

MANSFIELD UNIVERSITY PURCHASING CARD POLICIES AND PROCEDURES GUIDE FOR CARDHOLDERS

Updated July, 2015

A. General Overview

Mansfield University's Purchasing Card is an internationally accepted Mastercard credit card issued to authorized University personnel to be used only for business purposes. The purchasing card is primarily designed for small dollar purchases of **supplies and merchandise only**. The card may not be used for personal purposes or for payment of contracted services.

The benefits of the Purchasing Card program include:

1. The Purchasing Card Program is designed to streamline the procurement process. Use of the Card by department heads, departmental secretaries, and other authorized users expedites and simplifies the purchase of goods and supplies and allows department's greater flexibility in procuring needed items.
2. Use of the Card improves efficiency and reduces costs involved in small dollar purchases eliminating the need to enter and process requisitions, purchase orders or direct payment forms. The University receives one monthly invoice for all Purchasing Card charges eliminating processing of individual invoices and vendor checks.

B. Issuance of Purchasing Cards

1. The purchasing card program is administered by the Purchasing Department which coordinates issuance, maintenance, and cancellation of cards with the University's processor, Bank of America. Mastercard cards are provided with the MU logo and are issued in the name of an individual department.
2. Purchasing cards are assigned a per transaction dollar limit, typically \$500 with higher levels for certain operations as deemed appropriate. Monthly dollar limits are also established, typically \$1,000 with higher levels as deemed appropriate.
3. Purchasing Cards are issued to department heads, who may further delegate use of the card to departmental secretaries or other selected individuals in their areas. Cards may be issued to other selected individuals if authorized by a department head.
4. Cards may be requested by completing the *Purchasing Card Enrollment Form*. Cards will be issued to new cardholders only after they have received appropriate instructions and have signed a *Purchasing Card Agreement Form*. Forms can be found on the Purchasing home page.
5. **DO NOT SIGN THE BACK OF THE CREDIT CARDS.**

C. **Cardholder Liability/Responsibility**

1. Department heads are responsible for any Purchasing Cards issued to their department. They may delegate use of the card to departmental secretaries or other selected individuals within their department; however, the department head is ultimately responsible for ensuring all purchases are in compliance with the Purchasing Card Policy. The department head is also responsible for all charges against the card.
2. Department heads and other designated cardholders are responsible for the proper use and safeguarding of cards issued to them. Cardholders must maintain accurate records of all Purchasing Card transactions, and promptly report any lost or stolen. All purchases made with the card must be within established budgets *and comply with PASSHE Expenditure of Public Funds Policy and MU Supplemental Policy – Expenditure of Public Funds*; these policies can be found on the Controller's home page. **Individuals will be personally liable for any unauthorized charges.**
3. A cardholder who makes unauthorized purchases or carelessly uses the credit card may be liable for the total dollar amount of such unauthorized purchases. **The cardholder will lose purchasing card privileges and may be subject to university disciplinary action.**

D. **Use of the Purchasing Card**

1. Authorized cardholders may make purchases in person, by phone, mail, or electronically. Any ordered items must be shipped directly to the department.
2. Purchases should be made from reputable merchants only. Back orders should be avoided. Merchants should be asked for the total charge including any shipping and handling.
3. When making purchases, cardholders must inform merchants of the University tax-exempt status and supply a copy of the *Tax Exemption Certificate (available from Accounts Payable)*. If sales tax is assessed, the cardholder is responsible for contacting the vendor for a credit.
4. Departments with multiple cards cannot split transactions among multiple cards to circumvent credit card limits. The Purchasing Card should only be used for the particular unit within the department that it was issued to.
5. The Purchasing Office has issued a Purchasing Card to the Human Resources department to be used for the search process. The credit card is used for search related expenses such as advertising. The Purchasing Office has issued a Travel Card to the Human Resources department to be used for **candidate** airfare and lodging and meals.
6. In case of an emergency the Purchasing Department Card may be used to facilitate purchases of goods or services; the use is limited to emergencies, and urgent needs.

There are occasions when vendors will only accept credit card payments. In such cases, the department should contact the Purchasing Department to facilitate the transaction; approval must be requested and granted in advance.

7. Purchasing Cards may be used for:
 - Office, educational, and other operating supplies
 - Equipment, furniture, or furnishings up to \$1,000 (unless approval for higher limit granted)
 - Maintenance, grounds, and custodial supplies (Facilities Management)
 - Library books and materials (Library)

8. **Examples of items which may not be purchased with the Purchasing Card include:**
 - **Goods and Supplies in excess of cardholder transaction limits**
 - **Travel-Related Expenses such as hotel, transportation, gas, airline tickets and meals, which must be processed according to travel guidelines**
 - **Services of any type, such as consultants, honoraria, speakers, repair and maintenance services, etc. (due to contractual and 1099 vendor tax reporting requirements)**
 - **Cash Advances**
 - **Personal Items**
 - **gifts, greeting cards, prizes, flowers, alcohol**
 - **Subscriptions**
 - **Memberships**
 - **Conference Fees/Registrations (travel procedures apply)**
 - **Items that require bidding based on Commonwealth and/or University purchasing policies**
 - **Food and refreshments**
 - **Printers (exception may be granted to CT and Printing Services)**
 - **Computers, iPad, Laptops, etc. (exception may be given to the CT Dept.)**

9. Software cannot be purchased without the approval of the Campus Technologies Department.

10. Cardholders are not required to solicit competitive bids/quotes for low value purchases; however, they should seek the best value for the University and ensure the price paid is reasonable.

The Mansfield University Purchasing Card Program includes the ability to designate where spending is allowed by utilizing merchant category code blocking. If a department experiences a card decline from a vendor that provides eligible goods or supplies, cardholder should contact Jason Welch in the Purchasing Department at 4148.

E. Cardholders

1. A “cardholder” will be assigned to each Purchasing Card issued. The responsibilities of the cardholder include:
 - Ensuring only authorized personnel have access to the Purchasing Card.
STUDENTS ARE NOT AUTHORIZED USERS.
 - Ensuring receipts are turned in for all purchases made with the Purchasing Card. If the purchase is made via phone or electronically, a packing slip should be collected.
 - Reconciling transactions monthly
 - Submitting reconciled, allocated and supervisor approved statement to the Business Support Office, Room 200 Memorial Hall by the 12th of the next month. All original receipts must be attached to the report.

F. Monthly Statements

1. The Purchasing Department will review all monthly statements and contact departments for clarification if necessary and require written justification for all inappropriate purchases.
2. To assist the Business Support Office in verifying your monthly statements, we are requesting the following:
 - Have your receipts attached to your statement and log in the order they appear on the statement. **REMEMBER:** You must have a receipt for all purchases. If you are missing a receipt, a “**missing receipt form**” must be completed; forms can be found on the Account Payable site.
<http://www.mansfield.edu/controller/accounts-payable.cfm>
 - Have your statement with documentation attached and turned into the Business Support Office by the **12th of the month**. Also, have the online Works allocation completed by the 10th of the month. This will give the accounting staff the time needed to process the entry before funds are deducted from our bank account.
 - Auditors examine all purchases and records of the university. They may question any of the purchases made by you from a vendor. As a cardholder, you are required to provide additional justification in response to questions they may pose.

G. Return of Goods/Purchases

1. Cardholders are responsible for all returns of goods. Returns will be credited to the cardholder’s account. **Cash refunds are strictly prohibited.**

H. Dispute Resolution

1. If a cardholder does not agree with a charge posted on a monthly statement, he/she should attempt to resolve the problem with the vendor. If the vendor agrees that an error has been made, the vendor will issue a credit to the cardholder’s account. The cardholder should also notify the Purchasing Office immediately of disputed charges. Cardholders should keep copies of all documentation dealing with disputed items until they are resolved.

2. If a purchase is found to be defective or incorrect, the cardholder is responsible for obtaining replacement, correction, or credit as soon as possible. If a merchant refuses to replace or correct the goods, or to offer a credit, the purchase is considered to be in dispute and the Purchasing Department should be notified.

I. Lost or Stolen Cards

1. Report lost or stolen cards immediately to the Purchasing Department (570) 662-4148.
2. Cardholders will not be responsible for any charges after the card is reported lost or stolen.

J. Exceptions

The Purchasing Department must approve any exception to this Purchasing Card policy. A written justification/approval must be submitted to the Purchasing Department. Approved justifications should be forwarded to the Controller's Office with the monthly statement submission.