

Procedure:

- I. **All College personnel who make or authorize Purchasing Card (P-Card) purchases on behalf of the College must comply with the Travel, Credit Card, and other College policies. The following is required:**
- II. **Card Types, Limits, and Eligibility for Issuance (table follows):**

Card / Type	Limits	Eligibility Considerations
Department Card - Issued to departments for purchases of goods/services necessary to conduct college business.	Card Limit – varies based upon needs and availability of credit limit.	<ul style="list-style-type: none"> • Issued in a departments name and administered by a card manager. • Tracking log required
Individual Card – Issued to faculty/staff for the procurement of goods, services, and travel expenditures necessary to conduct College business.	Transaction Limit – Based on the employee signing authority. Card Limit – varies based upon needs and availability of credit limit.	<ul style="list-style-type: none"> • Issued in an employee name and administered by a card manager. • Tracking log required

- III. **Card Usage Limitations and Requirements:**
 - a. P-Cards are used to support the James A. Rhodes State College’s purchasing and payable processes.
 - b. Card issuance is limited to employees of the College that have submitted an authorized P-Card Application and Memorandum of Agreement and completed the required P-Card training courses.
 - c. Cards are subject to the single transaction and monthly spending limits established for each card type. With proper authorization, an increase to the single transaction and/or monthly spending limit may be considered.
 - d. Purchases must not be split to avoid the established single transaction limit.
 - e. If a purchase is returned to the vendor, a credit must be applied to the card account. Cash or a due bill cannot be accepted for a returned item.
- IV. **Procurement Limitations:**
 - a. Bid threshold – P-Card purchases that exceed the College’s bid threshold are prohibited.
 - b. Capitalized equipment – Individual P-Card users are not authorized to make purchases that meet the definition of capitalized equipment.
 - c. Contracts/Agreements – Goods and services that require a signed contract, agreement or equivalent documentation must be authorized by the VP for Finance and Business before purchase.
 - d. Preferred suppliers – When possible, card users should take reasonable steps to obtain the best pricing by using preferred suppliers the Business Office has established to provide College-wide discounted pricing.
- V. **Sales Tax**
 - a. The College does not pay sales tax or use tax in Ohio and other states that have a sales tax exemption.
 - b. Users of the P-Card are responsible for ensuring that tax is not charged and for making reasonable attempts to recover any tax charged in excess of \$10.

Contact Account Payable for the State of Ohio Sales and Use Tax Blanket Exemption Certificate.

VI. Travel

- a. Use of the P-Card while on College business travel must follow the Travel policy, in addition to the other policies specifically mentioned.

VII. Transaction and Retention Documentation

- a. Transaction Documentation
 - i. An original itemized receipt or equivalent documentation is required for any/all transactions.
 - ii. Transactions involving the purchase and delivery of goods must also be documented by a packing slip to validate receipt of goods. Transactions must be further documented by a pre-approved request to capture business purpose and other transaction details.
- b. Record Retention Requirements
 - i. The transaction receipt (or equivalent documentation), which must be scanned (or alternative transaction documentation), and the bank statement are the official record for P-Card transactions. The original documents must be forwarded to the business office monthly.

I. Approval, after expense account selection

- a. Transactions must be approved in accordance with the RSC Purchasing Approval Chart. (H:\Business Office Forms\RSC Purchasing Approval Chart)
- b. Transactions must be approved in the Financials System no later than 10 days from the transaction's date.

II. Card Security and Tracking

- a. Card Security
 - i. The P-Card must always be stored in a secure place.
 - ii. Personnel with access to a P-Card or any documentation showing a P-Card account number must protect the account number from fraud or any other inappropriate use.
 - iii. All P-Cards should be immediately cancelled if a cardholder's duties no longer require the use of a P-Card or upon termination of employment.
 - iv. Cardholders must immediately contact the issuing bank and then contact the Business Office if a P-Card is lost, stolen or fraudulent activity is detected.
 - v. Cardholders must dispute any questionable charge with the supplier and the issuing bank within 10 days of the statement date.

III. Conduct and Consequences

- a. User Conduct
 - i. All purchases made with a P-Card must be for official College business only.
 - ii. Personal use is strictly prohibited.
- b. Consequences of Misuse
 - i. Personal or fraudulent use of a P-Card may result in immediate revocation of the card and may result in corrective action up to and including termination and/or criminal action. In addition, the College will seek restitution for any inappropriate charge.

IV. Obtaining P-Card Process

- a. Complete P-Card application and obtain necessary approvals.
- b. Applicant must complete the required training applicable to P-Card use, prior to the issuance of a new card.
- c. Sign the Memorandum of Agreement.

V. Sales Tax Recovery Process

- a. If sales tax is charged in error, the compliance officer will send a reminder to the cardholder to reinforce the tax exemption status of the College.
- b. Reasonable efforts should be made to recover tax charged in excess of \$10. Recovery is not recommended if the cost to recover exceeds the tax amount paid. All actions should be documented.

VI. Transaction Dispute

- a. The cardholder is responsible for resolution of any disputed charges.
- b. If the cardholder is unable to reach an agreement with the vendor, a formal dispute must be filed with the bank within 30 days of the statement date.

Related Policies or Procedures:

[Credit Card Policy](#)

History:

	Date:	Reason:
Issued:	11/17/20	Replaces credit card procedure section included in Credit Card (no number) last revised on 2/19/2019
Revised:	MM/DD/YY	

This policy and / or procedure provides operating principles for Human Resources issues at Rhodes State College. It supersedes any prior policy covering specific subject. This policy and / or procedure may be suspended, modified or cancelled as determined by the College. This policy and / or procedure does not create a contract of employment, nor is it a condition of employment between the College and its employees.