GEORGIA HIGHLANDS COLLEGE

PURCHASING CARD POLICIES & PROCEEDURES

REVISED JULY 2005
WHAT IS A PURCHASING CARD?

The Purchasing Card Program is a Statewide Contract Program administered by DOAS State Purchasing. DOAS State Purchasing awarded Bank of America a Statewide Contract on June 17, 1996. A copy of the contract is on file in the Procurement Office for anyone to see. It is also available online at www.doas.state.ga.us/ under Procurement, Agency Guidelines and Procedures, P-Card Manual. The Purchasing Card is a VISA card provided by Bank of America.

The Purchasing Card Program provides an optional purchasing procedure for buying goods to be used by the College. It is a fast and flexible purchasing tool which provides an extremely efficient and effective method of purchasing and paying for small dollar items.

The Purchasing Card Program does not alter State Purchasing rules and regulations nor does it diminish the need for control of expenditures and the need to remain within Departmental Budget.

The Purchasing Card works just like a personal credit card and will enable cardholders to purchase non-restricted commodities directly from suppliers. The Purchasing Card Program sharply reduces paperwork and processing time in the employee’s department as well as in Accounts Payable and Procurement. It provides cost savings through consolidating payment – one payment to Bank of America versus multiple vendor payments.

The Purchasing Card is issued in the employee’s name with “Georgia Highlands College” on the card. Employees do not pay their own monthly statement. The program does not affect the employee’s personal credit rating in any way. The Purchasing Card Program carries corporate, not individual, liability.

The Purchasing Card Program is administered on campus through the Georgia Highlands College Procurement Department. Cheryl Baker, Secretary to the Vice President for Finance and Administration, is the Program Administrator.
WHO CAN USE A PURCHASING CARD?

• Must be a full-time employee of Georgia Highlands College
• Must have approval of Departmental Budget Director
• Must attend a Purchasing Card Training Class
• Must sign the Purchasing Card Agreement

WHAT CAN I BUY?

• Small dollar items
• Items authorized by budget manager
• Office supplies not stocked in Central Stores
• Maintenance and repair materials
• Books
• Subscriptions
• Registration fees for conferences, seminars, workshops
• Non-Inventory equipment up to $800.00 (This will allow the total transaction cost not exceed $1000 when shipping charges are added.)
• Rents other than Real Estate (Can not exceed 30 days)
• Statewide contract items
• Mandatory source items

WHAT CAN I NOT BUY?

• Items stocked in Central Stores
• Services provided in-house (Print shop, Bookstore)
• Statewide contract items from a non-mandatory vendor
• Mandatory source items from a non-contract vendor
• Motor vehicle fuel/oil
• Computer equipment or peripherals of any kind. (Must have prior approval and be reported to Information Technology for reporting purposes.)
• Entertainment - alcoholic beverages or food (restaurant)
• Equipment valued over $800
• Equipment rental
• Travel - Any reimbursable travel expense (gasoline, airline tickets, rental cars, food, hotel/motel charges) can not be charged on the Purchasing Card. The card can be used to reserve a hotel/motel room, however, it can not be used to pay for the room.

• Personal use items
• Copiers
• Firearms or explosives
• Flowers
• Gifts
• Performance fees
• Cash Advances

CAN I BUY ANYTHING FROM ANYBODY?

Mandatory Source Items are products that we are required to purchase from a specific vendor. If a product is available from a mandatory source, it must be purchased from them.
(www2.state.go.us/departments/doas/procure/contracts/contract_frame.html)

Statewide Contract Items must be purchased from the vendor(s) stated on the contract. Note the quantities and conditions of contracts.
(www2.state.ga.us/departments/doas/procure/formpdfs/mandatory.html)

When in doubt, call Purchasing Department at 6346.

DO WE PAY SALES TAX?

Georgia Highlands College is tax exempt since we are a State Agency. The Cardholder should make sure the vendor is aware of our tax exempt status. If you are charged sales tax in error, it is your responsibility to contact the vendor to have the charges removed from your bill. Tax exempt forms are available from Accounts Payable and can be mailed, faxed or hand delivered to the vendor.
HOW CAN I USE THE PURCHASING CARD?

- Over the Counter/Point of Sale Purchases
- Telephone Orders
- Fax/mail Orders
- Web Purchases

**Over the Counter/Point of Sale Purchases** (Physical on-site pick up of merchandise)
- No shipping charges
- Eliminates risk of receiving incorrect merchandise
- Reduces petty cash purchases

When going to a store to purchase items, you must always have your Purchasing Card with you. At some stores you can check-out at the register without having to go to the service desk. It is your responsibility to make the vendor aware of our tax exempt status. You must be sure to get a receipt for each purchase. Record purchase on your Purchasing Card Activity Log upon return to campus and store receipt in envelope.

**Telephone Orders**
- Desktop ordering
- Quicker Delivery
- Product questions and out of stock items can be cleared immediately

To place a telephone order:
- Have your Purchasing Card ready before you place the call.
- Always ask for the education/government sales representative.
- Tell the vendor that we are tax exempt.
- Specify shipping address to vendor.
- Complete order with vendor and record all information on Purchasing Card Activity Log.
Mail/Fax Orders
✓ Catalog orders
✓ Subscriptions
✓ Book orders

When mailing or faxing an order, be sure to complete all information needed on the order form and keep a copy for your records. For subscriptions, this may be the only receipt that you have.

Double check the “Ship To” address. Some catalogs, re-order cards/forms already have an address on them.

Record the purchase on Purchasing Card Activity Log. Store a copy of order form in envelope.

Web Purchases
✓ Book orders, such as Amazon.com, etc.
✓ Registrations
✓ Office Supplies

We advise you to use caution when purchasing over the web. Make sure the vendor is a bona fide supplier before you give your card number.

HOW DO I HAVE MY PURCHASES SHIPPED?

All purchases must be shipped to Georgia Highlands College, Central Receiving, 3175 Cedartown Hwy., Rome, GA 30161, to YOUR attention. If your name or department name is not on the package, Receiving will not know who to deliver it to. Tell the vendor not to put the card number on the outside of the package or on the packing list. Items received in Central Receiving will be forwarded to you.

WHAT DO I DO WITH ALL OF MY RECEIPTS?

You must keep a receipt for every purchase made with the Purchasing Card. After you record the purchase on the Purchasing Card Activity Log, keep all order forms, receipts, packing lists, etc., in the envelope.
WHAT IF I NEED TO RETURN AN ITEM?

Should a problem arise with a purchased item, service, or charges, every attempt should be made to first resolve the issue directly with the supplier. Review of future statements is vital to ensure the account is properly credited for returns, credits and disputed charges. The returned, credited or disputed item should be noted on the Purchasing Card Activity Log.

- **Returns** - If a cardholder needs to return an item to a supplier, contact the supplier and obtain instructions for return. Note that some suppliers may charge a restocking or handling fee for returns. All returns should be indicated on the Activity Log.

- **Credits** - If the supplier accepts an item as a return, a credit for this item should appear on the following month’s statement. Never accept cash in lieu of credit to the card account. All credits should be indicated on the Activity Log.

HOW DO I DISPUTE A CHARGE?

Once a cardholder discovers an incorrect amount has been charged for goods or materials received, or a questionable purchase or transaction appears on a statement, the cardholder should immediately seek to resolve the problem with the vendor. If the dispute cannot be resolved directly with the vendor, the cardholder should call Bank of America customer service, 1-888-449-2273, for information on forwarding a Purchasing Card Dispute Form to the bank. Note the disputed item on the Activity Log.

**NOTE:** If the disputed charge involves sales tax charged erroneously by the vendor, the amount of the tax cannot be disputed through VISA charge back regulations. Cardholders should make every effort to obtain a credit from the vendor for the amount of the tax. If a credit is not obtained, the ordering department must pay the tax.

Keep in mind that a dispute could take up to 90 days before settlement is complete.
WHAT DO I DO WHEN I RECEIVE MY STATEMENT?

Each cardholder will receive a monthly statement from Bank of America of charges made on the Purchasing Card. The billing cycle ends on the 15th and statements are mailed to cardholders within 5 days after close of the billing cycle. Once you receive your statement, you must forward statement and supporting documentation to Accounting Services within 3 business days. The cardholder should:

1. Compare the statement with Purchasing Card Activity Log and the corresponding charge slips. If there is a discrepancy, call Bank of America, 1-888-449-2273.

2. Put original copy of statement in envelope with original receipts, etc.

3. Fill out the Purchasing Card Account Summary. Give Account Summary and Activity Log Envelope with its contents to your supervisor for his/her review and signature.

4. After your supervisor has signed the Account Summary, cardholder forwards the Purchasing Card Activity Log/Envelope containing the following to Accounting Services:
   - Original Account Summary with Supervisor’s signed approval
   - Original statement from Bank of America
   - Original order forms, receipts, packing lists, etc.

5. If you need copies for your files, Xerox them.

How to Complete the Purchasing Card Account Summary

1. Enter Department name.
2. Enter Statement date
3. Enter Cardholder name.
4. Enter Cardholder signature.
5. Enter Account numbers (Fund, Department, Program, Class, Grant)
6. If you have charges for more than one Department, use a separate Account Summary form for each department.
7. Summarize your purchases by object code.
8. Enter each amount next to the object code it applies to.
9. Total the object code amounts. (This total must equal the total on the card statement.)
10. Obtain Budget Manager’s signature.
11. Put Account Summary in Activity Log Envelope with statement, receipts, etc., and forward to Accounting Services.

Definitions of Object Codes

712100 - Motor Vehicle Expenses - Used only by maintenance department.
714100 - General Supplies & Materials - Most purchases will fall under this object code.
714115 - Postage
715100 - Repairs and Maintenance - Minor repairs to equipment.
727107 - Registration Fees - Registration fees to workshops or seminars.
727109 - Subscriptions - Magazines, newspapers, etc.
733100 - Software
742100 - Publications & Printing - Any printing of posters, booklets, etc.
743100 - Non Inventory Equipment - Equipment valued under $800

WHERE DO I GET HELP?

Bank of America - In most situations, individual cardholders will deal directly with Bank of America. Customer Service is available 24/7 at 1-888-449-2273.

Purchasing Card Coordinator - The Purchasing Card Coordinator acts as the College’s liaison with Bank of America. The Purchasing Card Coordinator provides support and assistance to cardholders; processes applications for new cards; distributes new cards; provides training to new cardholders; processes changes in cardholder information (name, address, increase or decrease in spending limits, etc.); keeps cardholders informed of new information, program changes, etc.; and closes accounts as necessary.

Cheryl Baker, Secretary to the Vice President for Finance and Administration, is the campus Purchasing Card Coordinator. Please feel free to call her at 5105 if you have questions or problems concerning use of the Purchasing Card.
Procurement Department - When in doubt about whether a particular item can or cannot be purchased using the Purchasing Card, call the Procurement Department at 6346. The Purchasing Director can answer your questions about mandatory source items or statewide contract items.

RESPONSIBILITIES

Cardholder

- Ensure the Purchasing Card is used for legitimate business purposes only. This card cannot be used for personal purchases or as personal identification under any circumstances.
- Maintain card in a secure location at all times. The card and account number should be carefully guarded.
- Do not allow other individuals to use your card.
- Adhere to the purchase limits and restrictions of the card and ensure the total transaction amount of any single purchase does not exceed personal limit. Card will be denied at the point-of-sale level if you go over these limits. Do not split a transaction in order to circumvent the limitations of the card.
- Adhere to your departmental budget limits.
- Obtain a receipt or packing slip for all transactions.
- Reconcile the statement to the receipts and/or packing slips each month.
- Submit a reconciled statement with attached receipts and/or packing slips to supervisor/budget manager for his/her review and signature.
- Send reconciled statement, account summary, receipts, etc., to Accounting Services within 3 business days of receipt of statement.
- Attempt to resolve billing disputes directly with the supplier. If unable to resolve the dispute, Cardholder should contact Bank of America Customer Service, 1-888-449-2273, for information on forwarding a Purchasing Card Dispute Form to the bank.
- Ensure that an appropriate credit for the reported disputed item or billing error appears on a subsequent statement.
- Never accept cash in lieu of a credit to the card account.
- Immediately report a lost or stolen card to Bank of America at 1-888-449-2273, (24 hours a day, 365 days a year).
• Immediately notify Card Administrator and Supervisor/Budget Manager of a lost or stolen card at the first opportunity during normal business hours.
• Immediately report declines or fraudulent charges to Supervisor/Budget Manager and the Card Administrator.
• If a vendor does not accept the card, contact the Card Administrator.
• Return the card to Card Administrator upon termination of employment or transfer to another department within Georgia Highlands College.

Budget Manager
• The Budget Manager is directly responsible for overseeing the Purchasing Card activity of the cardholder.
• Budget Manager must request cards for new employees in writing or by email to the Card Administrator. Request should include the employee’s name as it should appear on the card; the employee’s job title; and what purchasing limits are required (single transaction limit and monthly credit limit).
• Ensure that the card is used for legitimate business purposes only.
• Provide approval by signing cardholder Accounting Summary and sending to Accounting Services by established monthly due date. (Three business days after receipt of statement).
• Ensure that adequate budget balances are available to cover any purchases made using the Purchasing Card.
• Inform Card Administrator if cardholder transfers to a different department.
• Inform Card Administrator if a cardholder requires a change in transaction limits (per month or per transaction limits).
• Inform Card Administrator if cardholder terminates employment.
• Inform Card Administrator if cardholder violates policies and procedures.

YOUR PURCHASING CARD CAN BE REVOKED IF:

• The card is used for personal or unauthorized purposes.
• You accept a cash refund for items returned, in lieu of credit to the account.
• Receipts are not provided for all transactions.
• A purchase is split to circumvent the limitations of the card.
You use another Cardholder’s card to circumvent the purchase limits assigned to your card.
You allow your card to be used by another individual.
Card is used to purchase alcoholic beverages or any substance, material or service which violates Georgia Highlands College policy, law or regulation pertaining to Georgia Highlands College.
You do not adhere to all of the Purchasing Card policies and procedures.

Improper use of the Purchasing Card may result in disciplinary action up to and including termination of employment.

**PAPERWORK**

**Purchasing Card Agreement** - An agreement between the cardholder and Georgia Highlands College which affirms that the cardholder has read and understands the policies and procedures for the Purchasing Card. Completed by the cardholder prior to issuance of Purchasing Card.

**Purchasing Card Activity Log/Envelope** - Used each time the Purchasing Card is used. Cardholder uses the Activity Log to keep track of each purchase made. Receipts, order forms, packing lists, etc., are stored in the Envelope.

**Purchasing Card Statement** - Mailed to cardholder from Bank of America within 5 days after the 15th of each month.

**Purchasing Card Account Summary** - Completed by the cardholder each month upon receipt of statement. Requires cardholder’s signature and supervisor/budget manager’s signature.