

# PURCHASING CARD POLICY AND PROCEDURES

Adopted by President's Cabinet 2/28/17

This policy and procedures incorporate the State of Georgia Purchasing Card Policy and the BOR Purchasing Card Policy which can be found at the following links:

DOAS Purchasing Card Policy:

<http://doas.ga.gov/state-purchasing/statewide-card-programs/purchasing-cards>

BOR Purchasing Card Policy:

[www.usg.edu/business\\_procedures\\_manual/Section3/C1127](http://www.usg.edu/business_procedures_manual/Section3/C1127)

Policy and Procedure for administering the Purchasing Card is needed in order to provide step-by-step instructions for proper use of the card and to document the East Georgia State College Purchasing Card Program activity while anticipating questions that may arise with use of the card. This Policy and Procedure provides East Georgia State College Cardholders and Approvers guidance on allowable purchases, as well as clear consequences for violation of policy.

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## **SECTION 1. – Introduction**

### **1.1 What is a Purchasing Card**

The Purchasing Card is a Visa® credit card issued by Bank of America Merrill Lynch for the State of Georgia. The State of Georgia Purchasing Card is the property of the State of Georgia and is only to be used for State business purposes. East Georgia State College (EGSC) is responsible for purchases made with the card, which will then be charged back to EGSC's budget. Although the card is issued in an individual's name, its use does not affect personal credit in any way. Abuse of the Purchasing Card or failure to follow the procedures established in this Policy may result in revocation of card privileges or other disciplinary action including employment termination and/or criminal prosecution.

Purchasing Cards are issued in an individual's name, not in the name of East Georgia State College or an EGSC department. The Cardholder is accountable for all purchases made with the assigned card. The card is the property of East Georgia State College and is to be used only for state business on behalf of EGSC as defined in this guide.

### **1.3 Parties Involved**

The following parties are involved in the State of Georgia Purchasing Card Program:

**Card Issuer:** Bank of America Merrill Lynch was selected as the State of Georgia's Purchasing Card Provider. Bank of America's services include issuing Visa® Purchasing Cards to State of Georgia employees, providing electronic transaction authorizations, and billing EGSC for all purchases made on the cards.

**State of Georgia State Purchasing Department (SPD):** The State of Georgia Purchasing Card Program Manager coordinates with the Card Issuer and the EGSC Purchasing Card Administrator to have Purchasing Cards issued to approved employees. SPD provides oversight to the Statewide Purchasing Card Program and provides in-depth training to ensure program understanding and compliance. SPD's mission is to enable EGSC to adequately maintain oversight and control of its Purchasing Card purchases, while realizing a significant reduction in administrative costs.

**Purchasing Card Program Administrator (P-Card Administrator):** The P-Card Administrator establishes EGSC internal procedures related to the Purchasing Card. All EGSC procedures are within the scope of the terms and conditions of the State of Georgia Purchasing Card Program Policy and best business practices and controls. The Administrator approves all card credit limit changes. The State Purchasing Card Program Manager approves any single-transaction limit changes to accommodate purchases associated with State or Agency Contracts.

Some of the duties of the EGSC Purchasing Card Administrator are:

1. Interacting with Bank of America to assure compliance with the terms and conditions of the contract agreement.
2. Reviewing and evaluating for acceptance, Purchasing Card applications from EGSC staff.
3. Adding and deleting Purchasing Card users.
4. Implementing distribution and receipt of Bank of America Purchasing Card data within established timelines to ensure appropriate retrieval of statistical data.

5. Maintaining policies and procedures to support the EGSC Purchasing Card Program, Cardholders, and program participants.
6. Reviewing and analyzing reports and statistical data to evaluate user activity and to assure compliance with the policy and regulations governing the use of the Purchasing Card. These activities include monitoring inconsistencies within the report data and ensuring that corrections occur.
7. Developing and maintaining auditing standards for individual Cardholders to include scheduling and implementing routine reviews of Cardholders and participating in reviewing processes with other auditing agencies to include Board of Regents audits and statewide audits.
8. Serving as the point-of-contact with EGSC, Bank of America, DOAS and other state agencies.
9. Assisting EGSC management with program review and analysis; suggesting changes and adjustments for improvements.
10. Assisting departmental personnel in establishing internal approval procedures for purchasing card transactions.
11. Interpreting EGSC and program policies and procedures for EGSC staff.

**Purchasing Card Program Coordinator (P-Card Coordinator):** The P-Card Coordinator is delegated authority by the P-Card Administrator. Some delegated duties include:

1. Conduct Purchasing Card orientation/training sessions for all new Purchasing Card holders, including coordinating and conducting group sessions and individual sessions for refresher training when necessary.
2. Timely reconciliation of documentation to individual P-Card statements.
3. Timely allocation of P-Card transactions to the General Ledger.

**Cardholder:** Each department or division within EGSC will determine which employees are eligible for a card based on their need for Purchasing Card privileges; prospective Cardholders must meet established College requirements.

Cardholder responsibilities include, but are not limited to:

1. Using the Purchasing Card for State business purposes only, not personal use.
2. Abiding by and making each purchase in accordance with State Purchasing guidelines, and EGSC's *Purchasing Card Policies and Procedures*.
3. Ensuring that the Purchasing Card is issued in the cardholder's name and signed in ink on the back of the card.
4. Ensuring that all purchases made using the Purchasing Card are executed by the Cardholder. The card is not to be used by other employees or shared with other employees within a department or division.
5. Holding and keeping the Purchasing Card, the card number, and all transactions made with the card secure.
6. Obtaining approval signatures prior to making a purchase (except where noted in the OPB approved P-card Plan for Purchasing Agent, Director of Facilities, and IT).
7. Adhering to the purchase limits and restrictions assigned to the Purchasing Card.
8. Ordering supplies, materials, and equipment that are needed and required by Cardholder's departments in accordance with EGSC Purchasing Policy.
9. Receiving and inspecting all ordered supplies, materials, and equipment; report any discrepancies to vendor. Sales tax should not be included as a charge since the state is sales and use tax exempt.

10. Obtaining, validating, and reconciling all sales slips, register receipts, and/or Purchasing Card slips and provide them to Cardholder's supervisor for reconciliation and approval.
11. Approving monthly statements (manual and/or electronic) to certify charges prior to submission to the approving Supervisor and ultimately to the Business Affairs Office,. The Cardholder shall personally sign the card Statement.
12. Documenting attempts to resolve disputes or billing errors directly with a vendor. If the attempt is unsatisfactory, the P-Card Administrator, with the assistance of the Cardholder, is responsible for submitting Bank of America dispute forms to the bank in a timely manner. (See EXHIBIT C)
13. Ensuring that an appropriate credit for disputed items or billing errors appears on a subsequent Cardholder Statement.
14. Immediately reporting a lost or stolen card to Bank of America at 1-888-449-2273 (24 hours a day, 365 days a year).
15. Notifying the P-Card Administrator of a lost or stolen Purchasing Card at the first opportunity during normal business hours.
16. Destroying the card (cut in half) and returning it to the P-Card Administrator when the integrity of an existing card has been compromised,
17. Knowing the approved types of vendors with which the Purchasing Card can be used.
18. Contacting the P-Card Administrator if a vendor that accepts Visa® does not accept the State Purchasing Card.
19. Ensuring that cash is never accepted in lieu of a credit to the Purchasing Card account in the event of a refund for any reason.
20. Ensuring that the Purchasing Card is not used for employee travel, entertainment, or cash advances.
21. Ensuring that restricted items are not purchased.
22. Ensuring that the appropriate purchasing or payment procedures are followed and not bypassed.
23. Ensuring that transactions are not split to avoid the Single Transaction Limit (STL) or to avoid established rules set forth by the DOAS State Purchasing and the EGSC Business Office.
24. Cardholders should notify the P-Card Administrator or the Vice President for Business Affairs if directed by their supervisor to execute disallowed transactions even after the Cardholder has notified the supervisor that the transaction is not allowed. All reports will be handled without retribution.

### **Supervisors/Approvers:**

The initial internal control for p-card purchases is the requirement of two approval signatures by the Budget Manager and by Business Affairs. These signatures must be obtained before the purchase is made. The next important internal control is the monthly review of the Cardholder's statement by the approving official. The approving official/manager is responsible for ensuring that all purchases made by the Cardholder are appropriate and that the charges are accurate. Therefore Supervisor/Approver's responsibilities include but are not limited to:

1. Reviewing and approving monthly statements and supporting documentation such as detailed receipts on a timely basis.
2. Ensuring that not more than 10 cards are issued to individuals in their span of control.
3. Must sign Ethical Statement of Values (EXHIBIT E).

The P-Card Administrator will establish additional responsibilities as needed for particular departments/divisions or environments.

## **SECTION 2. – Assignment and Control of the Purchasing Card**

### **2.1 Who is Eligible for a Card**

East Georgia State College allows limited access to Purchasing Card privileges and only to full-time permanent employees of the college.

Temporary and part-time EGSC employees are not eligible to be Purchasing Card cardholders.

### **2.2 How to Obtain a Card**

A department/division must complete and submit a *Purchasing Card Request and Change Form* with the appropriate signatures (See EXHIBIT A). Purchasing cards are only distributed to those who understand State of Georgia Purchasing guidelines and who can successfully pass a credit worthiness report. The employee must read and understand EGSC's *Purchasing Card Policies and Procedures*. In addition, Cardholders are required to sign the *East Georgia State College Cardholder Purchasing Card Agreement* (See EXHIBIT B) and the Ethical Statement of Values (EXHIBIT E) prior to card distribution.

### **2.3 Training**

EGSC requires that all Cardholders and Approvers attend training prior to issuance of a Purchasing Card. The training will include relevant portions of the Georgia Procurement Manual, the Statewide Purchasing Card Policy, as well as EGSC's P Card Policies and Procedures.

In addition, cardholders and approvers must attend annual refresher training during the fourth quarter of each fiscal year. Failure to attend the virtual training and acknowledgement of receiving said training will result in the permanent loss of P Card Holder status.

Refresher training is found at [http://www.ega.edu/business/pcard\\_presentation.ppt](http://www.ega.edu/business/pcard_presentation.ppt)

### **2.3 Changes**

If a Cardholder changes departments or positions, or leaves employment, the Purchasing Card Administrator must be notified immediately and the card must be destroyed (cut in half) and returned to the Purchasing Card Administrator for cancellation.

Name changes and other changes to a Cardholder's profile can be made by submitting a *Purchasing Card Request & Change Form* to the P-Card Administrator (See EXHIBIT A).

### **2.4 What Can and Cannot be Purchased with the State Purchasing Card**

The Purchasing Card may be used for equipment and supplies costing less than \$2499 (including shipping) when not prohibited by Federal, State, and EGSC Guidelines. **Exception: Purchasing department limits may be higher.** All purchases must be made in accordance with established College policy and must be for expenses associated with official College business. Equipment costing over \$3,000 must be recorded in the Asset Management Module. The "Comments" section of the Purchasing Card Request Form should be used to indicate the location where an equipment purchase will be housed. The P-Card Administrator will be responsible for notifying the Asset Management Accountant of such purchases. Use of the Purchasing Card for

unauthorized, inappropriate, or personal items may result in penalties as indicated in this Policies and Procedures.

**Splitting of purchases with the College Purchasing Card is prohibited.** Transaction splitting is the practice of committing multiple Purchasing Card transactions to circumvent the Cardholder’s one-time transaction limit, bypass College competitive bidding requirements, or avoid the card’s monthly card limit.

Any expenditures with one vendor for products or supplies that you anticipate will exceed \$25,000.00 within a fiscal year or expenditures with multiple vendors for the same product or supplies that you anticipate will exceed \$25,000.00 within a fiscal year, require due diligence by EGSC’s Business Office.

State of Georgia Purchasing Cardholders are designated as state purchasing agents with strict adherence to O.C.G.A. § 45-10-1 State Employee Code of Ethics and O.C.G.A. § 50-5-78 Financial interest of department personnel in contracts; acceptance of benefits from contactors.

Allowable Purchases

1. Goods and services used in the furtherance of EGSC’s mission.

**Prohibited Purchases. Any purchases will be the financial responsibility of the cardholder. Reimbursement of the full cost of the purchase will be expected with the submission of the monthly purchasing card statement.**

	<b><u>Purchase Category</u></b>	<b><u>Examples of Excluded Purchase</u></b>
1	Georgia Sales Tax	Tax on any purchases made in the State of Georgia.
2	Employee Travel Expense	Airfare, hotel, automobile rentals, meals, events, parking, and other travel-related incidentals. Exception: Purchasing Department may purchase these items.
3	Employee meals and events separately priced in registration costs	Registrations where meals and events are listed in registration materials as an option at separate cost.
4	Expenses being reimbursed to EGSC.	Any expenditures that will be reimbursed by the EGSC Foundation or any other outside agency, government or otherwise.
5	Food & Catering	Exceptions: food used for official research, laboratory animals or instructional/classroom use.
6	Cash Advances	Cash Advances including use of the card, card number or account number at ATMs, inside bank branches or at cash advance, quasi-cash and money transfer locations such as Western Union, etc.
7	Alcoholic Beverages	All types
8	Gifts, Gift Cards, and Calling Cards	Any type or style of gift including gift cards, stored value cards, calling cards, pre-paid cards or similar products.
9	Personal Purchases	Any item for use by an individual. Examples include but are not limited to: radios, coffee, bottled water, or other snacks or beverages; tissues, hand sanitizer, academic stoles & accessories; personal magazine or newspaper subscriptions.
10	Hazardous Materials	Asbestos removal; firearms and explosives; radioactive material
11	Chamber of Commerce Memberships	Any Chamber of Commerce membership dues or meeting expense.
12	Entertainment Expense	All types including movie tickets, amusement park tickets; arcades

13	Live Animals	All types
14	Drugs	All over-the-counter and prescription drugs.
15	Automatic Renewals	Monthly, annually, other
16	Contracts & Agreements	Any contracts or agreements pertaining to the purchase of goods or services; maintenance or service agreements. Exception: ITS-approved software licenses & support renewals.
17	Goods from an outside vendor that are available from an in-house department	Any goods that are provided by an in-house department such as Plant Operations, ITS, etc.
18	Furniture	Exception: Purchasing Department may purchase furniture.
19	Services	Services including consulting services, honorariums, speaker fees, temporary staffing, temporary labor, doctors, lawyers; (any fees for services that would be eligible for 1099 reporting).
20	Online Purchases requiring a Contract or Agreement	All, including E-Bay.
21	Blocked Merchant Category Code (MCC)	Any purchase where the MCC has been blocked. MCC's are determined by the State of Georgia and Purchasing Card Administration.
22	Tobacco Products	Any Tobacco Products
23	Holiday Decorations	All holiday decorations for the office, office door, or employee work station.
24	Greeting Cards	Holiday cards, sympathy cards, birthday cards, wedding cards, retirement cards, "congratulations" cards, "best wishes" cards, "think of you" cards, "good luck" cards, "get well soon" cards; any other type of cards.
25	Plants & Cut Flower	Any for office or personal work area. Exception: Landscape Grounds may purchase plants for campus landscape.
26	Purchasing Memberships to Wholesale Clubs	Clubs such as: Sam's Club, Costco and BJ's
27	Computers & Computer Equipment; multimedia equipment	Exception: IT and the Purchasing Department may purchase computers and computer related equipment and accessories.
28	Data Plans	Data plans, software, or applications (i.e. "apps") for non-State Entity issued devices including, but not limited to, smart phones (e.g. iPhone, Android, Blackberry,) laptop computers or tablets (e.g. iPad).
29	Fuel and Vehicle Repairs	All fuel for motor vehicles. Repairs for motor vehicles (Exception: Purchasing Department)

### Transactions Requiring Special Documentation or Approval

1. **Computer-related purchases** including software, flash drives, keyboards, and other misc. computer equipment. For the most current ITS policy on purchases, refer to the East Georgia State College Office of Computer Services. All IT purchases must be prior approved by the Director of Information Technology.
2. **Multimedia equipment** and purchases such as digital cameras, VCR's DVD players, camcorders, recording hardware. For the most current policy on multimedia equipment purchases, contact the East Georgia State College Office of Computer Services. All multimedia equipment purchases must be prior approved by the Director of Information and Instructional Technology.

## **2.5 Card Limits**

The P-Card Administrator will establish appropriate card limits for each Cardholder with the approval by the Vice President for Business Affairs based on the established EGSC credit card limits, the needs of the Cardholder, and the budgetary limitations of their department/division. Departments and supervisors may establish lower limits, and in exceptional cases, may request a larger limit. If a larger limit is required, the department must request a credit line increase through the P-Card Administrator. Departmental participation in developing the credit line for each card is essential.

Standard monthly card limits are set at \$2,500. Any requests for limits over \$2,500 must be submitted in writing to the P-Card Administrator. Annually, Purchasing Card Administration will analyze Cardholder activity to determine that spending limits are consistent with usage. Inactive accounts (those with less than 6 transactions over the past 12 months) will be deactivated to meet DOAS guidelines.

The State Purchasing Card Program Manager is responsible for reviewing and approving all written requests for exceptions to policy on a case-by-case basis. Requests for an exception to policy must be sent to the P-Card Administrator (See Exhibit D). The P-Card Administrator will forward the request to the State Program Manager for approval.

The overall goal of the credit card program is to provide operational efficiency without sacrificing cost or control. EGSC encourages the use of the Purchasing Card with vendors for small dollar purchases. Prior to making a purchase, Cardholders should notify vendors that the purchase is being made on behalf of the State of Georgia to ensure the benefit of favorable pricing that may be afforded by current State contracts with that vendor.

The Department of Administrative Services/State Purchasing will continue to look for opportunities to negotiate contracts with high volume vendors to secure favorable prices.

If you have any questions about the State of Georgia Purchasing Card Program or use of the State Purchasing card, please contact Ms. Becky Foskey, EGSC Purchasing Card Administrator, at (478) 289-2104 (direct) or e-mail [bfoskey@ega.edu](mailto:bfoskey@ega.edu).

## **2.6 Lost, Stolen, or Misplaced Cards**

In order to protect the College's interest, lost or stolen Purchasing Cards must be reported immediately to Bank of America (24 hours) by calling 1-888-449-2273, and then reported to the Cardholder's immediate supervisor and Purchasing Card Administrator or their representative in the Business Office. If you have misplaced your card, contact Purchasing Card Administration immediately so that the card can be temporarily deactivated while an attempt is made to locate the card.

To report a fraudulent transaction on your Purchasing Card, contact Bank of America Customer Service at 1-888-449-2273. The bank will request pertinent information regarding the transaction, cancel your current card, and order a new card for the Cardholder. Once you have notified Bank of America, notify your immediate supervisor, and then contact the P-Card Administrator.

Report any instance of Fraud, Waste, and Abuse to the EGSC Ethics and Reporting Hotline: <https://ega.alertline.com/gcs/welcome>.



## **SECTION 3. – Cardholder Use of a Purchasing Card**

### **3.1 Making a Purchase**

To make a purchase using the card, do the following:

1. Be certain the transaction is consistent with the applicable rules for card usage.
2. Complete the Fund Request Form and obtain the two required preapproval signatures from the Budget Manager and Business Affairs. Complete the comments section of the form stating the business purpose of the purchase.
3. Telephone, fax, or visit the supplier. You can use the Purchasing Card to purchase items from any supplier who accepts Visa®. To receive all applicable discounts, be sure to inform the supplier that your purchase is for the State of Georgia. Notify the supplier that the purchase is exempt from Georgia State sales tax and provide the supplier with a copy of the exemption certificate. A copy of this form can be found on the EGSC Intranet under Forms. A Certificate of Exemption certifies that your purchase is for state business. (Note: All ordered materials must be shipped by the supplier before they bill any costs to a EGSC Purchasing Card. Billing for partial orders or back orders is not permitted. Additionally, instruct the supplier NOT to send Accounts Payable a separate invoice.)
4. *Verify the total amount to be charged with the supplier. Prior to signing a charge slip or authorizing a purchase by telephone, be sure to have the supplier identify and list all charges related to the transaction. All shipping & handling charges must be listed as a separate line item on the receipt and must be clearly identified.*
5. Make sure to give the supplier proper delivery and shipping instructions. Unless the transaction will occur at the point-of-sale, all shipping costs (UPS, FedEx, etc.) MUST be prepaid and invoiced with the corresponding purchase. The supplier should identify the exact amount of all shipping and handling charges that will be added to the transaction amount. The Cardholder must retain receipts and other documentation for record-keeping and reconciliation purposes.

**All receipts, proof of delivery, and other documentation supporting the purchase should be attached to the corresponding Purchasing Card Statement.**

**Segregation of Duties:** No Cardholder shall be his or her own reviewer / approver. Sufficient internal controls must be established and implemented to ensure that a knowledgeable individual such as a direct supervisor within the organization reviews the statement, receipts and reconciliation documents in a timely manner during regularly scheduled billing cycles for approval.

In the case where a department head or other manager is the Cardholder, the reconciliation must go to their immediate supervisor for approval.

### **3.2 Paying the Bill**

**Bank of America** will make arrangements for a payment which covers all card activity for all Cardholders during the billing cycle at the onset of each new program. Under no circumstances should a Cardholder or departmental representative send a payment to Bank of America; all payments will be handled by the East Georgia State College Business Office.

### 3.3 Record Keeping

To facilitate reconciliation and approval of your monthly Cardholder statement of account, it is MANDATORY that the Cardholders obtain and retain supplier documentation for purchases. Proof of purchase and proof of receipt are required.

**Proof of Receipt:** The term most frequently applies to the printed record given to a Cardholder at “check-out” that identifies the vendor, the date of sale, lists the purchases made, the total amount of the transaction including any discounts, and other adjustments, the amount paid and the method of payment. Acceptable receipts include printed receipts and/or electronic receipts. Invoices and statements should include the following information in accordance with the Georgia Vendor Manual Ch. 8, Section 8.2:

- Contractor name, address, and I.D. number;
- Agency name, address, and zip code;
- Item description and line number;
- Quantity, unit, unit price, and extension for each item;
- The invoice number and invoice total;
- Discount, if applicable;
- Date of order and shipping date;
- Back order, if any, and shipping date.

If a receipt is missing, a missing receipt form must be prepared with the above information and signed by the Cardholder and Supervisor.

**Proof of Delivery:** A packing slip must be included with each purchase. Include the date of delivery and the Cardholder signature to verify receipt of the merchandise. If a packing slip is not available, note the delivery date on the purchase receipt. The Cardholder and Supervisor must sign the purchase receipt if the packing slip is missing.

**IMPORTANT:** The business purpose of each transaction must be notated on the supplier documentation unless it is obvious or intuitive. Please remember that restricted expenditures include items for personal consumption or benefit such as meals, food, cash, motor vehicle fuel, professional services, gift cards, entertainment and travel (Reference: OCGA 50-79 & 80).

### 3.4 Reconciling Monthly Statements

A complete Purchasing Card package must be submitted to the Business Office by 5 PM on the 5th day of the month. The Purchasing Card package will include the following: a copy of the individual’s p-card statement, signed, dated and approved; all corresponding purchasing card fund request forms and the attached required documentation including invoices, receipts, and/or packing slips. After the original statement is signed, approved, and dated, it must be forwarded to Business Affairs.

For additional guidance on how to prepare this statement, contact the Purchasing Card Administrator or Coordinator. .

All Purchasing Card records must be retained by Business Affairs for five (5) years.

### **3.5 Resolving Errors and Disputes**

Problems with merchandise delivery or incorrect billing may occasionally arise. It is the **Cardholder's responsibility** to initiate action to resolve all such issues.

Cardholders must contact the supplier directly when a billing problem or a problem with merchandise is first noted to attempt to resolve such problems directly with the supplier. When appropriate, one should ask the supplier to provide a credit to your Purchasing Card account. Under no circumstances should there be a direct cash refund from suppliers for credit card transactions. If, however, a direct cash refund is received, contact the P-Card Administrator for the proper course of action.

If a Cardholder is unable to resolve the problem directly with the supplier, the Cardholder should notify the P-Card Administrator to assist in resolving or filing a Bank of America dispute form (See EXHIBIT C).

**Important Note: All Bank of America disputes must be filed within 60-days of the transaction date. Do not continue to use vendors who have not resolved errors within 30-days of the cycle date following the error or dispute.**

Additional procedures for special situations as described below should be followed by Cardholders:

### **3.6 Lost or Misrouted Products**

If a sufficient amount of time has elapsed without receiving the ordered product, the following steps should be taken:

1. Contact the supplier to determine when the product was shipped, what carrier shipped it (i.e., UPS, FedEx, US Mail, etc.), and what location it was shipped to.
2. If there is no record of the shipment by the carrier, call the supplier and request a proof of delivery.
3. If the supplier cannot supply this documentation, the supplier should acknowledge that no product was actually delivered, and either the Purchasing Card account should receive a credit, or product reshipped.
4. If a satisfactory resolution cannot be reached with the supplier within a 30-day period, contact the P-Card Administrator to file and process a dispute. **There are only 60 days from the date of the transaction for a dispute to be filed.**

### **3.7 Incorrect Quantity or Defective Product**

The Cardholder must always check any incoming order as soon as it is received to ensure the product received matches what was ordered in terms of quantity, description, and quality. If there is a discrepancy (e.g., damage or defects), do the following:

1. Contact the supplier to resolve the issue over the telephone. This should be sufficient to resolve most discrepancies.
2. If satisfactory resolution cannot be reached with the supplier, contact the P-Card Administrator to file and process a dispute.

### **3.8 Cardholder Statement Discrepancies**

If discrepancies are noted on the monthly Cardholder Statement (for quantity, price, duplicate billing, no credits from prior transaction, billing for item not received, etc.) take the following steps:

1. Contact the supplier and attempt to resolve the discrepancy. Keep a record of all communications with the supplier.
2. If satisfactory resolution cannot be reached with the supplier, contact the P-Card Administrator to file and process a dispute.

### **3.9 Sales Tax Charged by a Supplier**

As previously detailed in the *Making a Purchase* section of this Guide, EGSC is exempt from paying sales tax on purchases. Accordingly, sales tax should not be billed by suppliers. In the event sales tax is charged by a supplier and appears on a Cardholder statement, the following steps need to be taken by the Cardholder:

1. Contact the supplier and request that a credit be processed for the amount of the sales tax charged.
2. Maintain written records of communications with suppliers regarding credits for sales tax.
3. If the supplier refuses to issue a credit or does not issue a credit within the next billing cycle, please notify the Purchasing Card Administrator concerning your attempts to obtain a credit for the sales tax billed. DO NOT place any further orders with the supplier. The Purchasing Card Administrator will notify all other Cardholders to refrain from doing business with the supplier.

Recovering charged sales tax requires time and effort that is not very productive for anyone. It is, therefore, essential that EGSC cardholders make vendors aware that EGSC is exempt from sales tax.

### **3.10 Restocking Fees**

When goods are returned through no fault of the supplier, the supplier may charge a restocking fee.

### **3.11 Making Returns/Exchanges**

1. Cardholders must usually prepare a shipping order for all returns or exchanges of merchandise purchased using a Purchasing Card. On the shipping order, be sure to indicate that this was a Purchasing Card purchase and state the amount of credit due for the returned item. In some instances, a vendor may supply a return authorization number (RA number) which should be noted on the shipping order. If the supplier provides a material return authorization number, be sure to include that number on the shipping order.
2. A copy of the shipping order should be attached to the monthly Cardholder Statement with details surrounding the return.
3. All return credits must be applied to the Purchasing Card account, and must not be taken in cash.
4. Be sure to note the shipping arrangements on the documentation (i.e., if the supplier or state paid for the freight).

It is the **Cardholder's responsibility** to follow up and obtain a credit for any recoverable amounts.

## **SECTION 4. – Process Review & Compliance**

State Purchasing, Office of Process Improvement, and the DOAS Program Manager, will review various reports provided by Bank of America on a monthly basis to ensure that purchasing card transactions appear within reasonable parameters. In addition, random reviews of card statements and appropriate processes will be conducted by the State Purchasing, Office of Process Improvement.

The primary purpose of these reviews is to ensure the program policies and guidelines are being followed. Findings of failure on the part of a EGSC's Purchasing Card Administrator, Department, or Cardholder to properly implement stated procedures for use of the Purchasing Card may result in revocation of Purchasing Card Program privileges for EGSC.

The EGSC Business Office and the Vice President for Business Affairs develop and review internal control procedures regularly and review all purchasing card transactions and procedures.

A secondary purpose for conducting reviews is to identify opportunities for improvement within the Purchasing Card Program. State Purchasing welcomes suggestions from EGSC to ensure continued success of the Purchasing Card Program.

The P-Card Administrator will routinely analyze electronic transaction data to ensure that purchasing policies and procedures are being followed. Areas of interest include: split transactions, over-limit purchases, unusual transaction patterns, use of non-standard vendors for standard purchase, and even-dollar transactions. Examples of commonly used reports include the following:

- a. Account Activity Reports-Such reports can provide details on each transaction such as transaction date, merchant name, and dollar amount. These reports can be used to sort transactions by dollar amount, merchant, date or type and can be useful for identifying suspicious merchants, unusually high spending patterns, or untimely purchases.
- b. Declined Authorizations Report- This report identifies Cardholders who have attempted to use a card to make a purchase for which they are not authorized, that exceeds their single-purchase limits, that exceeds their monthly purchase limits, or from a merchant that has a blocked Merchant Category Code.
- c. Disputes Report-This report identifies date, merchant, reason code, dollar amount and status of each dispute filed by a Cardholder. Reviewing the report would identify Cardholders with excessive disputes which could indicate that a Cardholder needs additional training or that he/she may be trying to disguise misuse or fraudulent activity.
- d. Unusual Spending Activity Report-Based on a variety of criteria, this report identifies transactions which may warrant further review.
- e. Lost/Stolen Card Report-This report identifies cards that have been reported lost or stolen. It may be reviewed to identify Cardholders who have repeatedly reported their cards missing. This may be an indicator that the Cardholder needs to secure his card or that the Cardholder is attempting to disguise misuse or fraudulent activity by denying charges.

## **4.1 Purchasing Card Violations**

The Department of Administrative Services, State Purchasing, and EGSC administration expects every individual Cardholder to strictly adhere to the policies and guidelines governing use of the State Purchasing Card. Failure to do so may result in disciplinary action up to and including termination of employment. Additionally, such failure could result in prosecution to the fullest extent of the law, including financial restitution and criminal prosecution.

Violations of policies and procedures governing use of the Purchasing Card can be classified as *minor* or *major*. The action taken is dependent upon the type of violation and the number of previous Cardholder violations. The P-Card Administrator can suspend a Cardholder's privileges with or without input from the EGSC department; however, the department will be notified of any such action. All other actions are determined at the appropriate level. Any alleged violation or questionable transaction could result in an immediate suspension of card privileges pending a review to determine what, if any, action is appropriate.

Listed below are the disciplinary guidelines associated with Purchasing Card violations:

### ***MINOR VIOLATIONS***

Minor violations are instances that are "accidental" and without willful intent, or associated with a delinquent reconciliation statement. Examples include but are not limited to:

1. Using the wrong credit card when doing personal shopping and usually includes immediate discovery and notification of the Purchasing Card Program Administrator/Coordinator as well as restitution,
2. Purchases with the card that should be made through the Entity requisition system or some other means, or
3. Failure to reconcile and return the statement (manually or electronically) in a timely manner.
4. Sales tax in one P-Card statement over \$10. (Sales tax under \$10 in one statement will result in an email reminder and will not be a violation unless habitual)
5. Not obtaining prior approvals as described in Section 2.4

Cardholders will receive a minor violation in the form of a memo from the P-Card Administrator.

A copy of the violation letter will be sent to the Cardholder's immediate Supervisor, Department Head, and VP for Business Affairs. Any action required by the violation letter should be handled on a priority basis.

An accumulation of three minor violations of the same type or 9 minor violations of any type in a 12 month period will result in a major violation being issued.

## **MAJOR VIOLATIONS**

Major violations are instances that show “willful intent” to disregard established policy and procedures. Examples include but are not limited to:

1. Purchasing unauthorized or restricted items,
2. Splitting orders to avoid the single transaction limit,
3. Allowing others to use the card,
4. Knowingly making personal purchases.
5. Accumulating minor violations as defined above.

Any major violation will result in immediate temporary suspension of the Cardholder’s privileges and notification to the department. If deemed appropriate, Bank of America, EGSC Public Safety, and the Board of Regents Office of Internal Audit will also be notified. If no fraud or theft is involved, reinstatement of the P-Card privileges can be made after 30 days at the request of the Cardholder’s Supervisor. If a second suspension is required, it will be permanent.

*Adoption and enforcement of any disciplinary actions is coordinated through the Vice President for Business Affairs and Purchasing Card Administration. If Purchasing Card misuse (intentional fraud by the Cardholder) is discovered, the P-Card Administrator **MUST** do the following according to DOAS Directives:)*

1. **Cancel the purchasing card.**
2. **NOTIFY STATE PURCHASING CARD PROGRAM MANAGER, Donna Rayner, (404) 656-5344 (desk), (404) 386-9641 (cell) or drayner@doas.ga.gov**
3. **NOTIFY APPROPRIATE EGSC OFFICIALS –i.e., Vice President for Business Affairs, EGSC Police Department, Human Resources, etc.**
4. **Cardholders who violate the State Purchasing Card Program by committing fraudulent activity against the State must be immediately terminated. (Coordinated through appropriate levels with the minimum of director level involvement.)**
5. **Bank of America will coordinate the filing of appropriate liability waiver documents (insurance claim to recover losses). Notify Bank of America when employee is terminated.**

**Please be aware that Bank of America will provide corporate liability protection under Visa’s Liability Protection Coverage; however, certain conditions apply. The principal condition is that the employee has been terminated and Bank of America is notified of the termination within TWO DAYS of its occurrence. Bank of America will rely on and shall be protected in acting on issuance requests or other requests or instructions which the bank believes to be genuine and to have been signed by a State of Georgia Purchasing Card Administrator.**

## **EXHIBITS**



**State of Georgia & East Georgia State College  
Purchasing Card Program**

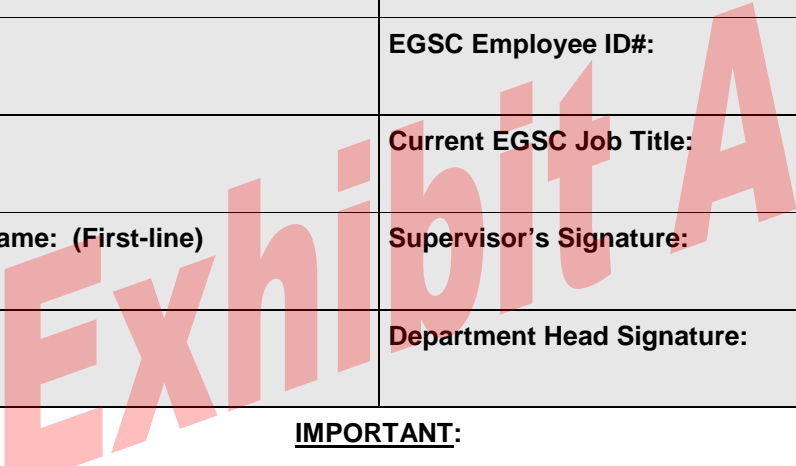
**PURCHASING CARD REQUEST & CHANGE FORM**  
(Use "Tab" key to navigate through fields)

EGSC Department Name:

Check the appropriate box for the type of request:

- New Cardholder Request  
 Cardholder Change Request

Card Applicant Name:	I have read and understand the P-Card Policies and Procedures - Applicant Signature:
Applicant Department Address (include MD#):	Applicant Office Phone Number:
	EGSC E-Mail Address:
EGSC Department ID#:	EGSC Employee ID#:
Business Purpose:	Current EGSC Job Title:
Immediate Supervisor's Name: (First-line)	Supervisor's Signature:
Department Head Name:	Department Head Signature:



**IMPORTANT:**  
Form will not be considered complete until all required signatures are affixed. Send copy of form to:  
Business Affairs – Director of Financial Accounting

**FOR OFFICIAL USE ONLY**

Approved       Disapproved

Reason:

By: \_\_\_\_\_ Title: EGSC Purchasing Card Administrator

Vice President for Business Affairs: \_\_\_\_\_ Date: \_\_\_\_\_

# State of Georgia & East Georgia State College Cardholder Purchasing Card Agreement

The **State of Georgia & East Georgia State College** is pleased to present you with this Purchasing Card. It represents trust in you and your empowerment as a responsible agent to safeguard and protect State of Georgia assets.

I, \_\_\_\_\_, Card Number XXXX-XXXX-XXXX-XXXX, with Employee ID # \_\_\_\_\_ hereby acknowledge receipt of an East Georgia State College Purchasing Card, which is a VISA® card issued by Bank of America, that will only be used to acquire materials and supplies for East Georgia State College. I agree to comply with the following terms and conditions relating to my use of the Purchasing Card.

1. As an authorized Cardholder, I agree to comply with the terms and conditions of this Agreement and with the provisions of the East Georgia State College Purchasing Card Policies and Procedures. I have received a copy of the Policies and Procedures and confirm that I have read and understand its terms and conditions. In addition, I have completed the required Purchasing Card Training.
2. I understand that East Georgia State College is liable to Bank of America for all charges I make on the Purchasing Card.
3. I agree to use the Purchasing Card for authorized official business purchases only and agree not to charge personal purchases. I authorize East Georgia State College whatever steps are necessary to collect an amount equal to the total of improper purchases, including but not limited to declaring such purchases an advance on my wages to the extent allowed by law.
4. I agree to notify the East Georgia State College Purchasing Card Administrator at 478-289-2096 or mgoff@ega.edu if my name or contact information changes. I further acknowledge that name changes will require proof of change, i.e. copy of marriage license and/or decree of legal change.
5. If the Purchasing Card is lost or stolen, I will **immediately** notify Bank of America at 1-888-449-2273. I will also notify the East Georgia State College Purchasing Card Administrator in writing at the first opportunity during normal business hours.
6. I understand that improper or fraudulent use of the Purchasing Card may result in disciplinary action, up to and including termination of my employment. I further understand that East Georgia State College may terminate my right to use the Purchasing Card at any time for any reason.
7. I agree to surrender the Purchasing Card immediately upon request or upon termination of employment for any reason.

Agreed and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

## Cardholder:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Entity/Department: \_\_\_\_\_

## Approving Authority:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Entity/Department: \_\_\_\_\_

## Entity Purchasing Card Administrator:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Phone: \_\_\_\_\_

## PURCHASING CARD CLAIMS STATEMENT OF DISPUTED ITEM

- Instructions:**
- Your company should first make good-faith efforts to settle a claim for purchases directly with the merchant.
  - If assistance from Bank of America is required, please complete this form.
  - E-Mail or FAX completed form with required enclosures within 60 days from the billing close date to:

**Bank of America – Business Card Services Operations**

P. O. Box 53101  
Phoenix, AZ 85072-3101  
FAX (888) 678-6046

Company Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Cardholder Name: \_\_\_\_\_

This Charge appeared on my statement, billing close date: \_\_\_\_\_  
Transaction Date: \_\_\_\_\_  
Reference Number: \_\_\_\_\_  
Merchant Name/Location: \_\_\_\_\_  
Posted Amount: \_\_\_\_\_ Disputed Amount: \_\_\_\_\_  
Original Sales Slip Requested:  Yes  No

\_\_\_\_\_  
(Cardholder Signature)

\_\_\_\_\_  
(Authorized Participant Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Phone Number)

**Please Check Only One** (After choosing one of the following options, feel free to provide additional details regarding the transaction on a separate piece of paper)

1. **Unauthorized Transaction:** I did not authorize, nor did I authorize anyone else to engage in this transaction. No goods or services represented by the above charge were received by me or anyone I authorized. My Bank of America card was in my possession at the time of the transaction.
2. **Charge Amount Does Not Agree With Order Authorizing the Charge:** The amount entered on the sales slip was increased from \$\_\_\_\_\_ to \$\_\_\_\_\_. I have enclosed a copy of the unaltered sales slip.
3. **Merchandise or Services Not Received:** I have not received the merchandise or services represented by the above transaction. The expected date of delivery of services was \_\_\_\_\_. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.)
4. **Defective or Wrong Merchandise:** I returned the merchandise on \_\_\_\_\_ because it was (check one):  
 defective;  wrong size;  wrong color;  wrong quantity.  
(Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them, their response and proof of the return of merchandise. Please provide a detailed description of the wrong or defective nature of the merchandise.)
5. **Recurring Charges After Cancellation:** On \_\_\_\_\_ (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America account has been charged \_\_\_\_\_ time(s). (Please enclose a copy of the merchant's confirmation of your cancellation request.)
6. **Recurring Charges Already Paid by Other Means:** I already paid for the goods and/or services represented by the above charge by means other than my Bank of America Commercial Card. (Please provide a copy of the front and back on the cancelled check, money order, cash receipt, credit card statement, or other documentation as proof of purchase/payment. Describe your efforts to resolve this matter directly with the merchant, the date(s) you contacted them, and their response.)
7. **Credit Appears as a Charge:** The enclosed Credit Voucher appeared as a charge on my Bank of America Commercial Card account.
8. **Credit From Merchant Not Received:** I did not receive credit for the enclosed Credit Voucher within 30 calendar days from the date it was issued to me by the merchant shown above. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response. Provide a detailed statement explaining your reason(s) for disputing this charge.)
9. **Hotel Reservation Cancelled:** I made a reservation with the above hotel which I later cancelled on \_\_\_\_\_ (date) at \_\_\_\_\_ (time). I received a cancellation number which is \_\_\_\_\_. (Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant.  
 I was not given a cancellation number.  
 I was not told at the time that I made the reservation that my account would be charged for a "No Show".  
 I was not informed of the cancellation policy.
10. **Double or Multiple Charges:** My Bank of America Commercial Card Account has been double charged. The valid charge appeared on \_\_\_\_\_ (date). The duplicate charge(s) appeared on \_\_\_\_\_.
11. **Do Not Recall the Transaction:** The statement has an inadequate description of the charge. Please supply supporting documentation.
12. **Other; Above Descriptions Do Not Apply:** Please attach a detailed letter explaining the reason for your dispute and your attempts to resolve this issue with the merchant.

**State of Georgia & East Georgia State College**

**Purchasing Card Program**  
**CARDHOLDER SPECIAL APPROVAL REQUEST FORM**  
 (Use "Tab" key to navigate through fields)

EGSC Department Name:

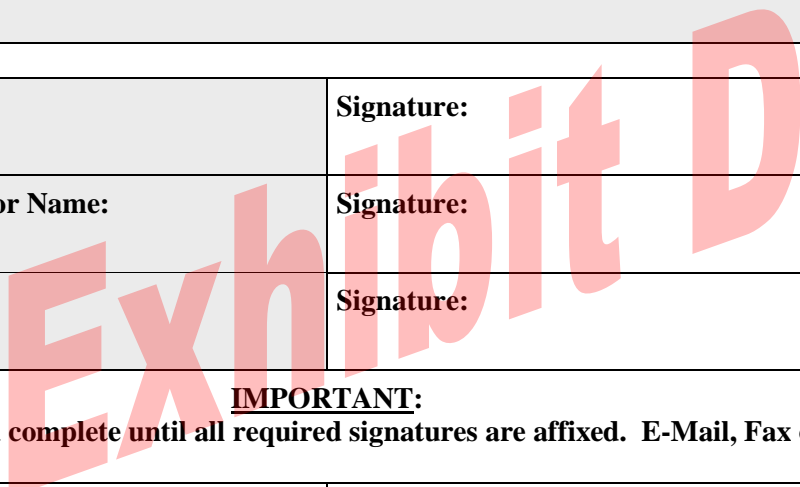
Check the appropriate box for the type of approval requested and justify purchase below:

- Purchase - Greater than \$5,000 (Single Transaction Limit)
- Purchase – Exception to State Purchasing Card Policy
- Purchase – Other circumstances (detailed below)
- Annual use of Statewide or Agency Contracts ≥ \$5,000

Contract #  Vendor Names(s)

Justification (in detail):

Cardholder Name:	Signature:
Purchasing Card Administrator Name:	Signature:
Entity CUPO Name:	Signature:



**IMPORTANT:**  
 Form will not be considered complete until all required signatures are affixed. E-Mail, Fax or Mail form to:

Donna Rayner, Purchasing Card Program Manager Department of Administrative Services State Purchasing Division 200 Piedmont Avenue SE, Suite 1308 Atlanta, GA 30334-9010	(404) 656-5344 Office (404) 386-9641 Cell (404) 657-8444 Fax <a href="mailto:Donna.rayner@doas.ga.gov">Donna.rayner@doas.ga.gov</a>
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**FOR OFFICIAL USE ONLY**

Approved       Disapproved

Reason:

By:  Title:

Date:

**Ethical Statement of Values**

## ETHICAL STATEMENT OF VALUES

East Georgia State College has a fiduciary responsibility to fulfill its overall mission in compliance with applicable policies, laws, regulations and rules. This policy statement sets forth the university's Ethical Statement of Values for employees who agree to conduct fiscal transactions on behalf of the university as a resulting condition of her or his duties.

As public employees, college employees are expected to inform themselves about and comply with applicable College policies and procedures. In addition, college employees are obligated to comply with the State of Georgia Codes of Ethics and Conflicts of Interest [O.C.G.A. § 45-10-1]. Furthermore, state criminal statutes provide criminal sanctions for employees found guilty of having used state funds for personal benefit or gain by means of a purchase order, government contract, credit card, charge card, debit card, or other such payment vehicle. [Part 1 of Article 3 of Chapter 5 of Title 50 of the Official Code of Georgia Annotated – Section 50-5-80]

### I. Professional Values

Employees **should** demonstrate the following behaviors in carrying out fiscal transactions:

- Strive to exceed the demands for honesty, fairness, and justice in dealings both with and on behalf of the university;
- Put loyalty to the highest moral principles and to country above loyalty to persons, party, or government department;
- Exhibit professionalism in the workplace, and conduct themselves in a way that will continue to promote the public's confidence in the integrity of the University; and
- Strive to fulfill their assigned responsibilities, and be proactive in developing the skills necessary to provide high job performance

### II. Employment Responsibility

Employees **shall**, in the performance of their responsibilities be expected to:

- Safeguard the assets of the institution from fraud, waste, and abuse;
- Strictly adhere to the policies and procedures governing the use of the State Purchasing Card as set forth by the Georgia Department of Administrative Services (DOAS) guidelines, Board of Regents Business Procedures Manual and all applicable College policies and procedures;

- Exercise prudence and integrity in the management of resources in their custody and in all fiscal transactions in which they participate;
- Be fair-minded, non-discriminatory, and treat all individuals, both internal and external to the College community equitably, with civility, respect and dignity
- Act in a competent manner and in compliance with Federal and State laws and regulations and University policies;
- Not knowingly be a party to or condone *fiscal misconduct*;
- Report *fiscal misconduct* to the Legal Affairs Department as required by the college's policy;
- Expose corruption whenever discovered;
- Protect privileged or confidential information to which they have access by virtue of their position;
- Comply with the requirements of the State Code of Ethics as applicable to them [O.C.G.A. § 45-10-2 Code of Ethics for Government Service: section 45-10-1 (Ga. L. 1968, p. 1369)].

### III. Conflict of Interest

Employees **shall** actively avoid conflicts between personal and college interests by:

- Taking action to mitigate any real or perceived conflicts of interest; and
- Never discriminating unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not, and never accepting, for himself or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties;
- Disclosing all financial and personal interests as required by college policy.
- Never using any information coming to him or her confidentially in the performance of University duties as a means for making private profit.
- Uphold these principles, ever conscious that public office is a public trust

### ACKNOWLEDGMENT STATEMENT

“I acknowledge that I have reviewed the college’s Statement of Ethical Values and promise to strive to adhere to this code during my employment at the college.”

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Employee Name Printed

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Employee Signature

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Date