



# **Procurement Card Policy**

Revised January 3, 2022

## PROCUREMENT CARD – GENERAL INFORMATION

This policy applies to all university employees that have been issued a procurement card.

A procurement card (P-Card, Pro-Card) is a credit card issued by Bank of America to Elon University for use in making direct purchases from vendors. The procurement card provides a cost effective, convenient, and decentralized method of purchasing for individuals whose jobs require them to make frequent business-related purchases. The individual named on the card is authorized to make certain business purchases on behalf of the university. Procurement card transactions do not require a purchase order or check request.

Use of the procurement card is a privilege extended to university employees. As with all university privileges, the use of the procurement card can be revoked for inappropriate or unauthorized use.

The university is liable to Bank of America for the charges and remits payment directly to them. **Therefore, personal purchases are not permitted.**

A procurement card purchase must be used for business purposes only and in full compliance with other university policies. The cardholder is responsible for ensuring that any expense paid by procurement card is not otherwise submitted for reimbursement or used for any inappropriate purpose.

Failure to use the card in compliance with this policy may result in the suspension or revocation of the procurement card and, but not limited to, garnishment of wages, employee termination, as well as the filing of criminal charges.

### 1. Purchase Thresholds

A purchase limit applies to each transaction and a monthly limit applies to total purchases.

The maximum approved amount is:

- \$2,500 per transaction for all purchases excluding travel related charges (hotel, transportation, meals, conference registration, etc.)
- Monthly limit is at the discretion of the cardholder's supervisor

An increase to a cardholder's monthly limit requires an email request from the cardholder's supervisor to the procurement card program administrator (Director of Purchasing) indicating the amount of increase and time period.

### 2. Card Usage

Transactions made with the procurement card must be in accordance with all university policies, procedures and regulations. The card is not intended to be a tool to circumvent existing policy or regulations.

### 3. Personal Purchases

The cardholder may not make personal purchases on the card. Cardholder understands that her/she shall be personally liable for any improper use of the university procurement card and agrees to obtain a direct credit from the vendor for the improper charge to the procurement card and make payment via another source. The cardholder understands that his/her personal use of the university procurement card may be cause for disciplinary action by the university, including termination, and that improper use of the university procurement card may subject the cardholder to criminal prosecution. The cardholder understands that the university may withhold amounts attributable to personal use by the cardholder from any paycheck or other university check which may be payable to the cardholder.

### 4. Allocation and Signoff of Procurement Card Charges

It is the cardholder's responsibility (or their designate) to allocate and signoff the charges on the procurement card account in a timely manner. The cardholder must know the Colleague account number to be charged and provide an expense description.

Failure to allocate and signoff on the procurement card charges by the last day of each month may result in the following:

- Temporary suspension of procurement card privileges
- Charges being allocated to incorrect Colleague account number
- Depletion of credit limit

#### 5. Billing Address

The vendor will require the cardholder's billing address. The address **must** be as follows:

**Elon University  
2950 Campus Box  
Elon, NC 27244  
Phone: 336-278-5587**

Failure to use this billing address may result in the purchase being declined.

#### 6. Shipping Address

Smaller items can be shipped directly to the cardholder's campus box. Larger items should be shipped to the Facilities Management receiving dock making sure that the vendor includes the cardholder's name and department on the shipping label. Facilities Management address is:

**Elon University  
(Cardholder's Name)  
803 W. Haggard Ave  
Elon, NC 27244**

#### 7. Small Dollar Purchases

A small dollar purchase is defined as a purchase whose total value does not exceed \$2,500. For purposes of administrative efficiency, university employees who have been issued a procurement card in their name may use it to purchase items from a vendor when the dollar value does not exceed \$2,500. This small dollar limit does not apply to purchases associated with travel.

#### 8. Splitting Orders

Cardholders are expressly prohibited from splitting orders as a means of circumventing the \$2,500 limitation. Moreover, cardholders shall not encourage vendors to split orders. This is considered inappropriate use of the procurement card and can result in disciplinary action.

#### 9. Cancelled Cards

A procurement card may be cancelled immediately for any of the following reasons:

- Unauthorized use, inappropriate use, or misuse
- Cardholder employment termination
- Cardholder department transfer

The cardholder's supervisor is responsible for ensuring that employees terminating employment with the university or transferring to another university department return the procurement card and supporting documents to the Purchasing Department prior to their departure or transfer. Procurement cards shall be surrendered upon notification of resignation of the cardholder from the university.

#### 10. Card Security

It is the cardholder's responsibility to safeguard the procurement card and the account number with the same degree that the cardholder safeguards his/her personal credit card. **Sharing, loaning or otherwise providing the procurement card number to any other individual may result in the cardholder having his/her procurement card revoked.**

If a procurement card is lost, stolen or if the cardholder discovers fraudulent charges, the cardholder is responsible for notifying Bank of America as soon as possible. Representatives are available 24 hours a day, 7 days a week at 888-449-2273 (number on back of card). Outside of the U.S. and Canada call collect at 509-353-6656 (number on back of card). The cardholder is also responsible for contacting the program administrator (Director of Purchasing) regarding a lost or stolen card or the discovery of fraudulent charges.

### **11. Inappropriate Purchases**

An inappropriate purchase is a purchase made using university funds that has no business purpose. Inappropriate purchases can be grounds for disciplinary action by the university against the cardholder.

### **12. Documentation of Charges**

The university requires sufficient documentary evidence for all purchases made with the procurement card in order to comply with its policies, sound business practices, the requirements of external and internal auditors and the Internal Revenue Service. Sufficient documentary evidence includes an original receipt, e-mail confirmation, packing slip or commercial invoice.

It is the cardholder's responsibility to match a receipt to each of the transactions appearing on the monthly statement, sign the statement, obtain the supervisor's signature and send the documentation to the Accounting Department (2900 Campus Box) in a timely manner. Failure to do so may result in revocation of the procurement card and/or disciplinary action. Any cardholder receiving a notification for three (3) months of missing documentation will have the card inactivated after consultation with the divisional Vice President or Dean.

### **13. Missing Documentation**

A cardholder who loses or misplaces an original receipt should attempt to secure a replacement receipt from the merchant/vendor. Should this fail, the cardholder must complete the Missing Receipt Affidavit Form in lieu of the original receipt.

### **14. Cardholder Absence**

It is the cardholder's responsibility to allocate all transactions to the proper account number and sign off all procurement card charges in the Works system in a timely manner (no later than the last day of each month). If the cardholder is out of the office, the cardholder must provide the transaction information to his/her delegate to perform the allocation and signoff activities.

### **15. Transaction Credits**

Transaction credits must be allocated to the same Colleague account number that the original purchase was allocated. The cardholder must get a credit receipt from the vendor indicating the credit on the procurement card.

### **16. Erroneous Charges**

It is the cardholder's responsibility to contact the vendor if there is an erroneous charge on his/her account. If this does not remedy the situation, the cardholder should immediately contact Bank of America Customer Service at 888-449-2273 (number on back of card).

### **17. Fraudulent Charges**

It is the cardholder's responsibility to contact the Bank of America Fraud Department directly at 866-500-8262 if there are charges that are unauthorized or unrecognized on his/her account. The disputed charge should be communicated to Bank of America as soon as it is discovered.

### **18. Monthly Statement**

The cardholder will receive a monthly statement when transactions have posted to his/her card. The cardholder is required to match a receipt to each transaction appearing on the statement. If a receipt is missing, follow the procedure in item 13 above. Attach all receipts to the statement. The cardholder and his/her supervisor must sign the statement on the space indicated. The cardholder must then send the original statement and receipts to the Accounting Department at Campus Box 2900. Failure to forward this documentation to Accounting may result in disciplinary action.

**19. Outside Reviews and Audits**

Cardholder transactions are subject to review and audit by the Program Administrator, Accounting Department, Internal Auditor, or other external auditing agencies. Based upon these audits, cards may be suspended or permanently revoked, or other disciplinary action may be taken.

**20. Disciplinary Action**

Serious violations of procurement card policies may result in disciplinary action. Disciplinary action may include, but is not limited to, oral reprimand, written reprimand, card deactivation or termination of employment.

# MISSING RECEIPT AFFIDAVIT

(for use with Purchasing Card transactions)

I, \_\_\_\_\_, have either not received or have misplaced a receipt totaling \$ \_\_\_\_\_. This expense was incurred on behalf of Elon University.

Date Expense Incurred: \_\_\_\_\_

Reason For Missing Receipt: \_\_\_\_\_

Detail of Expense (explain in box below):

I certify that the detail and amount shown above was expended for Elon University business purposes. If charged to a grant or contract, I certify that the claimed expenses comply with the conditions of the grant or contract.

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor Printed Name

\_\_\_\_\_  
Title