



Purchasing Card Policies and Procedures Manual

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1.0 PURCHASING CARD OVERVIEW

The purpose of the Great Basin College Purchasing Card Program is to establish a more efficient and cost-effective method of purchasing and paying for small dollar transactions within established usage limits. The purchasing card (p-card) may be used at any merchant or service provider that accepts MasterCard (with certain limitations). The purchasing card can be used for in-store purchases, mail orders, phone orders, internet, or fax orders. All cards are issued at the request of the supervisor and dean or vice president. Card usage may be audited and/or rescinded at any time.

The purchasing card is **NOT** intended:

- To avoid or bypass appropriate purchasing or payment procedures. Rather it complements the existing processes available.
- For personal use.

This manual provides the requirements under which purchasing cards may be used. All cardholders are expected to understand and adhere to the rules contained in this manual and must acknowledge this by signing the Cardholder Agreement.

2.0 CARD FINANCIAL POLICY

It is the cardholder's responsibility to use the purchasing card in a manner that does not violate the card financial policies as outlined below. Purchases must be for the use and benefit of the college and must have an identified business purpose.

2.1 Terms:

All cardholders must sign and accept the terms and conditions of the purchasing card cardholder agreement.

2.2 Limits:

Each card has been assigned credit and transaction limits by the Controller's Office, not to exceed the following.

President, Vice President

Assistants & Controller Cards:

Dollar amount per transaction	\$ 4,999
Dollar amount per month	\$ 15,000
Number of transactions per day	50
Number of transactions per month	500

Individual Cards:

Dollar amount per transaction	\$ 1,999
Dollar amount per month	\$ 5,000
Number of transactions per day	50
Number of transactions per month	500

Individual limits are based upon the individual needs of the cardholder in consultation with the Purchasing Card Administrator and the dean or vice president. Any changes to the transaction and/or monthly limits must be approved by the cardholder's dean or vice president on the Purchasing Card Application and Agreement form. Temporary requests for monthly limits greater than \$15,000 for President, Vice President Assistants and Controller and \$5,000 for individual cards may be approved by the Purchasing Card Administrator if the request is appropriate and justifiable.

23 Allowable and Prohibited Uses/Transactions:

Allowable Uses/Transactions

Purchases must be for the use and benefit of the college, must have an identified business purpose, be within the card limits, and not be prohibited transactions (see below).

The purchasing card may be used for college purchases from the GBC (Follett) Bookstore and current Cafe/Food Service on campus.

Only the President and Vice President Assistants are allowed to make purchases for travel, airfare and hotel.

Prohibited Uses/Transactions

- Splitting transaction(s) to avoid the limits, including splitting transactions between multiple cards within the same department
- Grant account related expenses, unless pre-authorized under special circumstances
- Items for personal use
- Cash advances
- Travel expenses for employee's hotels, meals and personal travel expenses.
- Traveler checks
- Recurring transactions exceeding \$25,000 in the aggregate in a fiscal year with a single vendor should be requisitioned through the Business Center North.
- Purchasing gift cards is the equivalent to giving cash and is not permitted. These are taxable events and must be tracked appropriately.
- Additional goods or services may be specifically excluded for individual cardholders (see the cardholder agreement for a complete list of exclusions).

Violation of these policies will result in revocation of the purchasing card(s).

Fraudulent use of the purchasing card may result in disciplinary action and personal liability of the cardholder.

3.0 CARD CONTROL POLICY

It is the cardholder's responsibility to assure that the purchasing card is secured at all times.

Although the purchasing card may be issued in your name, it is the property of the college and is only to be used for college purchases as defined in this document.

Purchasing cards should be returned to the Controller's office upon termination of employment of the cardholder with the college.

3.1 Cardholder's Application and Agreement

To obtain a card after you have read and understand the procedures outlined complete the following steps (all forms are available on the Controller's Office website, [see section 5.0 for the link](#)):

1. Complete and sign the Cardholder Agreement. Cards will be issued in the names of specific individuals. A default account must be included on the application.
2. Your supervisor, or dean/vice president must indicate approval by signing the Cardholder Account and Cardholder Agreement forms.
3. Forward original signed forms to the Purchasing Card Administrator in the Controller's Office, Berg Hall.
4. The Purchasing Card Administrator will submit your purchasing card to JPMorgan Chase and notify you when it is available to be picked up. You must pick it up and sign for receipt of your purchasing card personally, unless you or your department are located off campus in which case the card may be mailed to you.
5. When you receive your card, sign the back of the card immediately and **always keep it in a secure place!**

3.2 Requesting a Change to Credit Limits

To obtain a credit limit change, please follow the steps below:

1. Download, complete and sign an appropriate Cardholder Agreement ([see Section 5.0](#)). For changes to credit limits only, please complete only page one of the cardholder agreement. Please put a check mark in the "Change" box located at the top of the form. Indicate the new credit limit amount you want. Your supervisor or dean/vice president must indicate approval by signing the Cardholder Agreement form. Send the original signed form to the Purchasing Card Administrator in the Controller's Office.
2. The Purchasing Card Administrator will make the necessary changes to your credit limit and notify you when it is complete (or if there is a problem).

3.3 Canceling a Card

To cancel a card upon cardholder request, upon termination of employment of the cardholder with the college, or upon request of the college, the card should be cut in half and delivered to the Purchasing Card Administrator in Berg Hall.

3.4 Card Renewal

A renewal card will automatically be mailed to the Purchasing Card Administrator. The expiration date is indicated on the card. Again, you will have to personally pick up your card at the Controller's Office and sign for receipt of it, unless you or your department is located off campus in which case the card may be mailed.

3.5 Revising "Default Account Number" Information

Submitting a revised Cardholder Account Form or e-mailing the revision to a Purchasing Card Administrator in the Controller's Office can change the default worktag for each card.

3.6 Card Security

College purchasing cards are considered "commercial" rather than "personal" credit cards. The college is liable for any lost/stolen/misused purchasing card transactions made before the time we notify the bank of an issue. To ensure the risk of loss is minimized the following security measures must be adhered to:

- Only the authorized cardholder may use the purchasing card for small dollar purchases within the limits set for the card.
- Purchasing cards should be secured at all times by the cardholder. Cards and card numbers must be safeguarded against use by unauthorized individuals in the same manner you would secure your personal credit card.

Additional information on the College's liability is available on the college Controller's website.

3.7 Cardholder Responsibilities for Receipt of Goods/Services and Recordkeeping

Receipt of Materials and Services

Prior to using the pcard to initiate a transaction, the pcard internal use form must be completed. This form must be completed if you are asked by someone else to purchase items or if you are not an authorized account signer on worktags being charged.

The cardholder is responsible for ensuring receipt of materials and services and is required to follow-up with the vendor to resolve any delivery problems, discrepancies and/or damaged goods, sales tax charged in error.

For telephone, internet, or catalog orders, make sure there is a complete shipping address and instruction are given along with your name (e.g., name, department name, city, state, and zip code).

Any purchases for supplies must be sent to a college business address. Shipments to an employee's home address are not allowed unless the college recognizes the employee's home address as their principal duty station.

Cardholder Record Keeping, Documentation, Reconciliation and Approval Process

Transactions are loaded into Workday daily. It is recommended that the person responsible for reconciling those transactions do so weekly at minimum. **Cardholders are to verify all transactions by the 15th of each month:**

1. In Workday search for "Verify Procurement Card Transactions" or "Verify ProcurementCard

Transactions for Worker".

2. Select the transaction that is to be verified and select ok.
3. For each transaction there must be an appropriate Business Purpose listed in the memo field, an appropriate Spend Category, and an appropriate account assigned to the transaction. Itemized receipt(s) and any other documentation needs to be attached to the transaction(s) as well. All host expenses must have a detailed hosting worktag.
4. Once all the accounting information is entered, and documentation is attached, the transaction will be submitted and routed through the Workday system for proper approvals.
5. After all department and account approvals are completed the transaction is sent to UNR Accounting Services for a final audit and approval. If there are any issues with the transaction(s) it will be sent back through the system with a memo explaining the problem(s) and how to rectify them.

Any transaction that does not have an itemized receipt or appropriate purchase documentation needs to have a memo attached to the transaction that has been signed by the dean or VP. Any transactions that do not have that accompanying them will need to be paid back by the cardholder using the Record Cash Sale process in Workday.

If the transaction is a credit that does not have backup associated with the transaction, a memo should be attached referencing the original transaction information (date, amount, account charged, spend category used) and that will serve as the documentation.

To obtain a copy of a charge or credit slip, call the bank's Customer Service Department at 1-800-316-6056. There is a \$5.00 charge for each copy, which will be billed to your card.

These guidelines are based on the minimum suggested best practices, each cardholder can take action more often if that is deemed beneficial. Failure to complete transactions in a timely manner will lead to suspension of the card privileges and possibly cancelation of the card.

3.8 Supervisor's Responsibilities

All Supervisors are expected to be knowledgeable of college financial policies and procedures as outlined in the college Administrative Manual.

The following items must be reviewed by all supervisors or authorized account signers before approving the transaction in Workday:

1. All purchasing card transactions must be for an appropriate business purpose.
2. All purchases are in compliance with the college purchasing and PCard policies.
3. Expense documentation exists and is appropriate for each p-card transaction.

3.9 Lost or Stolen Card

It is the cardholder's responsibility to report the loss of the card immediately to the issuing bank and the Purchasing Card Administrator. If your purchasing card is lost or stolen, immediately notify JP Morgan Chase at 1-800-316-6056 and the Purchasing Card Administrator at 775-753-2250. Charges to the card are the employee's responsibility until the card has been reported as missing/stolen.

3.10 State of Nevada Sales Tax

The Great Basin College is an agency of the State of Nevada and is exempt from payment of State of Nevada sales or use tax on its purchases as provided by NRS 372.325, NRS 374.330 and NRS 377, when applicable. **It is the cardholder's responsibility as an agent of the college to ensure State of Nevada sales tax is not charged. The State of Nevada Sales Tax exemption letter for GBC is available on the Controller's Office Website.**

3.11 Resolving Errors, Disputes, Returns, and Credits:

- Disputed billing can result from failure to receive goods or services, fraud or misuse, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. In the event of fraud, notify the Purchasing Card Administrator as soon as possible.
- The cardholder is responsible for following up with the vendor or bank on any erroneous charges, disputed items or returns as soon as possible.
- The cardholder will contact the vendor first to resolve any outstanding issues (most exceptions can be resolved this way).
- If the cardholder is unable to reach agreement with the vendor, the next step is to contact the bank's Customer Service Center at 1-800-316-6056.
- The bank may ask the cardholder for additional information. Please note the reference number the customer service representative gives you.
- The bank must be notified of any disputed item within 60 days in which the item was charged. The bank will credit the cardholder's account and conduct an investigation.
- Upon completion of the investigation, the cardholder is notified of the resolution. If the dispute is not settled in the cardholder's favor, the account is charged for the disputed transaction amount.
- Documentation should be kept explaining each credit received for returns or exchanges.
- The transaction still needs to be verified in Workday to clear it from the Business and Finance clearing account. Once the charge is credited back the credit should be posted to the same account in order to zero out the original charge.

3.12 Declined Transactions

If a p-card transaction(s) is declined and you feel the decline should not have occurred or need to know why the transaction was declined, you may contact your GBC p-card administrator. The GBC p-card administrator can usually determine if:

1. You were declined because of the merchant blocking.
2. You were declined because you may have exceeded the monthly credit limit.
3. You were declined because you may have exceeded the single transaction dollar limit imposed.

4.0 CONTACT INFORMATION

The Purchasing Card Administrator is available to help with PaymentNet User ID's and password resets, PaymentNet help and training, Workday reconciliation help and training, and P-Card questions.

Please contact your p-card administrator if you have any questions or concerns.

**Great Basin College
Purchasing Card Program**

CONTACTS

Errors, Disputes, Returns, Credits
Lost or Stolen Cards
Copy of Charge/Credit Slip

**JP Morgan Chase
Customer Service Department
1-800-316-6056**

AND

**Purchasing Card Administrator
Tami Potter – 775-753-2025**

Card Management Changes
Daily Bank Transmissions

**Purchasing Card Administrator
Tami Potter – 775-753-2025**

Purchasing Card Administrator

Tami Potter – 775-753-2025
Controller's Office

OR

Sonja Sibert – 775-753-2181
Vice President for Business Affairs

NSHE OVERALL BEST PRACTICES – P-CARD PROGRAM

1. Each institution should have a specific department and personnel assigned the responsibility and authority for management of their P-Card program, with adequate staffing to support the operation.
2. Each institution should establish an appropriate regular audit/review process for P-Card transactions to help assure adequate operations of the program and to address errors/problems.
3. Each institution should require adequate training for P-Card holders before they are issued a card. Following training, they should be issued a user's manual and to sign for that manual noting they understand their responsibilities and authority associated with the use of the card. Additionally, each institution should send out regular reminders to card- holders noting key requirements and responsibilities (preferably with an updated "Quick Guide" pocket summary on proper uses of the P-card)
4. Each institution should establish time periods to review and update the manual and this should occur at least on an annual basis.
5. Each institution should ensure that all policies and procedures established are consistent with the Board of Regent's and Chancellor's purchasing requirements.
6. Security provisions need to be adequate, including required password changes at least every 90 days.
7. Each institution must have an adequate and timely process to assure that when employees leave the institution (voluntarily or otherwise) their card is collected and/or deactivated.
8. On at least a monthly basis, a supervisory review and approval of the transaction log for the cardholder activity should be formally completed.
9. The Electronic account statement should be used to collect the business purpose summary of purchases (as backup to the itemized receipt or invoice)
10. Only the authorized cardholder should use their card and it should not be lent to anyone else. Institutions can consider "departmental" cards for specific situations where this can be used in an effective and controlled manner.
11. Each institution should have an effective process to review and control the P-Card limits for their users (transaction limit and monthly limits) that match the user needs and are balanced against existing controls. One overall institutional limit for everyone is not appropriate. The institution should have a process to review all limits on at least an annual basis and adjust as appropriate.

12. Each P-Card should have the following printed on the face of the card: “Tax Exempt – For Business Use Only”, the institutional tax ID number and the institutions name.
13. Each institution should have some adequate policy enforcement for significant abuses to P-Card uses, which may include suspension and/or deactivation of the card.
14. Each institution must have an adequate process to assure that equipment purchased with the P-Card meets all tagging requirements, including those for “sensitive equipment.”
15. Each institution should review the MCC codes to insure cards may not be used at inappropriate vendors/types of business.

Purchasing Card Program Review

Please answer the following questions, then sign and date this form.

Please attach this page to your application and send to:

Great Basin College, P-Card Administrator, 1500 College Parkway, Elko, NV 89801

1. The maximum dollar amount per each P-Card transaction is \$ _____.
2. The P-Card can be used for Cash Advances. True or False? _____.
3. How often should P-Card transactions be reconciled? _____.
 - a. Daily
 - b. Once a month
 - c. Semi-monthly
 - d. Weekly
4. In the "NSHE Overall Best Practices-P-Card Program" it states that "Security provisions need to be adequate, including required password changes at least every 180 days". Is this statement True or False? _____
5. On the Purchasing Card Program-Contacts, what is the Customer Service Department phone number for JP Morgan Chase if you have to report an "error, dispute, return or credit"? _____
6. The bank (JP Morgan Chase) must be notified of any disputed P-Card charges within _____ days.
7. While an employee is traveling on College business, they may use the P-Card for their own personal meals. Is this statement true or false? _____
8. The JP Morgan Statement of Account and documentation for purchases must be approved and verified in Workday by the _____ of each month.

I have read and understand the Great Basin College, Purchasing Card Program documentation and am requesting that a Purchasing card be issued to me.

Printed Name

Date

Signature

Department

5.0 LINKS TO FORMS AND INFORMATION

The forms and information that are necessary to request, manage, and understand the p-card can be found at the following link <https://www.gbcnv.edu/controller/>. Information and forms include:

- Purchasing Card Application and Agreement
- Purchasing Card Internal Use Form
- College/Department Liability for Purchasing Card Purchases