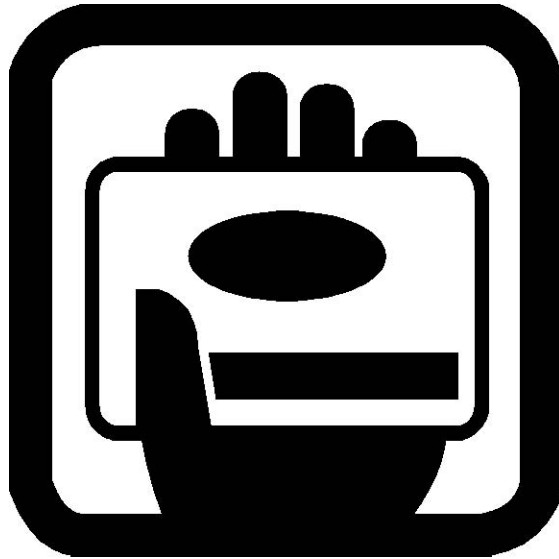


# SUL ROSS STATE UNIVERSITY PURCHASING CARD PROGRAM



# Purchasing Card Policy

The University's Purchasing Card can be utilized to procure goods and services under \$2,000. This program enables the user to make purchases directly from vendors without the issuance of a purchase order or check request. The program is not designed to replace the current purchasing process but is a supplement to that process and a delegation of purchasing authority and responsibility to the cardholder. Cardholders accept the responsibility of adhering to all State, Board of Regent and Sul Ross State University purchasing policies and procedures and the maintenance of required records. Cards will not be issued to any employee until the account manager and cardholder have received training provided by the Purchasing Department. Accounts will be encumbered based on estimated annual purchases.

## **Program Responsibilities**

The following positions have certain responsibilities regarding the University's purchasing card program.

- Program Administrator – The Director of Purchasing is assigned the responsibility of administering the overall program through designation as Program Administrator. The Administrator is responsible for approving credit limits within the established policy and enforcing University policies related to the program, as well as issuing cards and monitoring the use of those cards.
- Program Coordinator – Person who is responsible for maintaining documentation and periodic auditing of purchasing card activities. The Program Coordinator is the first level of contact for questions or problems regarding the program. The Senior Buyer in the Purchasing Department currently serves as Program Coordinator.
- Account Manager – Person who is responsible for designating cardholders for the accounts under their control and for approving monthly purchasing card statements of cardholders to ensure that they are within SRSU's policy. The Account Manager maintains all responsibility for the account and must insure that funds are not overexpended.
- Cardholder – Person designated by the Account Manager to utilize the purchasing card. The cardholder is responsible for adhering to all State, Board of Regents and Sul Ross State University purchasing policies and procedures, for maintaining required records, for verifying all transactions listed on their billing statement, and for maintaining the security of their individual purchasing card. All records including logs, individual statements, invoices and receipts must be maintained on University premises and should be filed in central departmental files after reconciliation. The cardholder is responsible for notification of lost cards and initiating the dispute process for a questionable charge.

## **Penalties**

Any abuse of the card, including but not limited to purchasing prohibited items, splitting orders to avoid purchasing rules, inadequate record keeping or not responding to billing inquiries promptly will result in disciplinary action. The card is to be used for SRSU official business only. Personal purchases, other than an error that is immediately corrected, will be considered misappropriation of state funds and may result in discharge, criminal charges, or both.

## **Card Use**

The card may be used for single purchases of less than \$2,000 and total purchases per month of less than \$5,000. Higher or lower limits per month may be requested. Only the authorized cardholder may use the card to make purchases, however, the cardholder may call in an order and allow others to pick it up. Permitted purchases are all allowable categories of purchases except those listed below:

- Purchases of furnishings, equipment, or software with a unit price of \$500 or more or a total price of \$1,000 or more, unless approved, in writing, by the appropriate vice president.
- Consulting, Personal or Professional Services
- Insurance
- Temporary Personnel
- Travel
- Hotel Rooms (or Reservations)
- Lease or Rental of Space
- Alcoholic Beverages
- Food and Entertainment (State Accounts)
- Flowers/Plants (State Accounts)
- Memberships
- Cash Disbursements
- Items for Personal Use
- Animals (Live)
- Controlled Items (guns, fax machines, stereo systems, cameras, TVs, VCRs, camcorders, laserdisc players, computers, printers, servers)
- Fuel
- Cell Phones
- Postage
- Chemicals or Hazardous Materials
- Moving Expenses
- Purchases with equipment trade-ins
- Time or Installment purchases.
- Gifts or stipends

## **Record Keeping**

The cardholder is responsible for maintaining a log of all credit card transactions. The log represents official support documentation for the expenditure of funds. The cardholder must retain all credit card slips, itemized invoices, sales receipts, packing slips or other information or correspondence related to the purchase and forward these to the account manager with the monthly reconciliation. All documents should be retained in departmental files for the current fiscal year plus the three previous fiscal years. The file retention period also applies to the purchasing card records of terminated employees.

## **Reconciliation**

The cardholder must reconcile the transaction log at the close of the billing period (no later than the 11<sup>th</sup> of the month). The transaction log is reconciled to transactions on the bank's website and forwarded, with related documentation, to the account manager responsible for the account on which the card is issued. The account manager must review the documentation and sign the reconciled log. The bank may also send a paper statement which can be filed with your

documentation.

### **Billing/Payment**

The Controller's Office will be billed monthly by the issuing bank for all charges made by SRSU cardholders. The Controller's Office will pay the summary billing in full and charge the account designated for each card.

### **Auditing**

All records pertaining to purchasing card use will be subject to post-payment audit by the Purchasing Department, Controller's Office, Internal Auditor's Office and State Auditor's office. Onsite audits will be performed periodically on the records of all cardholders. The objective of the audit is to determine compliance with the purchasing and record keeping requirements of this policy. A report of audit findings will be prepared at the conclusion of each audit and a copy submitted to the account manager and appropriate administrative officers.

### **Lost or Stolen Cards**

Cardholders must notify the issuing bank immediately if a card is lost or stolen. Bank representatives must be informed that the lost/stolen card is a purchasing card. Cardholders must also notify the account manager and Purchasing Card Coordinator or Administrator as soon as possible.

### **Card Cancellation**

When a cardholder transfers to another department or terminates employment, the account manager must notify the Purchasing Department so the purchasing card can be cancelled. The account manager must obtain the card from the cardholder, cut the card in two pieces and return it to the Purchasing Card Coordinator with a written request to cancel the card and a final reconciled transaction log no later than 2 weeks before the employee transfers or terminates employment. Noncompliance with State and University purchasing policies/procedures will also be grounds for cancellation of a cardholder's purchasing card.

**SUL ROSS STATE UNIVERSITY**  
**CARDHOLDER PURCHASING CARD AGREEMENT**

I hereby acknowledge receipt of a Sul Ross State University (SRSU) MasterCard Purchasing Card. As a cardholder, I agree to comply with the terms and conditions of this Agreement and the Purchasing Card policies and procedures.

I acknowledge that I have read and understand the terms and conditions of this Agreement and the Purchasing Card policies and procedures. I understand that SRSU is liable to Citibank and MasterCard for all SRSU charges.

I agree to use this card for SRSU approved purchases only and agree not to charge personal purchases. I understand that SRSU will audit the use of this card and report any discrepancies.

I further understand that improper use of this card may result in disciplinary action, which may include termination of employment. I agree to repay SRSU any amounts owed by me even if I am no longer employed by SRSU.

I understand that the card is the property of SRSU. I further understand that SRSU may terminate my right to use this card at any time for any reason. I agree to return the card to SRSU immediately upon request or upon termination of employment.

Cardholder: Master Card #: \_\_\_\_\_

Signature: Date: \_\_\_\_\_

Printed Name: Department: \_\_\_\_\_

Cardholder Signature: \_\_\_\_\_