



PROCUREMENT CARD POLICY

Area:	Business & Finance	Number:	
Applies to:	All Faculty and Staff	Issued:	May 10, 2018
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Policy Owner:	Vice-President, Business & Finance	Page(s):	6

I. Purpose

The purpose of this policy is to provide guidance for University personnel regarding use of the State of Georgia issued procurement card (P-Card).

II. Policy Statement

The Georgia Southern University Procurement Card Policy is written in accordance to the approved [University P-card Plan](#). Any amendments to University P-card Plan must be submitted by the University President to the Department of Administrative Services (DOAS).

Budget Managers as defined in this policy retain primary management authority and approval status for the obtaining of goods and services for their respective departments or divisions. With regards to the P-Card policy, Budget Managers are responsible to ensure cardholders in their areas are properly trained and are aware of current procedures. Budget Managers will ensure proper review of all P-Card purchases within their areas.

III. Definitions

Procurement Card: The P-Card is a state-issued, corporate Visa credit card that is managed by Bank of America. Per the State Accounting Office, the P-Card may be used as the method of payment for unplanned, non-routine, or urgent point of sale purchases under \$1,000 and for purchases under \$5,000 that are pre-approved. Point of sale transactions include purchases made at a physical store, in person, online or over the phone.

Budget Manager: Administrator with management and budgetary authority over an organizational unit of the institution as defined in the University's organization chart. (i.e., Vice President, Deans/Directors, Department Chair/Head, and Principal Investigators of sponsored grants/contracts). These individuals have attended both P-Card and WORKS training and approve cardholder transactions. These individuals must review the transactions for validity and appropriate general ledger (speed chart and account code)

information. The cardholder and approver cannot be the same person. The most important internal control is the monthly review of the cardholder's submittal package by the approving official.

Organizational Unit: Unique academic or administrative department of the institution for which a separate budget is maintained (i.e., Biology Department or Financial Accounting).

Billing Cycle: A predetermined timeframe that all P-Card transactions occur in. See [P-Card User Guide](#) for more information.

Card Profile Limits: (otherwise known as cycle and single transaction limits)

- Single transaction limit: \$1,000.00 for each transaction, no single purchase/transaction may exceed this limit.
- Monthly Cycle limit: one of the following amounts that a cardholder is able to spend during a given cycle: \$5K, \$10K, \$15K, \$20K, or \$25K. Any limit over \$25K must be approved by DOAS.

Monthly Submittal package: Includes transmittal form, bank statement (monthly billing statement), prior approval forms, and receipts for the previous card cycle. This package of documents is sent each month to the Procurement & Logistical Services Department.

Reconciler: This individual is responsible for reviewing and approving each transaction in WORKS prior to the predetermined due date. This individual also has the ability to change the funding.

CUPO: The University's Director of Procurement & Logistical Services holds the State title of College/University Procurement Officer (CUPO) and they serve as the official liaison between the University and the State Cards Program Manager for all matters related to the P-Card program. In accordance with state policy, the CUPO has delegated the appropriate roles and responsibilities to several individuals on campus.

P-Card Coordinator: This is an individual with the Procurement & Logistical Services department who is responsible for the day-to-day management of the University's card program. The individual provides management oversight, training, statistical reporting, draft procedures, auditing and other clerical tasks associated with the program.

IV. Procedures

Specific guidance and details regarding the program are contained in the [P-Card User Guide](#) provided to each cardholder/budget manager at training.

Responsibilities

Refer to the [State of Georgia P-Card Policy](#) for roles and responsibilities of the University's P-Card Plan, University President, Chief Financial Officer and Card Program Administrator. The Director of Procurement delegates the following roles and responsibilities for the administration of the University P-Card program:

Budget Managers: This individual must be the Departmental Budget Manager over the cardholder. Managers/Approvers must have a thorough knowledge of the job

responsibilities of the cardholders under the Manager's supervision in order to determine if purchases are reasonable in terms of types of purchases made. Responsibilities include the following:

- Maintain knowledge of State and internal P-Card policies and procedures.
- Review and sign cardholder requests made with the P-Card Request form (used to request changes to the cardholder's credit limits, request team/group travel, food purchasing privileges and/or any other special request).
- Invoices/receipts have the required information.
- Transmittal forms and statement contain the cardholder's original signature. Signatures made with rubber stamps are prohibited.
- Sign the monthly transmittal form and the cardholder's statement signifying review and approval for payment. This responsibility cannot be delegated to another person.
- Submit all documentation via email (P-Card@georgiasouthern.edu) according to internally established procedures.
- Verify that all transactions are legitimate, made in the best interest of the University, and made in accordance with internal and State requirements.
- Identify and discuss any violations with the cardholder to provide additional instruction. Discussions should be documented and attached to the reconciliation submittal package.
- Ensure that all transactions by cardholders under their supervision have comments and have been approved in Bank of America WORKS by the predetermined due date.
- Ensure efficient and maximum utilization of cards held by cardholder in their department by periodic or regular review of number of cards and transactions.

Cardholder: A permanent employee of the University whose name appears on the P-Card. P-Card holders are *defacto* purchasing agents for the University, which carries the following responsibilities:

- Ensure all purchases comply with purchasing requirements of the Georgia Procurement Manual, follow State and University's order of precedence, and State and internal policies and procedures.
- Comply with provisions of O.C.G.A. §45-10-1-State Employee Code of Ethics and Conflicts of Interest. This code regulates purchases from friends, relatives or from companies where the cardholder may have a financial interest. Additionally, employees may not accept any gratuities or gifts offered from any Supplier.
- Maintain physical security of the P-Card and associated account number, expiration date and security code. Procurement & Logistical Services recommends the P-Cards be stored within the provided bright yellow protective sleeve.
- Obtain "best value" for the State when making purchases with the P-Card.
- Maintain all P-Card purchase documentation according to State and internal procedures.
- Notify the P-Card Coordinator and/or Internal Audit, Risk & Compliance if cardholder is being directed by a supervisor to purchase prohibited or restricted items. All reports will be handled without retribution.
- Cardholder must complete a Monthly P-Card Reconciliation by matching purchase receipts to the Monthly P-Card Billing Statement in WORKS and notifying the Departmental Budget Manager that monthly P-Card transactions are available for review and approval.
- Ensure all transactions are signed-off with comments in WORKS prior to the

Accountingsweep deadline.

Other specialized P-Card Operations:

Proxy Reconcilers (*WORKS ONLY*)

- Proxy Reconciler for Cardholder: The appropriate reconciler (cardholder or proxy) is to review, enter comments and sign off transactions after the reviewer has verified the following:
 - Items/services purchased are acceptable, appropriate and for official business only.
 - Purchased items/services are billed correctly and items have been shipped/received.
 - Correct general ledger information is applied for each transaction.
 - Enter comments in WORKS for main items purchased and business purpose.
 - Transactions are signed off in ample time so that the transaction may be reviewed by the approver prior to the Accounting sweep deadline.
- Proxy Reconciler for Approver: The appropriate approver for each cardholder is to review and approve transaction after approver has verified the following:
 - Correct general ledger information is applied for each transaction.
 - Items/services purchased are acceptable, appropriate and for official business only.
 - Comments for the purchase are acceptable and appropriate for the items/services purchased.
 - Sign offs by cardholder and approver are completed prior to the Accounting sweep deadline.

Grants Approver: The Research Accounting Representative for the Grant must approve the transaction by approving the prior approval form. Once the Budget Manager has signed, then the package will be forwarded to Procurement & Logistical Services for approval.

- No P-Card purchases should be made with funding from a grant that expires within 45 days. Any transactions with the P-Card that are not processed by the grant end date will become the responsibility of the department that houses the grant.

Training

O.C.G.A 50-5-83 mandates that all cardholders and approvers complete P-Card Policies and Procedures training. Additionally, all new cardholders and their budget manager are required to attend ePro (eProcurement) training prior to or concurrently with P-Card training. Specific training requirements are outlined below.

- Cardholder: Each cardholder is required to attend the P-Card Policies & Procedures training and WORKS training before issuance of the P-Card. Annual refresher training is required for each cardholder. Additionally, all new cardholders are required to attend ePro training prior to or concurrently with P-card Training.
- Budget Managers: Each Budget Manager is required to attend the P-Card

Policies & Procedures training and WORKS training before issuance of the P-Card to the cardholder. Annual refresher training is required for each Manager. Additionally, Budget Managers are required to attend ePro training prior to or concurrently with P-card Training.

- WORKS Reconcilers & Approvers: Each WORKS reconciler & approver must complete P-card training prior to being granted access to the WORKS program. Annual refresher training is required for each reconciler and approver.

Notices for refresher training and any other requirements will be sent via email to each cardholder/manager/works reconciler & approver approximately 45 days before Compliance & Training Month. Individuals will have approximately one month to complete P-Card Policies & Procedures training. If a cardholder does not complete refresher training by the conclusion of the Compliance & Training Month, the P-Card will be suspended until training requirements have been completed. If a manager does not complete refresher training by the conclusion of the Compliance & Training Month, all P-Cards under the manager's supervision will be suspended until training requirements have been completed.

Additional training information can be found in the [P-Card User Guide](#).

Making Purchases

The P-Card may be used to place orders with any supplier who accepts the P-Card as long as the cardholder obtains prior approval with the [P-Card Purchase Pre-Approval Form](#) and the item(s) cannot be located in ePro GeorgiaFirst Marketplace. Refer to the [P-Card User Guide](#) for further instructions on making purchases.

Monthly Cycle Limits: Refer to [State of Georgia P-Card Policy](#) for card limits. Cardholder may request an increase via the Single Transaction Limit and/or Cycle Limit Increase Form located on the [Procurement and Logistical Services website](#).

Vendor/Contract Order of Precedence

Refer to the [P-Card User Guide](#) for further information on Vendor/Contract Order of Precedence.

Billing & Deadlines

Refer to the [P-Card User Guide](#) for further information on billing & deadlines.

Submittal Packages

Refer to [P-Card User Guide](#) for further instructions on how to submit the package.

File Retention

Each cardholder must retain a copy of all P-Card submittal packages for a minimum of the previous 12 calendar months. Should a cardholder terminate employment, the Department

Budget Manager shall be responsible for maintaining these files.

Card Limitations & Prohibited Purchases

Refer to [State of Georgia P-Card Policy](#) for all allowable and prohibited purchases while using the purchasing card.

Audits and Violations

Refer to [P-Card User Guide](#) for further information on audits and violations.

Fraudulent Charges

If fraud is discovered, the following steps will be completed by the Card Programs Administrator:

- Cancel the P-Card immediately.
- Notify State P-Card Program Manager.
- Notify appropriate personnel at the University (Public Safety officials, Internal Audit officials, Human Resources and supervisory officials).

Cardholders who violate the State P-Card Program by committing fraudulent activity against the State will be immediately terminated.