

# Purchasing Card Training



# History of Program:

## *The Program in the Fall of 2001*

9 Cardholders and just over \$25,000 spent

## *Last Fiscal Year*

Over 300 Cardholders and over 6.5 million spent

# What is a Purchasing Card?

- ❖ A credit card program that is fiscally driven and facilitated by the ProCard Administration Team.
- ❖ The Purchasing Card, a.k.a. ProCard, is a tool designed to provide an efficient way to purchase business related goods.
- ❖ American Express Corporate Card
  - A flexible purchasing tool.
  - An alternative purchasing process.
  - Vendors who accept American Express will accept this card.
- ❖ It is ..
  - For official use only.
  - An authority granted to individual MCCCD employees.
  - Authorized for use with only certain categories of vendors.

# What are the advantages?

- ❖ The program saves time and money.
  - It significantly reduces the number of invoices, associated checks and check requests.
  - It reduces the number of people who have to touch the transaction.
  
- ❖ It grants immediate purchasing power.
  - It enables convenient purchase of goods directly from vendors that accept American Express.
  - It reduces the need for requisitions/purchase orders.
  
- ❖ It eliminates the use of personal funds for purchases.

# A Purchasing Card is not:

- ❖ A means to avoid appropriate purchasing or payment procedures.
- ❖ A card to obtain cash, credit or gift cards.
- ❖ A right to employment.
- ❖ For personal use.

# Requirements for Participation:

## ❖ There are three levels of participation

- Cardholder
- Reviewer
- Fiscal Authority

## ❖ Participants must be:

- A full-time, board approved MCCCCD employee.
- Obtain departmental and fiscal approval.
- Agree to abide by the MCCCCD purchasing card policies and guidelines as defined in the User's Guide.
- Cardholders must submit an application and a signed agreement form.
- Reviewers must submit a signed agreement form.
- All three levels of participants must attend training.

# Card Specifications:

- ❖ Limits are determined by your Department and Fiscal Authority.
  - Single purchase limit (SPL)
  - Monthly purchase limit (MPL)
    - These requests are determined by your department needs and budget.
- ❖ Each card has one default accounting code stream.
  - Your default account code should be set to the account you principally use.
  - Charges can be re-allocated by your Fiscal Authority during the cycle end reconciliation period.
- ❖ The credit card address must be the campus address.
  - Shipments must be delivered to the cardholder's campus address.
  - Cardholders are responsible for inspecting all goods upon receipt.

# Card Security:

- ❖ Treat the card as if it were your personal card.
- ❖ Do not lend the card to anyone.
- ❖ Do not share your account number with anyone.
- ❖ Guard your account number.  
*Make sure your account number is NOT present on any receipts, invoices, etc.*
- ❖ Never allow anyone else to sign for you.

# Using the Card:

## In Person

The cardholder should receive a customer copy of the charge slip and receipt or paid invoice.

## By telephone, fax or Internet

Ask the supplier or merchant to include an itemized receipt, paid invoice or delivery slip with your order.

A secure site must be used when placing orders over the Internet, identified by a closed padlock.



Make sure the “deliver to” address has the following:

*Your Name/ProCard Order*

# Travel on the Card:

- ❖ All applicable Maricopa guidelines pertaining to travel must be followed before using the card.
- ❖ No per diem charges are permitted.
- ❖ The following categories are allowed on the card:

Event Registration	Car Rental *
Airfare	Lodging * *
Shuttle/Transportation Services	

\* By cardholder only.

\*\* Must be prepaid up front by cardholder. A confirmation of room and tax can be obtained from vendor.

<http://www.maricopa.edu/publicstewardship/governance/adminregs/fiscal/15.htm>

# Restricted Items:

Insurance

Alcoholic Beverages

Flowers/Gifts

Ammunition/Weapons

Professional Services

Gasoline/Fuel

Leases/Rentals

Legal Services

Cash Advances/Loans

Cash/Credit

Gift Certificates

Gift Cards

Not inclusive of departmental or campus restrictions.

# Special Restricted Items:

- ❖ Capital Purchases
  - A capital purchase is defined as any individual piece of equipment priced over \$1,000.
- ❖ CPUs, regardless of price
- ❖ Software with licensing signatory requirements
- ❖ Departmental or campus restricted items
- ❖ MCCC internal transactions
  - Must be accomplished with a budget or expense transfer.
- ❖ Official Function Purchases
  - Any associated expenses with the Official function is prohibited.
- ❖ Personal Purchases

# Returns, Exchanges & Disputes:

- ❖ Arrangements for return, credit, or exchange are made by the cardholder directly with the supplier.
- ❖ All erroneous charges must be credited back to the card.
- ❖ If the cardholder is unable to resolve the dispute with the vendor:
  - Contact AMEX either via phone or online at Net Service to begin processing the dispute, and
    - AMEX must be notified within 60 days of the original transaction post date.
  - Advise the ProCard Administration Team of the dispute.
- ❖ All documentation showing proper resolution of the return or exchange must be retained and attached to the appropriate expense log.

<https://www.netserviceaccess.com/netservice/Login.do>

# What if the Card is Declined?

## **The most common reasons for a decline:**

- Card Limits – Single and Monthly
    - Taxes are included in your limit totals
  - MCC Codes – Classification of Vendors
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- ❖ Ask the vendor to inquire as to why the charge was declined.
  - ❖ Inquire directly with AMEX (800) 274-7378.
  - ❖ Contact the ProCard Team at:
    - Gloria Toscano (480) 731-8597
    - Kelvin Ong (480) 731-8548

# Lost or stolen cards:

**American Express**

(800) 274-7378

Follow up with the ProCard Administration Team

at

[procard@domail.maricopa.edu](mailto:procard@domail.maricopa.edu)

# Fraudulent Charges:

## Identifying and resolving fraudulent charges:

- ❖ View charges at the Strategic Account Management (SAM) website on a regular basis.
  - If fraud is detected, contact AMEX at (800) 274-7378 to inform them of the fraud and to begin the next steps to resolution.
  
- ❖ Contact may be initiated directly from the AMEX Fraud Department.
  - AMEX will call you to verify if charges are truly fraudulent.
  - If so, the card will be canceled and the resolution process will begin.

# Cardholder Status Change:

There are three possible scenarios for a status change:

## ❖ Frozen

- The cardholder can take a temporary leave of absence.

## ❖ Retain

- The cardholder can move to another department or campus, but still have need for the card.
  - An additional paper process is involved in this option.

## ❖ Cancel

- The department may no longer have a need for the card.
- The cardholder no longer works for Maricopa.

All records along with the purchasing card must be turned in to your campus fiscal authority upon termination of employment.

# General Program Information:

Any misuse of the card, determined to be intentional, or any failure to comply with the procedures within the User's Guide may result in the following consequences.

- ❖ Re-training including fiscal representation.
- ❖ Suspension of card.
- ❖ Revocation of card.
- ❖ Disciplinary measures up to and including dismissal, if deemed appropriate.

# Audits and Record Retention:

## Audits:

Audits will be conducted by the ProCard Administration Team, your college Fiscal Office, and if applicable, the district office Grants Department. This program is also subject to audits by Maricopa's Internal Audit Team and the State Auditor General's Office.

## Record Retention:

The state requires that all records be retained for 10 years.

# Monthly Reconciliation:

All levels of participants must fulfill responsibilities each month.

- ❖ The cycle end date is the 12<sup>th</sup> of every month, unless the 12<sup>th</sup> falls on a weekend or holiday, then it is the next business day.
- ❖ As a participant, you will receive a reminder email from your fiscal office giving a deadline as to when reconciliations must be completed.

# Cardholder Responsibilities:

Each month, the cardholder (CH) must ...

- ❖ Update and save transaction item details in the “Description” and “Remarks” fields online in SAM.
- ❖ Check the “View” box to confirm and validate transactions.
- ❖ Verify cycle dates, generate and print out an Expense Log Report.
- ❖ Attach original receipts and any associated or related documentation.
- ❖ Sign report and forward to your Reviewer.
- ❖ Verify the AMEX statement for accuracy.

# Reviewer Responsibilities:

Each month, the reviewer (RV) must ...

- ❖ Verify that the Expense Log Report and receipts reflect what is viewed in SAM.
- ❖ Verify all transactions are validated for appropriateness.
  - For example: capital or split purchases.
- ❖ Check the “Approve” box in SAM.
- ❖ Sign and forward the Expense Log Report to your Fiscal Authority.

# Fiscal Responsibilities:

Each month, the fiscal authority (FA) must ...

- ❖ Verify that the information submitted on the Expense Log Report is complete.
  - All expenses listed and signatures present.
- ❖ Verify that the total expense does not exceed the budget.
- ❖ Check the “Authorize” box in SAM.
- ❖ Maintains all current year records in the fiscal office.



# Strategic Account Management (SAM)

<https://www.samaccess.com>

