

BRAZOSPORT COLLEGE PROCUREMENT CARD CARDHOLDER GUIDE

Overview

The Procurement Card program is intended to streamline and simplify the Purchasing and Accounts Payable functions by eliminating waste and low value activities. The Procurement Card is a tool that reduces transaction costs, facilitates timely acquisition of materials and supplies, automates data flow for accounting purposes and offers flexible controls to help ensure proper usage.

The Procurement Card Program is designed as an alternative to a variety of processes including petty cash, prepay purchases and low dollar purchase orders. Purchases above \$5000.00 should be placed using a purchase order unless prior approval is given by the Director of Business Services. The Procurement Card Program is not intended to avoid or bypass appropriate procurement or payment procedures. Rather, the Program complements the existing processes available. The card is a MasterCard credit card that is issued by JPMorgan Chase. **Some minimal record keeping is essential to ensure the successful use of the Procurement Card.** This is not an extraordinary requirement; standard payment policies require retention of receipts, etc.

This Cardholder Guide provides information about the process, the types of purchases that can and cannot be made, records that must be maintained and reconciled for each cycle, and a variety of other Program information.

Please remember that you are committing college funds each time you use the Procurement Card. This is a responsibility that should not be taken lightly. Remember that you are the person responsible for all charges made to the card(s) that are issued to you. **Intentional misuse or fraudulent abuse may result in disciplinary action up to and including dismissal.**

The card will have no impact on your personal credit. Although the card lists an individual's name, the card is actually issued to Brazosport College.

Obtaining a Card(s)

Procurement cards are issued through the Business Office at Brazosport College. Respective deans authorize which employees are to have a Procurement Card issued to them. Only full-time employees of Brazosport College are eligible to receive a Procurement Card. Contractors or temporary employees are not eligible. The cardholder is responsible for the security of their card(s) and the transactions made against the card(s). Each user will be required to sign the Procurement Card Cardholder Agreement as part of the Procurement Card application.

When you receive your Procurement Card(s), sign the back of the card(s) and always keep it in a secure place. Although each card is issued in your name, it is the property of Brazosport College and is only to be used for company purchases as defined in this guide.

You will call the toll free number to activate your card. **When prompted for the last four digits you will give the operator the last four digits of your social security number.**

Procurement Card Restrictions

The Procurement Card is NOT to be used for personal purchases, cash advances, gasoline, rental cars, or for use at restaurants. **Even if you are using a pro-card for lodging, airfare, or registration for travel expenses you still must complete a travel authorization form. All expenses that are to be covered by the pro card for travel are to be noted on the travel authorization form. However, Do not list the cost in the calculated fields. You can note the amount of those costs on the description lines provided. Remember: Pro Cards can not be used in a restaurant. The Board of Regents has set a per diem amount allowed for breakfast (\$8.00), lunch (\$10.00) and dinner (\$12.00) and those amounts for meals are to be included on your travel authorization form.**

Under no circumstances should a transaction be split into two separate receipts to bypass the single transaction dollar limit.

Each individual is given a maximum dollar amount per transaction as well as a maximum number of transactions per day and per cycle (month). Once set, the card will reject purchases for amounts greater than the limit or transactions that exceed the limited number per day/cycle. If this limit needs to be changed you must obtain written approval of your supervisor. Limits may be changed by contacting the Procurement Card Administrator (Ginger Wooster X3210 or Carrie Robertson X3466).

Using the Card

Purchases with the necessary approval are initiated using your assigned card. **If you are not the approver of an account, you must fill out a Procurement Card Justification Form and have it approved prior to any purchase.** A blank form is included in the Reference Guide. It can also be located on the Brazosport College website under General Information. Select "Purchasing" and then select "Procurement Cards". Select "Justification Form". Once opened, right click on the document and select "Export to Microsoft Excel." You can then save this file on your own drive and edit as needed. Once you have obtained authorization for a purchase, contact the supplier and agree on price, quantity, and set delivery date. When ordering, inform the supplier that your entity is tax-exempt and should not be charged sales tax. **If tax is applied to the purchase, you must contact the vendor and have them credit the tax amount on your Procurement Card. The tax exemption certificate is located on the employee drive: "J:\Forms\BusOfficeTips_RentalCarEtc/BCTaxExempCertificate".** If the purchase is via phone or mail, ask the supplier to include the receipt with goods when the product is shipped to you. This receipt is the only original documentation specifying whether or not sales tax has been paid against the purchase. To expedite your purchase, make certain that the **Cardholder's full name and "MasterCard" appear on the packing slip and external shipping label.** The supplier will require your Procurement Card number, expiration date and the "ship to" address. It is required that you retain all receipts for your purchases.

Reconciling Your Account(s)

Every month the cardholder will receive an e-mail from JPMorgan Chase requesting them to review their statement and allocate their charges. The statement must be reconciled against your retained receipts for accuracy.

The expense report (with attached receipts) must be signed by the cardholder as proof of reconciliation and **then forwarded to your supervisor for approval**. After proper approval forward the expense report along with all receipts/backup to the Accounts Payable department.

Each account must be reconciled and receipts forwarded to Accounts Payable by the 15th of each month. (It is advisable to reconcile your account on a weekly basis for all purchases made during that week.)

Resolving Errors and Disputes

In the case of an error, first contact the supplier and try to reach an agreement. Most disputes can be resolved between you and the supplier directly.

If you are unable to reach an agreement with the supplier, contact JPMorgan Chase at 1-866-491-9432. You can also complete a Dispute Form, sign it and send it back to JPMorgan Chase via fax at 1-866-865-2298. You have 60 days in which to dispute a charge.

Remember if you ordered an item and it is received damaged that is not a dispute with JPMorgan Chase. You received what you ordered. It is a dispute with the vendor. You should contact the supplier to resolve this issue.

Paying the Bill

The Procurement Card is a corporate pay arrangement. Account balances will be paid in full each month by a direct charge to Brazosport College bank account. Your purchases will be charged to an expense account based upon the department/account combination that has been established.

Do not send your monthly statement to Accounts Payable with a check request.

Lost or Stolen Cards

The Procurement Card(s) should be secured, just as you would secure your personal credit cards. If your card(s) is lost or has been stolen, immediately contact JPMorgan Chase via this toll free number (1-800-890-0669). Also notify your local Procurement Card Administrator (Ginger Wooster X3210 or Carrie Robertson X3466).

Refusal of Card or Account

Should you be declined at the point of sale for any reason, please contact your local Procurement Card Administrator (Ginger Wooster X3210 or Carrie Robertson X3466). Every effort will be made to determine why the transaction was declined. Typically, cards are declined because the Merchant Category Code associated with a particular vendor has been blocked by Brazosport College.

Departmental Changes

If you transfer to a new department or leave the company, notify your local Procurement Card Administrator (Ginger Wooster X3210 or Carrie Robertson X3466) immediately.

Procurement Card Audit Activity

Your card activity is subject to random audits by appropriate personnel, including both internal and external auditors. The random audits are to help ensure adherence to the Program's policies and procedures.

Merchants That Do Not Accept the Card

Merchants are to be encouraged to become involved in the Procurement Card Program so that you can use the Program most effectively. Merchants may contact their local bank or financial institution to become credit card capable. For those merchants that are unwilling to participate in the Program, alternative methods of procurement are available (Purchase Orders).