1.0 PURPOSE

To establish a methodology for use and to define the limits of use of company issued credit cards provided to certain personnel in order to make purchases of goods, services or travel.

2.0 ATTACHMENTS

1. Cardholder Application

3.0 GENERAL

3.1 ABBREVIATIONS

3.1.1. CCPS: Credit Card Purchasing System

3.2 DEFINITIONS

3.2.1 Vendor: A company from which a cardholder is purchasing materials and/or equipment, services or travel under the provisions of this procedure.

3.2.2. Cardholder: University personnel who have been issued credit cards and who are authorized to make purchases in accordance with these procedures.

3.2.3 Approving Supervisor: This individual shall review and approve a cardholder's monthly statement of account.

3.2.4 Coordinator: The person responsible for all program details, including all cardholder inquiries.

3.2.5 Statement of Account: This is the monthly listing of all transactions by the cardholder, issued by the bank directly to the cardholder.

3.2.6 Single Purchase Limit: A dollar amount limitation of Purchasing authority delegated to a cardholder. This dollar limit may vary from cardholder to cardholder.

3.2.7 Requisitioner: An employee who has a need for materials or services that can only be fulfilled by a vendor. Under this CCPS Procedure, a requisitioner may be a cardholder.

Revised April 1, 2015
4.0 PROCEDURE

4.1 INTRODUCTION

4.1.1 This program is being established in order to provide a more rapid turnaround of requisitions for low-dollar value goods, and to reduce paperwork and handling costs. By using CCPS you dramatically shorten the payment cycle from what it is under the traditional Requisition process. The traditional process includes pricing inquiry, order placement, delivery of goods, invoice and voucher review. The requisitioner who has been issued a purchasing card may now initiate transactions in-person, by web site, or by telephone, within the limits of this procedure, and receive goods as approved by their supervisor. Payments to Vendors are made via the MasterCard settlement system. Accounts Payable will make periodic settlements with the bank. Mercer uses the Accountable Plan for the payment and reimbursement of expenses.

Accountable Plan
To be an accountable plan, your reimbursement or allowance arrangement must require your employees to meet all three of the following rules:

- They must have paid or incurred deductible expenses while performing services as your employees.
- They must adequately account to you for these expenses within a reasonable period of time (this includes documenting the business purpose for every expense which includes reason for travel, meeting, and the attendees).
- They must return any amounts in excess of expenses within a reasonable period of time.

4.2 RECEIVING A CREDIT CARD

4.2.1 Department managers may propose personnel to be cardholders by contacting the company Coordinator. Authorization by a Dean or vice president is required before the issuance of a card. Each vice president will be required annually to reapprove each purchasing card held by any individual reporting through his/her office. The Senior Vice President for Finance will be responsible for the process and will require each Vice President to reapprove or strike from a list furnished to him/her.

4.2.2 The proposed Cardholder shall be issued a copy of this procedure and shall be required to sign a Cardholder Enrollment Form and an Employee agreement. The agreement indicates that the Cardholder understands the procedure and the responsibilities of a CCPS Cardholder. The enrollment form indicates all information needed to set the Cardholder up properly in the purchasing card system.
4.2.3 The Coordinator shall maintain all records of credit card requests, limits, cardholder transfers and lost/stolen/destroyed card information.

4.3 AUTHORIZED CREDIT CARD USE

4.3.1 The unique credit card that the Cardholder receives has his/her name embossed on it and shall be used ONLY by the Cardholder. **NO OTHER PERSON IS AUTHORIZED** to use that card. The Cardholder may make transactions on behalf of others in his/her Department. However, the Cardholder is responsible for all use of his/her card.

4.3.2 Use of the Credit Card shall be limited to the following conditions:

a) The total value of a transaction shall not exceed a Cardholder’s single purchase limit. Payment for a purchase **WILL NOT** be split into multiple transactions to stay within the single purchase limit.

b) All items purchased “over the counter” must be immediately available at time of credit card use. No backordering of merchandise is allowed to be charged.

c) Velocity checks must be passed (i.e. # and $ amount of transactions for a company defined frequency).

d) Spending limit must be adhered to.

4.4 UNAUTHORIZED CREDIT CARD USE

4.4.1 The credit card **SHALL NOT BE USED** for the following:

a) Personal purchases or identification;

b) A single purchase that exceeds the lower of $2,999.00 or the Cardholder’s single purchase limit.

c) Cash Advances
d) Automated periodic charges
e) Computer hardware purchases
f) Capital expenditures
g) Alcohol

4.4.2 A Cardholder who makes unauthorized purchases or carelessly uses the credit card may be liable for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the Bank in connection with the misuse. The Cardholder will also be subject to the cancellation of the card and/or disciplinary action.
4.5  MAKING A PURCHASE

4.5.1 Procurement procedures permit a purchase of goods or services if their value is $2999.00 or up to the transaction limit of the card holder. It is also policy to seek competition and the lowest prices within the parameters of quality and delivery. Accordingly, whenever making a credit card purchase the Cardholder will check as many sources of supply as reasonable to the situation to assure best price and delivery. Where possible the purchasing department will establish pricing agreements and identify the preferred suppliers. If any assistance is needed identifying lowest prices, please contact the Purchasing Office for assistance.

4.5.2 It is extremely important that all purchases be sent to an authorized Mercer University receiving location to the attention of the cardholder ordering the merchandise as this will ensure that the documents necessary for record keeping.

4.5.3 Approved air travel will be covered using the most economical airfare available. Any exceptions to the most economical airfare (medical reasons) should be documented and approved. The traveler is responsible for any expense incurred as a result of the lost tickets or change in itinerary due to personal reasons. Expenses incurred due to lost tickets or change in itinerary for business reasons must be documented.

4.5.4 Mercer University is classified by the IRS as a 501(c)3 tax exempt organization. Mercer uses the Accountable Plan for reimbursements and travel related expenses. In order to maintain this status the IRS requires adequate and sufficient documentation for all expenses. All purchasing card transactions require the following:

ALL transactions for meals must state the purpose of the expense and the group or list of attendees.

ALL travel transactions must state the purpose and location of travel.

ALL other expenses require a stated purpose or why needed.

4.6  CARDHOLDER RECORD KEEPING

4.6.1 Whenever a credit card purchase is made, either over the counter, web site, or by telephone, original documentation shall be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the Cardholder’s monthly statement of account and submitted to the purchasing office.

4.6.2 When the purchase is made over the counter, the Cardholder shall retain the invoice and “customer copy” of the charge receipt. Prior to signing this slip, the Cardholder is responsible for making sure that the vendor lists the quantity, fully describes the item(s) on the charge slip. All receipts require detailed documentation. Restaurant receipts may require two receipts. If cardholder is not provided a detailed receipt from the vendor, the cardholder must request the receipt.
4.6.3 When making a purchase by telephone, the cardholder shall also document the transaction and retain with all charge receipts.

All purchasing card transactions require the following:

ALL transactions for meals must state the purpose of the expense and the group or list of attendees.

ALL travel transactions must state the purpose and location of travel.

All expenses require a business purpose or need.

4.7 REVIEW OF MONTHLY STATEMENT

4.7.1 At the end of each billing cycle, the Cardholder shall review his/her transactions by logging into SmartData. These procedures are located on the Purchasing web site. It is the cardholder’s responsibility to have the review box checked before the 10th day after the statement for all transactions on each statement. Authorization may be made by Purchasing to submit these monthly reviews and/or approvals in writing instead if approved by the Treasurer.

4.7.2 The Cardholder shall check each transaction listed against his/her receipts and any shipping documents to verify the monthly statement. The cardholder should also log on to smartdata.com and ensure account coding is correct and enter brief explanation of the transaction in the Transaction Notes field.

The original detailed sales documents (packing slip, invoice, cash register tape, etc.) for all items listed on the monthly statement MUST be neatly attached in monthly statement sequence to the statement that was received from the bank or printed from the web site. This data attachment is critical to enable audit substantiation. Cardholder will also be subject to the cancellation of the card and/or disciplinary action if these are not transmitted to the purchasing office. The careful matching of complete support documents to the statement is vital to the successful use of this program. The Cardholder shall verify that the statement is forwarded to his supervisor for review and to the CCPS coordinator for incorporation with other cardholder’s statements to be reconciled with a monthly summary provided by the bank.

4.7.3 The Approving Supervisor shall check the Cardholder’s monthly statement and confirm with the Cardholder the following items as a minimum:

*Original detailed receipts and shipping documents exist for each purchase.
*The goods were received or the services were performed.
* The Cardholder has complied with applicable procedures including this CCPS procedure.

4.7.4 The Approving Supervisor will also log into smartdata.com and check the approved box for each transaction. Transactions are also to be approved on or before the 10th after the statement date. Approval of a Cardholder’s monthly statement indicates that the Cardholder was authorized to make those purchases and those purchases were made in accordance with the applicable procedures. Authorization may be made by Purchasing to submit these monthly reviews and/or approvals in writing instead if approved by the Treasurer.

4.7.5 If the Cardholder does not have documentation of a transaction listed on the monthly statement, he/she shall attach the lost receipt form describing transaction in detail. An explanation that includes a description of the item(s) purchased, date of purchase, vendor’s name, and reason for the lack of supporting documentation or the Cardholder will be subject to the cancellation of the card and/or disciplinary action.

4.7.6 Purchasing Card Returns - If an item is not satisfactory, received wrong, damaged and/or defective, duplicate order, etc., the cardholder should make contact with the vendor to explain the problem and inquire about return policies. This type transaction is not a disputed claim as long as the vendor is in agreement and issues a credit, even though the credit may be credited to a future statement.

4.7.7 If the Cardholder is disputing a charge, he/she shall follow the following procedures. Either dispute the transaction on their to MasterCard or on their online transaction list. The cardholder is to verify in future months that the resolution to the dispute is resolved.

If an item has been returned and a credit voucher received, the cardholder shall verify that this credit is reflected on the monthly statement.

If purchased items or credits are not listed on the monthly statement, the appropriate transaction documentation shall be RETAINED by the Cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase, the Cardholder or Approving Supervisor shall notify the Coordinator.

4.7.8 If items purchased by the use of the credit card are found to be unacceptable, the Cardholder is responsible for obtaining replacement or correction of the item as soon as possible. If the Vendor has not replaced or corrected the item by the date the Cardholder receives his/her monthly statement, then the purchase of that item will be considered in dispute and the cardholder is to follow the dispute procedures in section 4.7.7. The cardholder should also realize a reasonable time sufficient to credit or replace the item(s).
4.8 MONTHLY ACCOUNT SUMMARIES

4.8.1 Monthly Account Statements listing all transactions, will be issued by the Bank to the cardholder. This statement may also be printed from their access.

More than two (2) reminders to a Cardholder that an approved monthly statement is delinquent within a six month period will be grounds for withdrawing the credit card from that user.

4.9 CARD SECURITY

4.9.1 It is the Cardholder’s responsibility to safeguard the credit card and account number to the same degree that a Cardholder safeguards his/her personal credit information.

The Cardholder must not allow anyone to use his/her account number. A violation of this trust will result in that Cardholder having his/her card withdrawn and/or disciplinary action. The Cardholder will also be subject to the cancellation of the card and/or disciplinary action.

4.9.2 If the card is lost or stolen the Cardholder shall immediately notify the Bank at 1-800-316-6056. Representatives are available 24 hours a day. Cardholder must advise the representative that the call is regarding a MasterCard Purchasing Card. The Purchasing Office should also be immediately notified.

4.9.3 A new card shall be promptly issued to the Cardholder after the reported loss or theft. A card that is subsequently found by the Cardholder after being reported lost shall be destroyed.

4.9.4. Cardholder shall comply with law enforcement and issuing card vendors investigation of all fraudulent activity and shall not do any investigation of such activity without the consent of vendor, card issuing vendor, or Mercer University.

4.10 CARDHOLDER SEPARATION

4.10.1 Prior to separation from the company, the Cardholder shall surrender the credit card and current credit card receipts to his/her Approving Supervisor. Upon its receipt, the Approving Supervisor will review, approve and forward to Accounts Payable the month end credit card statement and sent the destroyed card to Purchasing.
Who to Call Reference Guide

Mercer University Purchasing Card Coordinator:

Beth Elderkin
(478) 301-2402

Charles Mize
Director of Purchasing
(478) 301-2951

Billing Information or Lost/Stolen Cards

JPMorganChase
Customer Service Department
1-800-316-6056
Mercer University
Purchasing Card Application and Maintenance Form

Type of Request: [ ] New Card [ ] Cancel Card [ ] Change  Last 8 digits of card _______ - _______

Account Information Change:
[ ] Name                       [ ] Address                     [ ] Department           [ ] Phone
[ ] Monthly Limit        [ ] Transaction limit      [ ] Budget Default

Cardholder Information:

First Name                                           Middle Initial                                                 Last Name

College/Dept                                                  Statement Address

City                                                              ST                                                  Zip

Last 4 digits SS#             Mother’s maiden name                          Monthly Limit

Email address

Date of birth(optional)                                  cell number (optional)

Office Phone               Budget Default                             Transaction limit

Printed Name and email address of person responsible for approving expenditures

Employee Signature                     Date

Dean/VP Signature                     Date

Dean/VP Printed Name

Revised April 1, 2015