Purchasing Card

Users’ Guide
GRU PURCHASING CARD PROGRAM

USERS’ GUIDE

PREFACE

By implementing the GRU Purchasing Card Program, Georgia Regents University is taking another step to provide departments more flexibility in making small dollar supply purchases and to significantly reduce the paperwork and processing time.

The State of Georgia has directed that all state agency purchasing card programs are modeled after their program. Thus, this User’s Guide sets forth guidelines consistent with the state’s program.

The Purchasing Card is the Institution’s primary tool for making small dollar supply purchases. Implemented in 1999, this program has proven effective and efficient in making purchases within delegated purchasing authority. We welcome your feedback to ensure that the program meets the campus’ needs.

Acceptance and use of the P-Card requires significant responsibility for the cardholder. Employees who use the P-Card are required to follow all Georgia Department of Administrative Services (DOAS) purchasing rules, regulations, and guidelines. Additionally, specific P-Card rules and guidelines are presented in this manual. Infractions, whether inadvertent or blatant, have serious consequences. Ensure that you have a full understanding of all purchasing card procedures and the consequences of violating those procedures before accepting the responsibility of the P-Card.
Table of Contents

Overview of the Purchasing Card (P-Card) Program  Page 6-8
  P-Card Overview
  What is the Purpose?
  Who Benefits
  P-Card Program Contacts
  Card Provider

How to Get a P-Card  Page 8-13
  Criminal Background/Credit Checks
  The P-Card Request Form
  P-Card Training
  Ethical Behavior Agreement
  Renewal Card Procedures

Using the P-Card  Page 13-17
  Decision to Buy
  Making the Purchase
  Transaction/Activity Log
  Shipping Information
  Federal Express (FEDEX)
  United Parcel Service (UPS)
  Sales & Use Tax
  Purchase Returns

Spending Controls  Page 17-18
  Cardholder Spending Limits
  Merchant Activity Type Limits (MCC)
  Cardholder Recertification

Cardholder, Reconciler, and Approver Responsibilities  Page 18-19
  Cardholder Responsibilities
  Reconciler Responsibilities
  Approver Responsibilities

Allowable Purchases  Page 20

Restricted Purchases  Page 20-23

Food Purchases  Page 23-24

Receipt Maintenance  Page 24-25
  Missing/Lost Receipts

Reconciliation Process  Page 25-26
  Activity Cycle
  Cardholder
  Reconciler
  Approver

Resolving Disputes with Vendors  Page 26
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-Card Security</td>
<td>27</td>
</tr>
<tr>
<td>Returning P-Cards</td>
<td>27</td>
</tr>
<tr>
<td>Leave of Absence</td>
<td>27</td>
</tr>
<tr>
<td>File Retention</td>
<td>27-28</td>
</tr>
<tr>
<td>Payment</td>
<td>28</td>
</tr>
<tr>
<td>Scanning of P-card Documents</td>
<td>28</td>
</tr>
<tr>
<td>Purchasing Review</td>
<td>28-29</td>
</tr>
<tr>
<td>The Five W's</td>
<td></td>
</tr>
<tr>
<td>Transaction (Desktop) Audits</td>
<td></td>
</tr>
<tr>
<td>Process (Field) Audits</td>
<td></td>
</tr>
<tr>
<td>P-Card Compliance</td>
<td>29-31</td>
</tr>
<tr>
<td>Minor Non Compliance Instances</td>
<td></td>
</tr>
<tr>
<td>Major Non Compliance Instances</td>
<td></td>
</tr>
</tbody>
</table>
Overview of the Purchasing Card Program

P-Card Overview

The State of Georgia Purchasing Card (P-Card) is a valuable tool for quickly and efficiently purchasing and paying for small value supply items.

What is the Purpose

Most goods and services that faculty and staff require for their daily duties are within the $5,000 purchase level. Such expenditures currently average only about $200. Given this fact, it makes sense that the Institution developed streamlined small order procedures. The process must include safeguards that enhance public trust. The GRU Purchasing Card Program accomplishes that goal while significantly reducing necessary paperwork and processing time.

To take advantage of this benefit requires that existing purchasing procedures continue to be followed and purchases are made from vendors that accept VISA. As with all purchases, sources available under existing State of Georgia and GRU contracts must be considered first; however, the use of the card is by no means restricted to these contracts. The restrictions are addressed in the “Restricted Purchases” section of this guide. Otherwise, cardholders are encouraged to use the P-Card for items appropriate to the legitimate needs within State, Institution, and Departmental guidelines.

THIS CARD IS NOT TO BE USED FOR PERSONAL PURCHASES OR AS PERSONAL IDENTIFICATION UNDER ANY CIRCUMSTANCES.

Who Benefits

Using the p-card benefits the cardholder and department in the following ways:

- It allows employees to obtain many goods and services faster and easier;
- It significantly reduces paperwork and processing time in the employee’s department, as well as in Accounts Payable and Purchasing;
- It provides cost savings through consolidated payment (one monthly payment to the Card Issuer, covering all p-card transactions versus individual vendor invoices).

Important benefits for vendors include:

- Receiving payment within three business days;
- Elimination of after-sale invoicing and collection activities;
- No additional applications or paperwork necessary if they are already VISA merchants.
Supply Chain Administration and P-Card Program Contacts

Clay Trover, PhD  
Director of Enterprise Supply Chain  
Georgia Regents University  
1225 Walton Way  
Augusta, GA 30901  
(706)721-4854

Gregory Woodlief, MPA, CPSM, CPPO, CPPB, CMRP, GCPA, GCPCA  
Senior Manager of Purchasing / University Procurement Officer  
Georgia Regents University  
1225 Walton Way  
Augusta, GA 30901  
(706)721-2213

Georgia Regents University Procurement Officer (APO)/College/University Procurement Officer (CUPO) The APO/CUPO serves as the official liaison between the University and the State Card Program Manager.

Krishna Nichols  
Purchasing Card Administrator  
Georgia Regents University  
1225 Walton Way  
Augusta, GA 30901  
(706)721-9441  
knichols@gru.edu

The Purchasing Card Administrator is responsible for the overall planning and management of the purchasing card program, to include assisting departments in determining how to use the p-card to fit their needs, planning and coordinating training, customer service, processing p-card request forms, changes in cardholder information (name, address, increase or decrease in card limits, etc.), disputed transactions and post-audit review.

The Purchasing Card Administrator is also responsible for the transaction (desktop) and process (field) audits, including planning and scheduling review of departmental internal controls and transaction detail. Also included are reviewing compliance issues with departments and making recommendations for improvement to include preparing draft compliance reports for the Director of Enterprise Supply Chain's review.

Card Provider

Bank of America is currently the vendor contracted by the State of Georgia to provide a VISA© purchasing card to state entities participating in the card
program. This card is the only purchasing card authorized for use by employees of any state agencies, the Board of Regents, colleges, universities, and technical schools. The contract was achieved as a result of a competitive purchasing bid conducted by the state with contract details available at: http://pur.doas.ga.gov/TGM/SWC_Contracts/SWC50755_1_Information_Sheet.pdf.

Cardholders are required to use the Works™ Payment Manager system provided by Bank of America for card administration and monthly billing statement reconciliation. Transactions, account information, and user comments entered into this system are visible to cardholders, approvers, P-Card administrative staff, and the Georgia Department of Administrative Services (DOAS) card auditors.

The cardholder must call Bank of America at 1-888-449-2273 immediately upon discovering that the card has been lost or stolen. Also e-mail GRU P-Card Administrator on the first available business day during normal business hours. All other p-card issues must be directed to the listed P-Card Program contacts.

How to Get a P-Card

Criminal Background/Credit Checks

Effective July 1, 2008, it is a requirement that the P-Card Office coordinate with Human Resources to ensure that a national criminal background check and a credit check have been completed for those individual(s) who are designated to have a p-card. In order to receive a P-Card the cardholder must be permanent, part-time or full time state employees whose job requires the use of a P-Card. Cards will not be issued to student employees, temporary workers or contractors.

New Cardholders (Employees):

Prior to the issuance of a new p-card all applicants are required to have both a national criminal background check and a credit check completed.

Each form must be submitted to Human Resources and include the original signature(s). The cardholder is responsible for ensuring that the paperwork is presented to Human Resources. Once cleared the P-Card office will submit the p-card request form to the bank. If the background check reveals any misdemeanors or felonies related to financial wrongdoing, theft or other act of dishonesty, the employee will not be eligible to receive a p-card.

Existing Cardholders (Employees):

Prior to the issuance of a renewal p-card, all existing cardholders are required to have both a national criminal background check and a credit check completed. Existing employees who transfer departments must also undergo both a national criminal background check and credit check unless these have already been completed by GRU Human Resources.

The completed form(s) must have an original signature and should be submitted...
to P-Card Administrator. The P-Card Administrator will forward them to Human Resources. Human Resources will notify the P-Card office when the check has been completed. The cardholder is responsible for ensuring that the paperwork is presented to the P-Card Administrator. If the criminal background check has not been completed prior to the card expiration date, the card will not be issued to the cardholder.

If the criminal background check reveals any misdemeanors or felonies related to financial wrongdoing, theft or other act of dishonesty, the cardholder’s privileges will be terminated immediately and notification will be sent to the State Cards Program Manager.

**The P-Card Request Form**

The P-Card Request Form must be approved by the department head, and submitted via fax, email, or campus mail to the P-Card Administrator.

**New Cardholders:**

New cardholders are required to complete the P-Card Request Form and submit it to the P-Card Administrator. The request form includes the following:

**Employee Information:**
When filling out the request form the following items are required:

- The date the form was submitted
- The cardholder's complete department name
- The name of the cardholder
  
  *(Official name as it appears in the GRU PeopleSoft System)*
- The cardholder's employee ID#
- The cardholder's building code and room number
- The cardholder's work extension
- The cardholder's email address
- The cardholder's signature

**Department (approval) Information:**
The request form also requires that the following departmental information be completed:

**Default Account**

Each card issued will be assigned a program code number (PC#) and/or default Chart Field Combination (CFC) which is identified by the Department Administrator on the P-Card Request Form. This is the PeopleSoft account string (CFC) that will automatically apply to every p-card transaction unless changed during the reconciliation process. (DEFAULT CFC’s cannot be
sponsored CFC’s **EXCEPT** PPG, incentive or residual accounts) Any CFC additions, deletions, or changes must be submitted via email to the P-Card Administrator **prior to the cycle cutoff.**

**Cardholder Monthly Limit**

The department Administrator is responsible for setting the cardholder’s monthly spending limit which should mirror the monthly budgetary limits for supplies within the department. **If the department Administrator sets a card limit above $25,000, a special approval form (SPD-PC003) will need to be completed.**

**Electronic Transaction Reconciler**

The reconciler can be the cardholder or their proxy who allocates charges to the appropriate PC#’s, account strings, and the account codes for each transaction in WORKS Payment Manager by posted deadlines. (Review, allocate and sign-off in WORKS)

**Electronic Approver**

The electronic approver is the individual – Chair, Director, or Department/Administrative Manager – that reviews the reconciliation documents and approval by review, allocate (if necessary) and sign-off within WORKS Payment Manager. The approver may delegate electronic approval authority to another individual; **BUT the appropriate hierarchal approver MUST manually review and sign-off on reconciliation documents.** To delegate electronic approval requires a memo or email addressed to the P-Card Administrator. **The cardholder and approver can never be the same.**

**Department Head/Manager**

The Department Head/Manager is the Chair, Director, or Department/Administrative Manager must sign the request form prior to submission to the P-Card Administrator.

**User/Approver/Reconciler Form:**

If the Chair, Director or Department/Administrative Manager requires employees to have access to Works Payment Manager the User/Approver/Reconciler Request Form will need to completed and submitted to the p-card office. The form includes the following information:

**Employee Information**

When filling out the request form the following items are required:

- The date the form was submitted
- The cardholder’s complete department name
- Official name as it appears in the GRU PeopleSoft System
- The cardholder’s building code and room number
- The cardholder’s work extension

Revised 12-15-2014
- The cardholder’s email address
- The cardholder’s signature

**Department (approval) Information**
The request form also requires that the following departmental information be completed:
- The name of the department
- The reconciler
- The approver
- The Department Head/Managers who is the Chair, Director or the
  Department/Administrative Manager
- The Department Head/Managers signature

**P-Card Training**

**Orientation Training**
All personnel with procurement responsibilities who wish to purchase small-value supply items with the State of Georgia Purchasing Card must complete orientation training before distribution of the p-card. The orientation training reviews the cardholder, reconciler, and approver responsibilities based on the state purchasing contract with the card provider. In addition other topics discussed include:
- The Purchasing Card Program purpose and benefits
- Purchasing resources
- Shipping and receiving requirements
- Federal Express & UPS requirements
- Spending controls
- The reconciliation process
- Reconciliation and Approver responsibilities
- P-Card Dos and Don’ts (Restrictions)
- P-Card Compliance

Orientation training is mandatory for first time cardholders, approvers and/or managers. If the cardholder does not attend training within 2 cycles (months) after the card has been ordered, we will assume they do not desire the card and it will be canceled and destroyed.

**Refresher Training**
Refresher training is designed for cardholders and approvers that are in need of
re-training. The refresher training reviews the cardholder, reconciler, and approver responsibilities based on the state purchasing contract with the card provider. In addition other topics discussed include:

- Purchasing resources
- Shipping and receiving requirements
- FedEx/UPS requirements
- Spending controls
- The reconciliation process
- Reconciliation and Approver responsibilities
- P-Card Dos and Don'ts (Restrictions)
- P-Card Compliance
- FedEx/UPS Documentation
- Timely Allocation

Renewal Cards/Renewal Training

Prior to the renewal date all existing cardholders are required to complete online renewal training. The renewal training reviews the cardholder, reconciler, and approver responsibilities based on the state purchasing contract with the card provider. In addition other topics discussed include:

- Purchasing resources
- Shipping and receiving requirements
- FedEx/UPS requirements
- Spending controls
- The reconciliation process
- Reconciliation and Approver responsibilities
- P-Card Dos and Don'ts (Restrictions)
- P-Card Compliance
- FedEx/UPS Documentation
- Timely Allocation

Once the renewal training is complete the renewal card will be available for pick up. The cardholder will be required to sign a new ethical behavior agreement.

Additional training is available for first time cardholders, approver and/or Manager's in WORKS Payment Manager.
Ethical Behavior Agreement

The ethical behavior agreement form outlines the terms and conditions for use of the p-card and must be signed by the cardholder before distribution of the p-card. By signing the form, the employee attests to:

- Receiving and understanding the procedures for use and protection of the card
- Understanding responsibilities in the reconciliation process and billing disputes
- Understanding and accepting consequences of non-compliance.

Renewal Card Procedures

The card issuer (Bank of America) will automatically issue a renewal card upon expiration of the old card. All renewal cards are sent to the P-Card Office. Cardholders will be notified by email of the renewal process. The cardholder is required to complete p-card renewal training. If the cardholder has not previously completed a national criminal background check or a credit check it will be completed prior to issuance of the renewal card. Upon completion the cardholder will be notified via email that their renewal card is ready for pickup.

Using the P-Card

The p-card can only be used by the assigned cardholder to make small-value supply purchases. The following procedures should be followed for all purchases with the p-card:

Decision to Buy

When making the decision to buy, the cardholder should:

- Review the restricted purchases and the basic purchasing procedures to ensure the transaction is appropriate.
- Review statewide contracts; if a contract exists for an item, it is mandatory to purchase from the contracted vendor no matter the cost.
- If purchasing faculty recruitment ads, follow established procedures in place by Human Resources and Materials Management.
- Make a concerted effort to include small/minority owned businesses when making purchases. In addition, vary the suppliers to give fair treatment to all suppliers and to assure that the price obtained is reasonable. Varying the suppliers provides small/minority entrepreneurs the opportunity for doing business with GRU.
Making the Purchase

There are three main methods of making purchases.

Over the Counter

When making an over-the-counter purchase:

• Verify that the vendor accepts VISA. Once you have determined that the vendor will accept visa, provide the p-card for payment and make sure the vendor understands that the purchase is exempt from state and local sales tax.
  • If necessary, provide a copy of GRU’s tax exempt certificate.

• Verify that no sales and use tax is included in the final purchase price before signing the sales draft.

• Itemized receipt

• Retain the receipt

Phone or Fax

When placing an order via phone or fax:

• Provide the vendor with the requested card information.

• Make sure to tell the sales representative over the phone, or indicate on the fax order form, that the purchase is exempt from state and local sales tax.
  • If necessary, provide a copy of GRU’s tax exempt certificate.

• If the shipping address is not the same as the billing address, give the vendor detailed shipping instructions to include the proper shipping address.

• Itemized receipt

• Retain appropriate documentation for the purchase

Internet Orders

When placing Internet orders:

• If available, always use the Governmental or Educational section of the vendor’s website for placing orders to ensure tax exemption. If the vendor does not have these sections available, the vendor may inadvertently charge sales and use tax. If this is the case, the cardholder must contact the vendor to request a credit to the p-card and if necessary, provide a copy of the tax exempt certificate.

• Complete the necessary order process and provide card information to include the billing address that appears on the cardholder bank
statement.

- Itemized receipt
- Retain appropriate documentation for the purchase

**Transaction/Activity Log**

The cardholder is responsible to maintain a log indicating the vendor name, the item(s) purchased, the date of the purchase, the amount of the purchase, the name of the employee for whom the purchase was made, intended business use, project/grant and the account code.

Each purchase shall be accompanied by a receipt or other documentation listing vendor name, item(s) purchased, the purchased price for each item, and any taxes, fees or other amounts paid in connection with such purchase. This log must be attached to the monthly bank statement and receipt(s). The cardholder has personal responsibility for items without adequate documentation.

**Shipping Information**

When making purchases via phone, fax, or Internet, give the billing and shipping address in the following formats:

**Health Sciences Campus:**
Georgia Regents University
Department Name – Bldg Code and Room # - Name
1120 15th Street (if a street address is mandatory)
Augusta, GA 30912 – xxxx

**Summerville Campus:**
Georgia Regents University
Department Name – Room #
2500 Walton Way
Augusta, GA 30904

This allows delivery directly to the cardholder or other locations specified by the cardholder. Since there is no purchase order number for the vendor to reference, the second line of the address creates the universities delivery information. In the instance that the vendor misdirects a package, most of the campus can direct it to the proper unit. *Do not ship to GRU’s receiving warehouse.*

**Federal Express (FEDEX)**

If the cardholder has the need to ship using Federal Express:

- Contact the p-card office to have an account opened.
- Once the account is open the cardholder is required to create an online account at www.fedex.com.
• All Fedex receipts must include the ship to address.
• All Fedex packages must be GRU business related.
• Receipt of delivery charges must be kept and included in statement packages.

**United Parcel Service (UPS)**

If the cardholder has the need to ship using United Parcel Service:
• Contact the p-card office to have an account opened.
• Once the account is open an online account will be set up.
• All UPS receipts must include the ship to address.
• All UPS packages must be GRU business related.
• Receipt of delivery charges must be kept and included in statement packages.

**Sales and Use Tax**

Please do not wait for the p-card office to notify you of Sales and Use Tax.

If sales and use tax has been charged:
• Contact the vendor immediately to have the sales tax refunded and if necessary, follow up with the vendor to ensure the tax will be removed.
• Follow up to ensure the credit appears on the next monthly statement.
• If the vendor will not reimburse the sales and use tax, document your attempts to have the tax removed and place with the original receipt.

If the vendor gives the sales & use tax in cash, the cardholder must ensure the money is deposited at the cashier's office. The cardholder is required to send a copy of the deposit documents to the P-Card Administrator.

State sales and use tax credit receipts are not mandatory, as long as the “written” detail of expected credit is included on the original receipt along with the date the credit posted to the bank statement. State auditors will review the bank statements to ensure that the credit appeared. Findings will not be issued for missing sales and use tax unless it is not refunded.

**Purchase Returns**

If the cardholder determines that the material is defective or incorrect:
• Contact the vendor to request a shipping address and return authorization number.
• Request a p-card credit.
• In the comments section in WORKS – you can indicate that a credit is expected.

• Ensure that the credit appears on the next monthly statement. If not, process the charge as a disputed item.

*Each department is responsible for the preparation and shipment processes.*

**Spending Controls**

**Cardholder Spending Limits**

Since Georgia Regents University, not the individual employee, will pay for the purchases made with the P-Card, additional authorization controls have been added to these card accounts. These limits are imposed at the point of sale when the card is swiped. The available limits on a card include but are not limited to:

- Monthly limit determined by the department Administrator/Director
- Single transaction limit $4,999.99
- Single equipment item $2,999.99

It is against GRU policy to split purchases into smaller units to circumvent any of the spending limits mentioned above. A split purchase occurs when the total cost of a single item or multiple items from one source is more than the limits established for the card and the purchase is broken up into multiple transactions with the express purpose of circumventing those limits. If the need arises, single transaction limits and monthly credit limits can be raised in order for transactions to be allowed on the p-card; the cardholder needs to contact the p-card office to request such a change.

**Example of a “split purchase” to avoid single transaction limits:** A cardholder knows that the order he is about to place is $3,000, yet his single transaction limit is $1,000, so the cardholder splits the purchase into separate transactions in order to get the transactions to go through.

The single transaction and single equipment item limits include shipping and handling charges. Individual cardholder limits are set by the Department Head/Manager and are indicated on the p-card request form.

**Merchant Activity Type Limits**

Specific types of businesses identified by Standard Industrial Classification (SIC) Codes are restricted on the card. The institution prohibits the use of the card for travel, entertainment, cash advances, and services – other items are listed in “Restricted Items” section of this manual. If you have any problem using your card with a vendor, please contact the P-Card Office.
Cardholder Recertification

Cardholder spending limits are reviewed regularly to determine that actual usage is consistent with the spending limits. If the usage is consistent with the spending limits, there will be no change with the card limits. If the usage is not consistent with the spending limits, a recommendation will be made to decrease, increase the card limits or cancel the card.

Inactive Cards

If the cardholder has not used the P-Card within one year, the P-Card will be cancelled by the P-Card Administrator. To receive a new card, the cardholder will be required to submit a P-Card Request Form and attend training.

Cardholder, Reconciler, and Approver Responsibilities

Cardholder Responsibilities

When accepting the P-Card, the cardholder becomes an authorized purchasing agent for the Institution and has certain responsibilities. These include:

Protection of card
   The cardholder must protect the security of the p-card and p-card number. No one may use the card but the assigned cardholder. If the card information is compromised or the card has been lost or stolen, the cardholder must call the card provider. The cardholder must also call or email CU’s P-Card Program Administrator.

Limitations on Vendors
   Purchases from friends, relatives, or from companies where the cardholder has a financial interest are prohibited. The cardholder must not accept any gift or gratuity from any vendor when it is offered, or appears to be offered, to influence your decision-making regarding p-card purchases.

Name Change
   The cardholder is responsible for notifying the p-card office if their name changes.

Purchase Limitations
   The cardholder accepts the responsibility to ensure that restricted items are not purchased.

Receipt Maintenance
   The cardholder accepts the responsibilities for maintaining receipts as well as the responsibilities for completing the monthly reconciliation process.
Transaction Log
The cardholder is responsible for the maintenance of a transaction log.

Bank Statement
The cardholder is responsible for signing the bank statement each month.

Reconciler Responsibilities
The reconciler (cardholder or proxy) reviews, allocates and signs-off their transactions in WORKS Payment Manager and is responsible for the following:

- Review and reconcile the cardholder’s transaction(s), bank documents, receipts, and transaction logs.
- Review the reconciliation documents for inappropriate purchases.
- Allocate transactions to the correct CFC, entering the appropriate account code, and return the electronic statement on or before the due date.
- Sign the Bank Statement

Approver Responsibilities
Appropriate approvers for each department are the department Chair, Director, or Department/Administrative Manager. The approver has the following responsibilities:

- Review the reconciliation documents and approve the allocations before the final “manager” sign-off each month.
- Review appropriateness of items purchased and funds utilized. Additionally, it should be noted that the Department Chair, Director, or Department/Administrative Manager is responsible to review all cardholder transactions. Failure to do so could result in disciplinary action up to and including termination of employment.
- Identify and discuss any minor non compliance instances with the cardholder and if necessary, provide additional instruction. Discussions should be documented and attached to the reconciliation documents. If major violations are noted, the situation should be documented and attached to the reconciliation documents. (See Major Non Compliance Instances).
- Review the bank statement, receipts and transaction log prior to signing the bank statement.
- Sign the bank statement (paper and electronic) even if the appropriate hierarchy authority is “signing-off” in WORKS Payment Manager. The electronic approval sign-off can be delegated by the appropriate manager if submitted in writing to the P-Card Administrator. If delegated, the appropriate manager **MUST** still review all reconciliation documents and manually sign-off on the appropriate Bank of America Statement each month. All signatures must be original signatures. Signatures made with rubber stamps are prohibited.
Allowable Purchases

All purchases made with a P-Card must be for official Georgia Regents University and State of Georgia Business. Through use of the P-Card, cardholders and their approvers are designated as State purchasing agents and must adhere to the State, BOR, and GRU guidelines. The allowable purchases shown below are not all-inclusive but are provided as a response to frequently asked questions.

- **Equipment.** Single units of $2,999.99 or less (including shipping and handling)

- **Supplies and Materials.** Up to the cardholder’s Single Transaction Limits (STL) and monthly card limit. Open Market Purchases (not from a State purchasing contract or GRU contract) are monitored to track the amounts spent for the same supplies and materials from the same vendor, and are subject to the $25,000 competitive bid requirement.

- **Purchasing from Statewide and GRU Contracts.** These contracts have been developed through a competitive bid process and contracted vendors are not subject to the $25,000 spending limit. Cardholders, who wish to exceed their designated STL for a contract purchase, should contact the Purchasing Office. Purchases of $5,000 or more should be submitted via requisition.

- **Registrations.** Registrations may include food as long as there is not a separate amount indicated for the meal. Generally, if a registration includes meals, they are included in the registration fee. If meals are separate, they must be processed through the Travel Office, and may not be charged to the P-Card.

- **Memberships.** Institutional memberships are allowed. A purchase for an individual membership must be approved and the Individual Membership Form attached to the statement.

Restricted Purchases

In addition to the limits, which are controlled at the point of sale by the card, Georgia Regents University limits the use of the card through policy. The card may be used only for purchases, which are made under delegated authority (See the State of Georgia Purchasing Card Program Policy) by the State, Board of Regents and the Medical College of Georgia.

[http://doas.ga.gov/StateLocal/SPD/Services/Pages/SpdCards.aspx](http://doas.ga.gov/StateLocal/SPD/Services/Pages/SpdCards.aspx)

The following are restricted for use with the P-Card:

- **Agency Funds** (funds held on deposit)
× **Agreement between Institutions** (USG & Non-USG)
× **Alcohol or tobacco products**
× **Bookstore**
× **Building Materials** (Exception: lab materials and those items pre-approved through Facilities Management; personal heaters and fans must meet the Environmental Health and Safety, Fire Safety Policy Guidelines.)
× **Calling Cards** (Phone Cards)
× **Cash advances** including use of the card, card number or account number at Automated Teller Machines (ATMs), inside bank branches or at cash advance, quasi-cash and money transfer locations such as Western Union, Telecheck, etc.
× **Computer parts & components over $300 per item** (to include shipping and handling) for repairs or upgrading. Examples include memory, motherboards, processors, repair items, etc.
× **Computer supplies & peripherals over $999.99 per item** (to include shipping and handling). Examples include speakers, printers, scanners, monitors, etc.
× **Computer systems, net books, laptops or tablets**, all portable wireless devices or any item(s) with internet access must be purchased with a purchase order; regardless of price.
× **Consulting Companies / Professional Services**. Examples include certified public accountancy, architecture, chiropractor, dentistry, professional engineering, podiatry, veterinary medicine, registered professional nursing, law, psychologists, medicine and surgery, etc.
× **Continuing Education** classes sponsored by GRU.
× **Controlled assets** such as guns, ammunition, explosives, etc.
× **DEA Controlled Substances** - The DEA Controlled Substance list can be found at: http://www.deadiversion.usdoj.gov/schedules/orangebook/a_sched_alpha.pdf
× **Equipment (asset) items over $2,999.99 per item** (to include shipping and handling). Examples include digital cameras, audiovisual and lab equipment.
× **Fuel Purchases** are not allowed under any circumstance. This is also restricted as a line item on Athletic Team Travel vehicle rental receipts.
× **Flowers/florist purchases**
× **Gift Cards and Cash Equivalents**: These include stored value cards, telephone calling cards, pre-paid cards, gift certificates, or similar products
× **High Hazard Materials and Biohazardous Materials** - The list of High Hazard Chemicals can be found at:

The list of Biosafety Level 2 and 3 materials can be found at:
http://www.georgiahealth.edu/research/ibc/BSL2Pathogens.htm
http://www.georgiahealth.edu/research/ibc/BSL3Pathogens.htm

- Honorarium / Speaking Fees
- Jewelry
- Leases
- License Renewal, IT (Exception: Software renewals through SRS are allowable purchases on the p-card if less than $1,000 per item).
- Maintenance
- Membership at Wholesale Warehouses and Shopping Clubs (e.g. Sam’s, Costco, Amazon Prime)

- Personal purchases of any kind. Personal items and/or gifts (items are considered personal if they are intended for non-work related use, for use other than for official business, or for the sole use of a state employee). Examples include coffee pots, food/beverages, pictures, plants, cleaning supplies, gifts for faculty (retirees), greeting cards, and study incentives unless supported by a sponsored account (see note). Per Section 3.3.2, item 1 of the BPM, the BOR states the following: “The use of the P-Card for personal expenditures is strictly prohibited. Cardholders who violate this rule must reimburse these funds and may be subject to both loss of employment and criminal penalties.”

- Perspective Faculty
- Radioactive Materials
- Reimbursements; to include food.
- Postage; submit an IDR to GRU mailroom for supplies or services.
- Registrations where food/lodging is priced out separately.
- Research Subjects.

- Restaurants, catering, or fast food establishments & Entertainment unless specifically supported by a sponsored account or by a departmental sales account (see note). Certain Agency, Student Activity and/or grant type accounts do have allowable food expense to support the program. Prior approval is needed for these purchases and all guidelines must be followed.
- Sales and Use Tax
- Software over $999.99
- Software that stores protected health information (PHI) or sensitive personnel/student information (i.e. social security number, etc.), regardless of price
- Split purchases to circumvent credit, single equipment item, or
transaction limits.

- **Professional services and consultants.** Examples include certified public accountancy, architecture, chiropractor, dentistry, professional engineering, podiatry, veterinary medicine, registered professional nursing, law, psychologists, medicine and surgery, etc.

- **Staffing.** Temporary Personnel. Examples include Augusta Staffing, Kelly Girl, MAU, Sizemore, Georgia Personnel Services, etc.

- **Stipends & Purchases with multiple payments.** Examples include maintenance agreement payments, etc.

- **Single Transaction purchase of supplies (one vendor) greater than $4,999.99.**

- **Travel services** such as airlines, hotels (to include reservations), car rentals, gasoline, cash advances, traveler's checks, travel insurance, currency exchanges, meals and beverages, taxis, bus tickets, etc. The only exceptions to these services are for Athletic Team Travel and International Studies Abroad. All employee travel must be processed through the Travel Office.

- **Utilities**

- **Wireless communication devices to include cell phones and wireless cards, PDA's with cell phone or wireless capability, pagers, two way radios, and service hookups.** With pre-approval, wireless upgrades will be included on the monthly wireless bill. (See the Wireless Communication Devices Policy).

**Note:** If a sponsored account supports any purchase that is otherwise restricted such as personal items/gifts, restaurants, catering, flowers, entertainment, etc., the cardholder must provide a copy of the approved grant/study, the approved budget, the page describing allowable purchases and a completed special approval form.

If the cardholder is making food purchases for meetings, luncheons, etc. supported under the grant/study, receipts for food purchases, dates of the meeting, and a list of attendees must be provided to the P-Card Administrator. All of the above MUST be prior approved through the P-Card Office.

**Food Purchases**

**Special approval from the state is not needed** for the following types of purchases, within approved spending limits, for Colleges, Universities, and technical schools when such purchases are for official student activities. *(Approval IS required by the P-Card Office prior to purchasing food.)*

- **Food** for student activities (but not faculty, staff, coaches, other school employees, volunteers, or other persons not related to the school) when on official school business (e.g. athletic team travel).
Documentation must follow guidelines for “group meals” in the State Travel Regulations:

- Itemized receipt showing all meals purchased
- Roster of participants showing name and signature of each student (for activities not open to the entire campus – e.g. athletic teams, student clubs)
- Copy of team schedule or other documentation showing that the meal was an authorized student activity
- Ensure that meals conform to published per diem rates. Meal receipts are reviewed based on the appropriate (standard or high cost area) per diem limits by meal, not by day. In the event a cardholder, authorized to purchase team meals, exceeds the established per diem amount for that meal, the cardholder will be required to reimburse GRU for the amount in excess of per diem.

- **Food for official research**, laboratory animals, or instructional (classroom) use.

- **Food provided for consumption at events or services provided to the general public**, state benefit recipients and/or state program participants (other than State employees), or purchased for resale in gift shops, bookstores, etc., and other non-employee meal related use.

**Receipt Maintenance**

The cardholder is responsible for obtaining receipts, packing slips, or other documentation required for permanent audit documentation of a purchase. These documents must include:

- Order Date/Deliver Date
- Supplier/Vendor
- Items purchased
- Cost(s)
- Freight Amount (If Applicable)
- Total transaction amount to include shipping and handling

If the vendor cannot supply a valid receipt, it is the cardholder’s responsibility to request that the vendor provide a written receipt with the items purchased. This written receipt MUST be attached to the invalid receipt.

**Missing/Lost Receipts**

If you do not have a receipt for a legitimate p-card purchase, you must:
Contact the vendor to request a receipt. Write down who you talked to, when, and the outcome of the conversation.

If purchased online, sign in and see if you are able to view the status of the order and retrieve a receipt.

As a last resort, contact the p-card office to obtain and complete a missing receipt form. In order for the missing receipt form to be valid it must include original signatures of the cardholder, the supervisor and the p-card compliance specialist. Please Note: Use of the missing receipt form more than three times in one fiscal year will result in suspension of card privileges.

FedEx/UPS Receipts

All receipts for delivery charges must kept and included in statement packages.

Reconciliation Process

Enterprise Supply Chain, in accordance with Generally Accepted Accounting Principles (GAAP) and Best Business Practices, requires that a three-tiered process is in place for each cardholder to provide adequate segregation of duties with regard to the cardholder, reconciler, and approver. Detailed information regarding electronic reconciliation is included in the WORKS Payment Manager User's Guide.

Activity Cycle

The transaction cutoff cycle with the card provider is the 27th of each month. Purchases made from the 28th day of the previous month through the 27th day of the following month must process (post) through Bank of America in order to be part of the current billing cycle. Remember, not all items purchased before the 27th will process before the statement cutoff.

All cardholders are responsible for ensuring that his or her statement is reconciled by the 10th of every month. Cardholders should review all transactions to confirm that they are legitimate purchases and that all the required documentation is included. Please note: Failure to meet the deadlines in place will result in infraction letters and possible suspension of P-Card.

Refer to the P-Card Activity Schedule on the website for deadlines.

In the event a department does not have adequate staff to support the three-tier reconciliation process, the cardholder may prepare the reconciling materials for approval. The cardholder and approver must never be the same person. Any questions concerning this request may be directed to the P-Card

Revised 12-15-2014
Administrator, (706)721-9441.

**Cardholder**

The cardholder (purchaser) must review either the electronic version or a paper version of the transactions that have processed through Bank of America each month. The cardholder must maintain the receipts. Once transactions appear in WORKS Payment Manager, the cardholder should review the charges for accuracy and appropriateness and compare it with the receipts. If the electronic or paper version of the transactions does not match the receipts, one of the following should be done:

- Follow instructions for disputed charges.
- VISA’s vendor contract requires billing upon shipment of the order. If the items purchased have not been received, determine the shipping date from the vendor and request they provide proof of delivery or track of delivery. If adequate information is not provided, follow instructions for disputed charges.

**Reconciler**

The reconciler should compare the electronic and paper version of the Bank of America processed (posted) transactions with the cardholder’s receipts and the transaction log. This review of purchases and transaction allocations, indicate the second tier of the reconciliation process. In most departments, the cardholder and reconciler is the same person. The cardholder reviews the transaction against the receipt and applies the appropriate allocation for manager review.

**Approver**

The approver reviews the reconciliation documents (receipts and transaction log) against the electronic and the paper version of the Bank of America statement and approves the purchases and allocations each month. The approver will indicate their review and approval by signing the Bank of America paper statement where indicated and signing-off in WORKS Payment Manager. If the electronic approval sign-off is delegated, the appropriate manager MUST still review all reconciliation documents and manually sign off on the Bank of America Statement each month.

Appropriate approvers for each department are responsible to review/verify that all cardholder transactions are appropriate and GRU business related. Failure to do so could result in disciplinary action up to and including termination of employment.

**Resolving Disputes with Vendors**

In the event of an erroneous charge, the cardholder must contact the vendor and attempt to resolve the problem and document the communication (either on the
statement, transaction log, or as an attachment to the statement) to include the date, the persons involved, and a brief description of the problem and outcome.

If the cardholder is unable to resolve the dispute with the vendor, he/she should contact the P-Card Administrator for appropriate actions and provide all the necessary documentation. A dispute form will be filed with the card provider to ensure that appropriate credit is received for the disputed items. Please note that a dispute form must be filed with the card provider no later than **60 days past the statement closing date** in order to place a transaction into dispute. The cardholder should **NEVER PLACE THE ITEM (S) IN DISPUTE IN WORKS PAYMENT MANAGER.**
P-Card Security

Cardholders are responsible for safeguarding the p-card and the account number at all times. To prevent unauthorized use and limit the potential for fraud, the cardholder should use basic security measures, as outlined below:

- Keep the p-card and account number in a secure location and safeguard it as if it were your own personal credit card.
- Do not loan or share the p-card with others, including co-workers within the department.
- If purchasing by telephone, caution the vendor to refrain from placing the card number on the shipping label or on the invoice.
- To detect unauthorized transactions quickly, review transactions in WORKS Payment Manager in a timely manner.
- Upon receipt, immediately review the monthly bank statement.
- Before placing an order with an online merchant, ensure that the site is secure. The URL, or web site address, should begin with https://. A graphic, such as a lock, should appear in the bottom right corner of your browser bar.
- Lost, stolen, or fraudulent use of the p-card must be reported to Bank of America immediately by calling 1-888-449-2273.
- If you suspect fraud please call GRU’s Hotline 1-800-576-6623
- The cardholder must also notify the P-Card Administrator, Public Safety and the Department Administrator of the fraudulent activity. (Notification to the P-Card Administrator must be in writing via email).

Returning P-Cards

Upon termination, transfer, or retirement, the card will be surrendered to the P-Card Administrator, or the Department Manager. If the Department Manager receives the card they will be responsible to notify the p-card office via email.

Leave of Absence

If the cardholder plans on being away for an extended period of time (i.e. 30 days or greater), please notify the p-card office and we will place the card on hold. This will help protect the cardholder against loss and fraudulent charges. Upon return, simply contact the p-card office and the card will be reactivated.

File Retention

Each cardholder must retain a copy of all purchasing card statements,
transaction logs and receipts for a minimum of seven years. Two years must
remain on site and five years can be stored off site. Should a cardholder
terminate or transfer employment the Department Manager shall be responsible
for maintaining the files.

Payment

The P-Card Administrator will receive one monthly statement for all cardholders.
Payment will be made on the due date via wire transfer by the card issuer.

Scanning of P-Card Documents

Departments have the option of scanning their monthly p-card documents. The
scanned documents are uploaded onto a secured server that will allow the P-
Card office, Sponsored Program Administration and Internal Audit to view. For
more details, please refer to the Guidelines for Scanning P-Card Documents.

Purchasing Review

The P-Card Administrator reviews p-card activity, to ensure compliance with the
Department of administrative Services (DOAS), the Board of Regents (BOR) and
Georgia Regents University (GRU) p-card policy guidelines.

The Five W’s

Cardholders and approvers should use the Five W’s as a tool to assess if an item
purchased will meet the audit criteria. The following questions will serve as guide
to compliance:

- Who is the purchase for
- What is being purchased
- When will the merchandise arrive
- Where will the merchandise be delivered
- Why is the merchandise needed

Transaction (Desktop) Reviews

Transaction Reviews are completed monthly to review cardholder activity. The
P-Card Administrator reviews the following:

- Merchant Category Codes (MCC) for questionable supplier categories.
- Review of transactions amounts
- Review of questionable vendors: i.e. Florists, department stores, catering
  facilities, etc.
- Sales and Use Tax
Process (Field) Audits

Process (Field) Audits are completed annually. The P-Card Administrator reviews the following:

- Review of departmental p-card processes to ensure adequate segregation of duties between the cardholder, reconciler and the approver.
- Review of the cardholders, the reconcilers and the approvers responsibilities
- 15% p-card activity review for a six month period
- 20% FEDEX/UPS review for a six month period
- Receipt availability
- Transaction log review
- Bank statement review

In addition to the Transaction and Process audit reviews, the p-card office will conduct a quarterly random review of Federal Express and United Parcel Service charges.

P-card Compliance

In our effort to ensure compliance with p-card policies, GRU requires that cardholders adhere to all procurement policies and procedures.

Non Compliance with policies and procedures diverts GRU resources from otherwise more productive issues and could result in disciplinary action up to and including termination of employment.

This policy will be administered in accordance with other GRU related policies. For classified staff, any disciplinary action imposed for non compliance shall be in accordance with Policy Number 1.4.07. For faculty, any disciplinary action imposed for non compliance shall be in accordance with the Faculty Manual.

Use of the purchasing card for unauthorized or personal purchases is prohibited. Any person (including supervisors or other approving officials) who knowingly or through willful neglect assists a cardholder will be subject to the same penalties. Cardholder’s who use the p-card for personal purchases whether minor or major will be required to make restitution.

Non compliance of p-card policies can be classified as minor or major. The action taken is dependent upon the type of violation and the number of previous cardholder violations. The University Purchasing Officer can suspend a cardholder’s privileges without input from the department; however, the
department will be notified of any such action. All other actions are determined at the appropriate senior administration or department level. Any alleged violation or questionable transaction could result in an immediate temporary suspension of card privileges pending a review to determine what, if any, additional action is deemed appropriate.

**Minor Non Compliance Instances**

Minor non compliance instances are usually “accidental”, or without willful intent. Example would include but are not limited to: using the wrong credit card when doing personal shopping and usually includes immediate discovery and notification to the P-Card Administrator, or purchases with the card that should be made through the institution’s requisition system or by some other means of payment.

Minor non compliance instances are considered less serious compliance issues however repeated instances could result in progressive discipline to include the termination of employment, if appropriate. Actions include:

1. **Notification** to the Cardholder and Business Manager via email noting the non compliance issue. Attach a copy of the purchasing card dos and don’ts for review and understanding. 1st offense.

2. **Warning memo** to the Cardholder, Business Manager and Department Head via email attachment of the non compliance policy issue. Attach a copy of the purchasing card dos and don’ts for review and understanding. 2nd offense.

3. **Temporary suspension** of cardholder’s privileges for a period of up to 30 days and mandatory retraining before the cardholder’s privileges are reinstated. 3rd offense and now considered major.

4. **Permanent suspension** of cardholder’s privileges. This is the 4th offense and now considered major.

**Major Non Compliance Instances**

Major non compliance instances are considered more serious compliance issues that often show “willful Intent” to disregard established policy. Examples include but are not limited to: purchasing equipment or computers, splitting orders to avoid the single transaction limit, or knowingly making personal purchases. The circumstances of the non compliance issue will determine the appropriate action, which could include termination of employment. Each instance will be reviewed on a case-by-case basis.

Any major non compliance instance can result in immediate temporary suspension of the cardholder’s privileges with notification to the department and Human Resources. If deemed appropriate the bank, GRU Police, and the Office
of Institution Audit and Compliance will also be notified. Human Resources will consult with the Department Manager to determine an appropriate course of action. Actions include:

1. Cardholder, Business Manager and the Department Head receive written notice of the non compliance issue. Mandatory online retraining is required. 1st offense

2. Cardholder could receive written counseling by the appropriate Vice President, Dean/Chair, or Director. This will be placed in the employee’s official personnel file and is only an option for a first offense. Temporary suspension of cardholder privileges for 30 or more days and mandatory online retraining before the cardholder’s privileges are reinstated. 2nd offense

3. Permanent suspension of card privileges or Suspension without pay for 5 days. These actions will be in full day increments and departments will coordinate with Human Resources before imposing suspension. 3rd offense