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1.0 **EMPLOYEES COVERED**

All employees that are issued an authorized purchasing card as a means to conduct College business and all supervisors that approve cardholder transactions.

2.0 **PURPOSE**

To establish consistent procedures across the institution, maintain checks and balances with appropriate segregation of duties, establish protective controls, and to use technology to streamline back-end auditing.

3.0 **THE PRESCOTT COLLEGE PURCHASING CARD**

3.1 The Purchasing Card is to be used for Prescott College business only and is not for personal use. All transactions made using the Pcard must benefit and support the College’s mission. The Purchasing Card allows employees to purchase items for general office use such as office supplies, repair services, subscription fees, dues and memberships, and travel arrangements for College related business.

3.2 College Officials authorize limits to fit their employees’ purchasing requirements. Established limits for payment cards are set individually. Both transaction and monthly limits may be adjusted if needed for a period of time or for a specific transaction. An approval from a College Official must be submitted to the Pcard administrator to adjust monthly and transactional limits, rationale must accompany change request.

3.3 All purchases made with the Purchasing Card must be in accordance with all College policies and procedures. Use of the Purchasing Card will be revoked if the card is not properly used.

4.0 **GENERAL INFORMATION**

4.1 Issuance of a College Purchasing Card will not impact the cardholder’s personal credit status. The card should remain under the direct control of the designated user and are non-transferable and non-assignable and remain the property of Prescott College. The cardholder is ultimately responsible for purchases made with their card.

4.2 Purchasing cards will only be issued to authorized College employees.

4.3 Once an approved application has been processed by the Business Office, a card will be issued. Cards are usually received within 5-7 business days.
5.0 PURCHASING CARD SECURITY

5.1 You are responsible for the safekeeping of your card. This card has your name on it, and is intended only for your use. Keep it in a secure place and do not lend your card or give out your card number for others to use. You may be responsible for charges made to a lost or stolen card between the time it is lost and the time it is reported if not reported in a timely fashion.

6.0 PURCHASING CARD GUIDELINES

6.1 All purchases must be in accordance with established procurement guidelines identified in the College Purchasing Policy and Procedures, College Signatory Authority, Travel Policy, and Accounts Payable procedures.

6.2 The College must ensure that all funds are only used to support appropriate College business. Sound spending practices and controls are essential to maintaining the integrity of the College. Spending practices and controls must include both employees who are charged with spending College funds, as well as those who supervise employees who spend College funds at all levels of the organization for all expenditures. As with all College expenses, Pcard transactions are subject to audit by the Business Office.

6.3 The Chief Financial Officer (CFO) has overall responsibility for the procurement of supplies, materials and equipment. Therefore, the CFO has the exclusive authority to make exceptions to these procedures.

6.4 All Pcard statements with attached original receipts must be forwarded to Accounts Payable monthly. Statements and receipts are due in Accounts Payable on the 12th business day of the month following the previous month end.

6.5 When the expenditure is funded by a grant or contract, the use of such funds will be governed by the more restrictiveness of the grant, contract, or College procedures.

6.6 Business meeting/entertainment meals must have a business purpose and must include two or more persons (at least one non-College employee). Costs should be reasonable and customary for the location. Itemized receipts, which include a description of the business purpose and a list of attendees (a credit card charge slip is not acceptable documentation), are required and must be attached to and reconciled with the Pcard statement.

6.7 Gasoline can be purchased for rental vehicles while on a College paid trip. A Pcard may NOT be used to purchase fuel for a personal vehicle or College vehicle. The IRS’s standard mileage rate must be submitted on an Employee Reimbursement/Travel form.
6.8 Small dollar purchases over the internet can be purchased with the Pcard. Please ensure the site is secure. Print a copy of the receipt or screen and attach to your Pcard statement and forwarded to Accounts Payable with your monthly statement.

7.0 TRANSACTION SPLITTING/STRINGING

7.1 It is NOT permissible to split transactions or make successive purchases to avoid or circumvent the assigned single transaction limit regardless of whether the purchase is with one or several vendors. The practice of splitting transactions to avoid the complying with college purchasing policy is not permitted.

8.0 TRANSFER OR TERMINATION

8.1 Cardholders can retain their same Pcard when they transfer between departments. The appropriate College Official will need to approve the transfer. The Business Office terminates cards based on information received from the requesting department or Human Resources.

9.0 DISPUTED TRANSACTIONS

9.1 A disputed transaction can result from failure to receive goods, fraud or misuses, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. The cardholder is responsible for resolving with the supplier and/or banks any questions regarding erroneous charges, disputed items or returns.

9.2 The cardholder should contact the supplier first to resolve any outstanding issues. Most issues can be resolved in this manner; a vendor has 30 days to issue a credit. If the vendor fails to issue an anticipated credit in the allowed time period, a formal dispute of the charge should be issued to the bank.

9.3 If the cardholder is unable to reach agreement with the supplier, or the vendor fails to issue an anticipated credit, cardholders can contact the credit card company to dispute the charge.

10.0 POLICY ENFORCEMENT

10.1 The College’s Purchasing Card Disciplinary Procedures are as follows:

- **First Offense**: Email notification to cardholder and approver
- **Second Offense**: Suspension of card with scheduled training on policies and procedures before card is reinstated
- **Third and Final Offense**: Cancellation of the cardholder’s privileges
The following items are examples of offenses that may result in disciplinary actions:

- Charges not related to College business
- Late reallocation, reconciliation, or forwarding of information to Accounts Payable
- Missing itemized and original receipts
- Failure to reimburse College for disallowed expenses
- Purchasing items for personal use.
- Attempting to exceed bank credit line limit.
- Failure to return the Purchasing Card when reassigned, terminated, or upon request
- Splitting/Stringing Transaction
- Failure to follow College Purchasing, Travel or Accounts Payable procedures
- Intentional employee misuse or fraud may result in termination of employment, subject to College policy and collective bargaining agreements, and possible criminal prosecution.

11.0 CARDHOLDER/RECONCILER RESPONSIBILITIES

11.1 Review all charges and verify to original receipts; ensure that all meals and entertainment transactions include itemized receipts, statement of business purpose, and listing of attendees.

11.2 When statement is received; attach all original receipts and provide a business purpose; reconciled statements are to be signed by the cardholder and approver and forwarded to Accounts Payable.

12.0 CARDHOLDER APPROVER RESPONSIBILITIES

12.1 Verify all charges are in accordance with College policy and procedures, including Payment Card, Travel, Accounts Payable, and Purchasing.

12.2 Approved reconciled statements are to be signed by the cardholder and approver and forwarded to Accounts Payable.