

MCCCD Purchasing Card User's Guide

CARDHOLDER LIABILITY

The Purchasing Card is a departmental corporate credit card, which does not affect the cardholder's personal credit. However, it is the cardholder's responsibility to ensure that the card is used within all MCCCD Policies and Procedures relating to the expenditure of MCCCD funds.

(See "Consequences of Failure to Comply with Program Guidelines.")

CREDIT CARD SECURITY

- Your Purchasing Card should be treated with the same care you use with your personal credit cards.
- The cardholder is the only authorized user of the card.
- Do not lend your card to anyone.
- Do not share your account number with anyone.
- Never allow anyone else to sign on a credit receipt for you.

**GUARD YOUR PURCHASING CARD ACCOUNT NUMBER CAREFULLY.
DO NOT POST IT OR WRITE IT IN A LOCATION THAT IS ACCESSIBLE TO OTHERS.**

CHANGES TO CARDHOLDER ACCOUNTS/PERMISSIONS/STATUS

All changes to cardholder accounts must be coordinated through the respective Campus Fiscal Authority.

Adding/Editing accounts that ARE NOT default accounts can be processed via email. However, the process flow needs to be:

1. Fiscal emails request to General Accounting and/or Grants along with ProCard Administration Team.
2. General Accounting and/or Grants replies to Fiscal and ProCard Administration Team with response.
3. ProCard Administration Team adds new accounting segments to SAM and confirms with an email to all involved.

Changes to the existing defaults include Reviewer, Purchase Limits, and/or MCC Tables.

- Cardholder has discussion with their department head and fiscal authority.
- Fiscal Authority completes and signs Purchase Card Change Form and sends it to Purchasing Card Administration Team.
- Changes are made and a confirming email is sent to those involved.

In order to reduce the likelihood of fraud or theft, The ProCard Team must be notified of any changes in Cardholder status. If a Cardholder is expected to be off campus for an extended period of time, cards can be "frozen" and then re-activated upon return.

CARD LIMITS AND TAXES

The purchasing card is primarily used to purchase low-dollar value items with the total amount of any purchase not to exceed \$2,500.

- Each Fiscal Office/college department will determine the single and monthly purchase limits for each cardholder.
- The default single purchase limit is \$2500. This amount includes tax and shipping.
- MCCCD pays all state and local sales taxes. In-state suppliers/merchants should include sales tax.
- Use Tax is a tax MCCCD pays the State of Arizona when we do business with an out-of-state supplier/merchant that does not have a license to collect Arizona state sales tax. If the out-of-state supplier/merchant has a license, the appropriate sales tax will be charged.

MERCHANT CATEGORY CODE RESTRICTIONS

Merchant Category Codes are assigned to a supplier by their merchant bank. It identifies the type of business the supplier conducts. Your Purchasing Card will decline at those suppliers with Merchant Category Codes that have been restricted from use by MCCCD.

SUPPLIERS/MERCHANTS

Any supplier or merchant that accepts MasterCard can accept the Purchasing Card within the parameters of the individual card allowances.

SUPPLIER/MERCHANT ACCEPTANCE

You may find suppliers/merchants that do not accept MasterCard. If this happens, you have several options:

- If it is a supplier/merchant you regularly use, explain the purchasing card method and ask them to consider accepting the MCCCD Purchasing Card.
- Ask the supplier/merchant if they are interested in obtaining the ability to accept the purchasing card.
- Their merchant bank may not be a MasterCard provider bank.
- If they make arrangements with a bank, they may be able to accept credit cards within three to four weeks.
- You may also refer the supplier/merchant to the MCCCD Purchasing Card Administration Team.

USING THE PURCHASING CARD

In-Person: When purchasing in person, the cardholder should receive a customer copy of the charge card slip, a receipt, or a paid invoice. The charge card slip will show purchase totals and the cardholder signature. A receipt or paid invoice will show itemized totals, tax, shipping (if applicable), and the date.

Over the Telephone, Fax, or Internet: When making purchases using these methods, ask the supplier to include an itemized receipt, paid invoice, or delivery slip with the order. Suppliers should not charge your Purchasing Card prior to the delivery of your order. If for some reason an itemized receipt cannot be obtained, an explanation is to be placed with your Expense Log Report.

**WHEN PLACING ORDERS OVER THE INTERNET, A SECURE SITE MUST BE USED.
THESE ARE IDENTIFIED BY A SYMBOL OF A LOCKED YELLOW PADLOCK.**



CIRCUMSTANCES WHY THE CARD MAY BE DECLINED

- You have exceeded your designated single or monthly purchase limit.
 - The campus Fiscal Office must contact the Purchasing Card Administration Team if an increase in your limit is justified.
- You attempt to use the card for a blocked merchant category code.
 - If deemed justified by your campus Fiscal Authority, the ProCard Administration Team must be notified via email and a manual override is authorized for the purchase.
 - If you wish to purchase from a supplier/merchant and believe the category code is incorrectly applied, the MCCC Purchasing Card Administration Team can investigate the possibility of adding this supplier/merchant category code.
- If GE Capital has a security concern because of a use pattern (e.g., you haven't used your Card for a long time), they may ask for your employee ID, or your address.

IF THE CARD IS DECLINED AT THE POINT-OF-SALE

Either you or the merchant may make an inquiry about why the transaction was declined by calling 1(800) 274-7378.

If GE Capital cannot resolve the problem, contact the MCCC Purchasing Card Administration Office at: (480) 731-8645, (480) 731-8597 or (480) 731-8518.

MERCHANDISE RETURNS AND EXCHANGES

- The cardholder is responsible for contacting the supplier when merchandise purchased with the Purchasing Card is not acceptable (e.g., incorrect, damaged, defective, etc.). Arrangements for a return, credit or an exchange need to be pursued directly with the supplier.
- Contact the supplier and follow directions closely. Be aware that in some instances the supplier may assess a restocking fee. This fee may be negotiable and can occasionally be reduced or eliminated.
- Remember, all resulting documentation must be included with the corresponding expense log report.
- **Returns:** The credit MUST show up on the Card statement. The cardholder is responsible for obtaining a credit receipt from the supplier/merchant and retaining that receipt with the support documentation for that purchase.
- **Exchanges:** If merchandise is to be exchanged, the cardholder is responsible for returning the merchandise to the supplier and obtaining a replacement as soon as possible. Documentation showing the proper resolution of the exchange is to be retained with the support documentation for that purchase.

**** RECEIVING CASH OR CHECKS TO RESOLVE A CREDIT IS PROHIBITED. ****

FEE DISPUTES

If the cardholder disputes a charge, the nature of the dispute and the final resolution must be documented. This documentation must be retained with the Expense Log Report on which the disputed charge appears.

Supplier Resolution:

The cardholder should try first to resolve the disputed charge directly with the supplier. Most suppliers prefer to resolve the dispute themselves and are willing to provide help. If the supplier agrees that an error has been made, the supplier should process a credit to the Purchase Card account. Future follow up is required to ensure all credits due are received.

GE Capital Resolution:

Refer to the back of your statement for billing inquiries/problems or questions to complete the form entitled "Cardholder Statement of Disputed Item." GE Capital must hear from you no later than 60 days from the original statement date on which the charge in question appears. Therefore, it is imperative that the cardholder takes timely action to document any disputed charges.

LOST, STOLEN OR ERRONEOUS CHARGES ON THE CARD

The cardholder is responsible for notifying GE Capital promptly if the card is lost, stolen or he/she has noticed erroneous charges on their account. Your budget will be held responsible for any charges made with your Purchasing Card account number **until** GE Capital is notified that the card has been lost, stolen or used without your consent or knowledge.

It is imperative that the cardholder take **immediate** action by following these steps:

1. **Contact GE Capital** **1 (800) 274-7378**
GE Capital representatives are available 24 hours a day, 7 days a week.
2. **Contact the Purchasing Card Administration Office, your Reviewer and Fiscal Authority.**

Tracy Price Purchasing Card Administrator	procard@domail.maricopa.edu	(480) 731-8645
Gloria Toscano Purchasing Card Administrator	procard@domail.maricopa.edu	(480) 731-8597
Keith Killourie Assistant Purchasing Card Administrator	procard@domail.maricopa.edu	(480) 731-8518

Inform the Program Administration Team that you have contacted GE Capital and cancelled your Purchasing Card. If it is a weekend or neither Administrator is available, leave a message explaining the situation.

RESTRICTED ITEMS

Some examples of items that may not be purchased with the card:

Alcoholic Beverages Ammunition/Weapons Capital Purchases * Cash Advances	Flowers, Gifts or Gift Cards Gasoline/Fuel Insurance	Leases or Rentals Legal Services MCCCD Internal Transactions** Official Function***	Personal Purchases Radioactive Materials Software**** Split Purchases***** 1099 Services
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*A **Capital Purchase** is defined as any individual piece of equipment that is priced over \$1000. CPUs, regardless of price, cannot be purchased.

** All **MCCCD internal transactions** must be accomplished with a budget or expense transfer.

***Any expenses associated with an **Official Function** are prohibited.

******Software** with licensing signatory requirements (i.e. legal signature).

*******Split Purchases** - transactions can not be artificially divided or fragmented in order to meet a lesser single purchase limit.

NOTE: Attempting to buy from merchants that provide these goods/services may cause your transaction to be denied. Attempting to purchase restricted items may result in your card privileges being suspended or revoked.

**** PLEASE CONTACT YOUR FISCAL AUTHORITY FOR APPROVAL ON ANY ITEMS YOU HAVE DOUBTS ABOUT PURCHASING WITH THE CARD.**

TRAVEL/MEMBERSHIP

When the card is used for travel, all applicable MCCCD guidelines pertaining to travel must be followed.

MCCCD Travel Guidelines can be found at:

http://www.maricopa.edu/publicstewardship/governance/adminregs/fiscal/1_15.htm
<http://www.dist.maricopa.edu/business/ap/travel/>

For the membership payment worksheet requirements, please visit:

http://www.maricopa.edu/publicstewardship/governance/adminregs/fiscal/1_16.htm

The cardholder is responsible for obtaining these documents as they become the official documents supporting the purchase and are used in the monthly statement verification. Prior to orders being placed using the telephone, fax, or Internet should all be noted on a campus travel request/tracking form (if applicable, per campus).

The following services may be purchased with the Card.

Car Rental *	Airfares	Lodging**	Registration	Shuttle
(*Must be Cardholder)		(**Room/Tax only)		

AS TIME PERMITS, PREPAYMENT FOR SERVICES IS PREFERRED.

MONTHLY RECONCILIATION AND (SAM)

At the end of each cycle all participants will receive an email from their Fiscal Authority giving general instructions along with deadlines and forms to use for the following:

Cardholder Online View:

At the end of every purchasing cycle, the cardholder must collect all of the appropriately dated receipts and go online to **SAM** to reconcile their charges.

Each month the cardholder must:

- Update and save transaction details in the "Description" and "Remarks" fields,
- Verify each transaction online in SAM by checking the "View" button,
 - This process is the only way of verifying the charges against the receipts.
- Verify the cycle dates and print off the expense log report,
- Sign off on the expense log report, attach all corresponding receipts, and
- Forward the original expense log report and receipts to the Reviewer for approval.

Reviewer Online Approval:

Once the expense log report is received from the cardholder, the reviewer must approve all the transactions for the employees that he/she approves.

Each month the reviewer must:

- Verify that all the transactions are appropriate, approved, and received by the department.
- Go online to the **SAM** system to review and approve each transaction by checking the "Approved" button, and
- Sign off on the monthly expense log report, and forward the entire packet to the Fiscal Authority on your campus.

By examining the Monthly Expense Log Report, attached receipts, and verifying these charges online, the reviewer is responsible for determining that all of the purchases made were appropriate, approved, and received by the department.

If the transactions are questionable, the reviewer must obtain clarification from the cardholder. If clarification cannot be provided, the reviewer should contact the Fiscal Office and/or the Purchasing Card Administration Team for guidance.

Fiscal Authority Authorization:

Once the expense log report is received from the reviewer, the fiscal authority must authorize all of the submitted Expense Log Reports and receipts.

Each month the fiscal authority must:

- Verify that all the transactions are appropriate, that the form is complete and all signatures have been provided,
- Verify that the total expense does not exceed the budget,
- Go online to the SAM system, make any necessary account changes, and approve each transaction by checking the "Authorize" button.

The fiscal authority retains all submitted Expense Log Reports and receipts for the current fiscal year.

Absent Participants:

The process when any of the three participants will be out of the office during the reconciliation period:

An email must be sent to the remaining participants informing them of the absence, they include: the Cardholder, Reviewer, Fiscal Authority, and in some cases, the ProCard Administration Team will also be notified

The Cardholder, will provide the Reviewer with all the appropriate receipts/invoices for that cycle prior to the absence. The Reviewer will "View" all charges along with their responsibilities as Reviewer. The Expense Log Report will be printed and signed by the Reviewer. All appropriate receipts/invoices will be attached along with the absence notification email.

The Reviewer, prior to the absence will provide a copy of the absence notification email to the Cardholder. This email will be attached to the Expense Log Report in lieu of your signature. The Fiscal Authority, during this absence will "Approve" all charges along with their responsibilities as Fiscal Authority.

The Fiscal Authority will include the ProCard Team in the email, if possible, one week prior to the end of the cycle, so a substitute can be identified. The substitute will "Authorize" all charges and the ProCard Team will ensure that a copy of the absence notification email is placed in your campus folder.

STATEMENT VERIFICATION

You will receive a monthly paper statement for your account directly from GE Capital (in many cases, after you've already forwarded on your expense log report and receipts). It is the responsibility of the cardholder to verify the correctness of the statement against your purchasing record and receipts. If you find a transaction on the monthly statement that you don't recognize, or if the amount is different than what is on the receipt you have from the supplier/merchant then contact the supplier/merchant to resolve the issue. (See "Disputes").

RECORD RETENTION

The Fiscal Authority must retain all submitted documentation. Records for the current year are to be maintained throughout the fiscal year by the applicable campus Fiscal Authority. Once the Purchasing Card transactions for the year have been completed, these records must be placed in alphabetical order by Cardholder Name with the most recent cycle on top. These records are then sent to the Accounts Payable Manager at the District Office where the records will be maintained for 10 years in accordance with State's record retention requirements.

AUDITS

Each fiscal office, purchasing and internal audit offices, as well as the State Auditors General Office will conduct random audits of your Purchasing Card use. The primary purpose of these audits is to ensure that the Purchasing Card program procedures are being followed and that:

- Purchases are authorized.
- The card is being used for appropriate transactions.
- Documentation is complete.

SHIPPING AND RECEIVING

All shipments must be delivered to the cardholder's campus address. When ordering, ask the supplier/merchant to add "Your Name/Purchasing Card Order" in place of the purchase order number on the invoice and packing slip. It is still the sole responsibility of the cardholder to obtain all documentation (charge slips, receipts, paid invoices, packing slips, mail order form copies, etc.) related to each purchase.

INSPECTION OF GOODS RECEIVED

The cardholder is responsible for inspecting the goods upon arrival and verifying that the documentation related to the purchase is accurate. All packing materials must be retained until it is determined the items received are undamaged and acceptable.

EMPLOYEE TERMINATION

Employees terminating or transferring to a position that no longer requires the use of the Card are responsible for notifying their fiscal authority.

The fiscal authority is responsible for contacting the Purchasing Card Administration Team, informing them of the cancellation. They must also obtain all outstanding documentation, reclaim the card and destroy it prior to the employee's departure.

**** RETURNED PURCHASING CARDS ARE NOT RE-ISSUED TO OTHER EMPLOYEES FOR USE. ****

EMPLOYEE TRANSFER

Should an employee relocate to another college/site/department, and the gaining college/site/department requires card use, the employee will retain the actual card. However, the employee must notify their fiscal authority of the transfer.

The losing college/site/department fiscal authority must submit a "Purchasing Card Change Form" to the ProCard Administration Team, informing them of the transfer. The card will temporarily be **suspended**. Any additional training and forms will be obtained by the ProCard Administration Team and once all steps have been satisfied, the card will be reactivated.

The gaining college/site/department fiscal authority must submit a new Purchasing Card Cardholder Application and Purchasing Card Agreement to the Purchasing Card Administration Team. Any additional training and forms will be obtained by the ProCard Administration Team. Once all steps have been satisfied, the card will be **re-activated** with the new location information.

TRAINING AND INFORMATION

All fiscal authority's, cardholders, and reviewers of cardholders, and/or individuals responsible for the reconciliation process must attend training on the policies and procedures associated with the Purchasing Card Program. All participants must be knowledgeable of the MCCCCD Purchasing Card Policies and Procedures and other sources of information relevant to the program.

REFRESHER TRAINING

The cards expire every three years. Refresher training must be attended by the cardholder and reviewer prior to the new card being disseminated.

CONSEQUENCES OF FAILURE TO COMPLY WITH PROGRAM GUIDELINES

The Director of Strategic Business Support Services has the authority to investigate and to determine whether a violation of the purchasing policies has occurred and can recommend actions to be taken as a result of such determinations.

Purchasing Card policy violations include, but are not limited to:

- Purchase of items for personal use.
- Purchases made by someone other than the cardholder.
 - Sharing or using cards in this manner is considered fraudulent and Internal Audit will be notified.
- Purchase of items defined as restricted, including restrictions from individual programs or campuses.
- Failure to obtain receipts and charge card slips for the purpose of establishing statement verification.
- Failure to return the Purchasing Card when terminated, reassigned, or upon request.

PROCARD MISUSE

The following individuals must be included on all correspondence related to misuse of the ProCard: Cardholder, Reviewer, Department Head, Fiscal Authority, and ProCard Administration Team.

- First Offense: All correspondence detailing the misuse and resolution of the issue must be distributed.
- Second Offense: The campus Fiscal Authority and ProCard Administration Team will meet to discuss appropriate action to take in regards to the offense.

Any misuse of the Card, determined to be intentional, or any failure to comply with procedures within this manual, may result in the following cardholder consequences:

- Department retraining to include fiscal representation.
- Suspension of Card.
- Revocation of Card.
- Disciplinary measures up to and including dismissal, if appropriate.

“In addition, if the misuse involves personal transactions, the cardholder is subject to criminal prosecution and held responsible for making full restitution.”

The Director of Strategic Business Support Services will be the final authority regarding issuance and revocation of a Purchasing Card for an MCCCCD employee.