordered on one requisition totaling \$500 or less must be made using an IUP Purchasing Card. Please refer to Rick White's 12/8/10 campus-wide email.

1) OBTAINING A PURCHASING CARD

Financial Managers may request that a card be issued in the name of an employee by submitting a completed Cardholder Enrollment/Change Form (ATTACHMENT A also, available at www.iup.edu/purchasingcard) to the IUP Purchasing Card Administrator, B31 Clark Hall.

The Financial Manager accepts **full responsibility** for all actions/uses of the Purchasing Card by the employee.

The IUP Purchasing Card Administrator will review the request for enrollment and approve, or request additional information as necessary.

All cards will be received from the issuing bank and inspected by the IUP Purchasing Card Administrator.

Cardholders will be contacted by the Purchasing Card Administrator to arrange training.

During the training session, the Cardholder will be issued a copy of the IUP Purchasing Card Policy and the IUP Procedural Guidelines. The cardholder will be required to sign a Cardholder Agreement (Attachment B, also available at www.iup.edu/purchasingcard) and will be issued their IUP Purchasing Card.

2) MAKING PURCHASES

Ensure purchase costs are reasonable. Protect public funds as if they were your own.

Make official University business purchases only, avoid prohibited purchases.

Once a vendor is selected, confirms the goods are available, meets specification and delivery requirements, etc., you should do the following:

1. Confirm that the vendor agrees to accept MasterCard.
2. Inform the vendor of the University's tax-exemption from Pennsylvania State sales tax. IUP's tax-exempt number will be printed on each Purchasing Card as follows:

PA TAX EXEMPT 25-1470695

Cardholders must review receipts for each purchase to ensure that Pennsylvania State sales tax has not been assessed. If sales tax has been assessed on a purchase, the Cardholder must contact the vendor to obtain credit.

3. Provide the vendor with your correct shipping address. **DO NOT DIRECT SHIPMENTS TO THE IUP CENTRAL STORES AREA.** All purchases

must be sent directly to the cardholder ordering the merchandise to ensure the necessary record keeping documents are received.

NOTE: *Cardholders should make prudent selection of shipping options. The cost of shipping heavier packages and/or routine packages via Federal Express or UPS overnight or 2-day express can be very expensive. Such priority handling or expediting of shipments should only be utilized when absolutely necessary. As with all expenditures of public funds, prudence must be demonstrated and expenses justified.*

4. Instruct the vendor to include all receipts with the merchandise when shipped.

3) RETURNING PURCHASES

Cardholders are responsible for return of purchases. All returns must be credited to the Cardholder's account. **Cash refunds are strictly prohibited.**

4) CARDHOLDER RECORD KEEPING AND MONTHLY REPORTING

When a Purchasing Card purchase is made, documentation shall be retained as proof of the purchase. The documentation will be used to verify the purchases listed on the Cardholder's monthly statement of account.

The Cardholder shall retain the invoice and "customer copy" of all receipts and packing slips. The Cardholder is responsible to check that the vendor lists the quantity, fully describes the item(s), and has EXCLUDED sales tax. The transaction's details shall also be entered on the cardholders' "Purchasing Card Transaction Log" (Attachment C, also available at www.iup.edu/purchasingcard.) If there is an error or dispute, refer to the Disputing Erroneous Charges section of this document.

Note: *Any documents containing your Purchasing Card number should be kept in a secure location to prevent unauthorized purchases. The number from your card, as well as the card itself and any documents related to card transactions must be kept secure at all times. Do not leave files, logs, receipts, carbons, delivery tickets, statements or other card records in unsecure locations.*

Each Cardholder must review and reconcile their transactions on-line within three (3) business days after the cycle ends.

The billing cycle cutoff date is the 27th calendar day of the month. Information is downloaded by the Director of Accounts Payable for review and reconciliation with the Visa settlement system invoice. Expenditures for all transactions will be posted to the appropriate SAP cost center at this time.

The Cardholder must send the following documentation to the Director of Accounts Payable by the close of business on the 8th business day following the billing cycle cutoff date:

1. Completed Transaction Log (Attachment C, also available at www.iup.edu/purchasingcard)
2. Printed copy of their Cardholder Statement of Account Report
3. Original Receipts and Shipping Documents attached to the Cardholder Statement in the order the transactions appear on the statement.
4. Documentation of Returns or Credits or any other correspondence

Should the Cardholder be unable to locate a receipt, she/he must complete and include the IUP Purchasing Card Missing Receipt Form. (Attachment D, also available at www.iup.edu/purchasingcard). A separate form must be completed for **each** missing receipt.

Note: Failure to comply with the specified timeline for review and submission of purchasing card documentation will be considered a violation of the cardholder privileges and the card may be revoked.

5) DISPUTING ERRONEOUS CHARGES

Cardholders must notify the vendor to resolve any erroneous charges that appear on the Purchasing Card Monthly Statement.

Cardholders must notify their Financial Manager of erroneous charge issues, and the Financial Manager will assist in resolving the disputed charges if necessary.

If the problem cannot be worked out with the vendor, Bank of America is utilized to dispute the charge.

6) LOST/ STOLEN PURCHASING CARDS

Cardholders are responsible to safeguard their Purchasing Card, passwords, and account numbers. A Cardholder must not allow others to use his/her account number. **A violation of this policy will result in the Cardholder having his/her card withdrawn and disciplinary action may be taken.**

If a Purchasing Card is lost, misplaced, stolen or damaged, the Cardholder must immediately notify Bank of America's Cardholder Support Team at 1-888-449-2273. Service representatives are available 24 hours a day for assistance.

The Cardholder must also immediately notify the IUP Purchasing Card Administrator, so that a new card may be issued and documents updated.

A card that is subsequently found by the Cardholder after being reported lost or stolen must be destroyed.

7) CARDHOLDER SEPARATION, TRANSFER, OR TERMINATION

Prior to separation, transfer or termination from University employment, the Cardholder must surrender the purchasing card and current transaction log with receipts to the Card Administrator.

8) IMPORTANT DATES AND CONTACTS

| | |
|--|-------------------------------|
| Billing Cycle Cutoff Date | 27 th calendar day |
| Review of Expenditures and Printing of Statement | 3 business days after cycle |
| Expense Reports due to Card Administrator | 8 business days after cycle |

IUP Purchasing Card Administrator:

Lora Lee Bertig
B31 Clark Hall
Indiana, PA 15705

Telephone: 724-357-7701

Fax: 724-357-3026

Email: llbertig@iup.edu

IUP Purchasing Department: 724-357-3077

IUP Accounts Payable: 724-357-6242

Bank of America 1-888-449-2273

9) ATTACHMENTS

| | |
|--------------|--------------------------------------|
| Attachment A | Cardholder Enrollment/Change Form |
| Attachment B | Purchasing Card Cardholder Agreement |
| Attachment C | Purchasing Card Transaction Log |
| Attachment D | Purchasing Card Missing Receipt Form |