



## Purchasing Card Policy and Procedures

### Purpose

The purpose of this document is to communicate the policies, procedures, and responsibilities to be followed by all University Purchasing Card holders and by those supervising employees who have been issued a Purchasing Card.

### Forms

[Purchasing Card Application](#)

[Employee Purchasing Card Agreement](#)

[Missing Receipt Affidavit](#)

### Introduction

The Purchasing Card Program has been established to provide authorized University employees with a convenient and efficient means to purchase goods and services as needed to conduct University business.

### Requesting and Receiving a Purchasing Card

#### Requesting a Purchasing Card

Vice Presidents and Department Heads may request a card for their employee(s) by filling out a [Purchasing Card Application](#). A copy of the form may be obtained by clicking on the form name under **Forms** above.

#### Receiving a Purchasing Card

The new cardholder will be asked to read the Purchasing Card Policy and Procedures prior to receiving the card. The cardholder will come to the Business Office to receive their card and sign the [Employee Purchasing Card Agreement](#). The agreement is the University's record that the employee has been issued a card and agrees to comply with the Purchasing Card Policy and Procedures.

### Authorized Use of the Purchasing Card

The cardholder whose name is embossed on the purchasing card is solely responsible for transactions made. The purchasing card may be used in support of others in the department and general departmental needs. The cardholder is responsible for the security and protection of the card and account number.

### Purchase Procedure

Before making a purchase, the cardholder will check as many sources of supply as is reasonable to insure the best value. The cardholder will need the original sales document for the Transaction Envelope and account reconciliation.

**Gift Cards:** Cardholder must supply the name of the gift card recipient and the reason for the gift card. Gift cards given to University employees will be taxable through payroll. If a gift card is intended for human subjects of a research project, contact the Business Office prior to purchasing to review specific procedures regarding human subjects.

## **Credit Limits**

**Credit Limits:** Credit limits will be set by the Business office in consultation with the requesting supervisor when the card is requested. Requests to change a credit limit either permanent or temporarily (30 days) should be made to the University Controller at least 10 days in advance. A new Purchasing Card Application needs to be completed noting the change.

## **Returns/Credits and Disputes**

**Returns/Credits:** If an item has been returned, the cardholder must verify that the credit is reflected on the next statement of account. If credits are not listed on the statement of account, sales documents should be retained by the cardholder. The cardholder must contact the vendor again. If the vendor does not post a credit the cardholder must contact the bank to request a credit.

**Disputing Charges:** To dispute an incorrect charge the cardholder should first contact the vendor for a resolution. If this attempt fails, the cardholder must call the bank issuing the purchasing card promptly (see contact information below) and report it to the Business Office at 556-3158.

## **Purchase Restrictions and Unauthorized Use**

**Restricted Purchases:** All purchases are subject to the following restrictions:

- University related business only
- Spending limits within cardholder's single transaction limit
- Any purchase restricted by Illinois Wesleyan University policy
- Vendor blocking may be utilized to restrict purchases for individual card users or vendor categories

**Unauthorized Use:** The Purchasing card shall not be used for the following:

- Cash advances unless previously authorized for foreign travel by the Program Administrator
- Meal receipts that do not provide a full list of items and payment detail
- Departmental meals without a justified business purpose
- Personal purchases
- Travel purchases for a spouse or guest
- Tobacco or medical marijuana
- Alcohol unless authorized in advance by respect Vice President per Travel Policy
- Vehicle moving violations, toll fines or parking tickets
- Furniture or technology device purchases are limited to authorized Physical Plant or ITS employees
- **Payment to an individual or non-corporate entity for services reportable on IRS Form 1099**
- Any purchase that is prohibited by Illinois Wesleyan University

University Vice Presidents may determine additional unauthorized purchases or purchasing card restrictions within his or her department.

## **Consequences for Unauthorized Purchases, Restricted Purchases, and Authorized Purchases and Authorized Purchases Missing a Receipt.**

Cardholders may be subject to disciplinary or legal action for use of the card in violation of the Purchasing Card Policy and Procedures. This includes termination of employment, closing the cardholder's purchasing card

account, and/or civil prosecution to seek the return of funds, and/or turning the matter over to legal authorities for criminal prosecution.

A cardholder who makes an unauthorized or restricted purchase must submit an Unauthorized Purchase Explanation. A cardholder who makes an authorized purchase missing a receipt must submit a Missing Receipt Affidavit. Either form must be signed by the cardholder and the Approving Supervisor and must accompany the monthly Transaction Envelope. The cardholder will be liable for the total dollar amount of an unauthorized purchase that is a personal purchase and may be liable for any other unauthorized or restricted purchase. A cardholder's purchasing account may be closed upon making any unauthorized purchase, restricted purchase, or an authorized purchase missing a receipt. Upon the third occurrence of prior policy violations the cardholder's purchasing card account may be permanently closed. If the card is used for a personal purchase the cardholder must attach a check payable to "Illinois Wesleyan University" reimbursing IWU for the full amount. The cardholder, Approving Supervisor and/or Vice President will be notified of any account closures.

## **Roles and Responsibilities for Usage and Reporting**

**General Procedure:** The cardholder will create a Transaction Envelope on or after the 3<sup>rd</sup> of each month. Access to the transaction envelope is through ControlPay® Advanced at Commerce Bank. It must be submitted to the Business Office by the 15<sup>th</sup> of each month.

### **Roles and Responsibilities**

#### **Card Holder Responsibilities:**

- Maintain accountability for all activity on the card account.
- Reimburse the University for unauthorized purchases or restricted purchases and related fees.
- Safeguard the card by keeping it securely in his/her possession, signing the card, returning any expired or replaced card.
- Do not permit use of card by anyone else.
- Report a lost, stolen or compromised account to the issuing bank (see contact information below) and notify the Business Office at 556-3158.
- Obtain original, detailed sales documentation/receipts.
- Prepare a monthly statement including account codes and descriptions utilizing the web site listed below.
- Review and attach all original receipts with monthly statement.
- Sign and obtain signature of Approving Supervisor.
- Immediately attempt to resolve transaction disputes with the vendor and report unresolved disputes to issuing bank.
- Report fraudulent or suspicious charges to issuing bank and the Business Office.
- Attach any additional documentation required by the Policy and Procedures for an unauthorized purchase or missing receipt to the monthly statement.

#### **Additional Cardholder Responsibilities**

Late Account Statements: Fully completed and signed account statements are due to the Business Office by the 15<sup>th</sup> of each month. Purchasing cards may be temporarily closed the first and second time the Transaction Envelope is late. Upon the third occurrence of a late submission of the monthly statement of account, the cardholder's account may be permanently closed. The cardholder, the Approving Supervisor and/or the Vice President will be notified of the account closure.

#### **Approving Supervisor Responsibilities:**

Review each purchase on the cardholder's monthly statement ensuring each purchase has been coded, includes a description and a detailed receipt is attached. By signing the statement, the Approving Supervisor has approved each purchase and verifies that:

- Purchases constitute University business and comply with the Purchasing Card Policy and Procedures..
- Purchases are appropriate and reasonable.
- Purchases are within budget.
- Purchases comply with all University policies
- Documentation provides sufficient detail to ensure verification of all expenditures.
- Detailed Receipts and sales documents for each purchase are attached.
- Additional required documentation is attached, if applicable. (e.g Missing Receipt Affidavit)
- A reimbursement check for a personal purchase is attached, if applicable.
- The goods were received or the services were performed.
- Any additional restrictions or usage policies set forth by the Department Head have been met.

In addition, the Approving Supervisor will:

- Take or recommend corrective action when purchasing cards have been used inappropriately.
- Complete a new Purchasing Card Application when changes occur.
- Immediately notify the Program Administrator when a cardholder leaves the department or the University.
- Periodically review the continuing need for each cardholder account.
- Assure the Transaction Envelope is signed and submitted to the Business Office by the 15<sup>th</sup> of each month.

Contact information for issuing bank and website for processing monthly statement:

Commerce Bank 1-800-892-7104 (lost cards, disputed transactions, problems with card)  
Website to process monthly statement: [Control Pay Advanced.com](http://ControlPayAdvanced.com)

#### **Business Office Responsibilities (Heidi & Nancy)**

- Reconcile all cardholder's envelopes with the monthly credit card statement
- Audit compliance with Purchasing Card Policy and Procedures.
- Complete monthly journal with necessary coding.
- Report delinquent statements and unauthorized purchases to the Program Administrator.
- Maintain files for completed transaction envelopes submitted to Business Office.
- Order new purchasing cards.
- Provide information and training on the PCPP as well as the bank website
- Maintain records of: Purchasing card applications, agreements, and maintenance requests.
- Close accounts that have been reported lost, stolen, or compromised.
- Reissue purchasing cards upon expiration or cards that have been lost or stolen.

#### **Program Administrator Responsibilities (John)**

- Day-to-day management and operation of purchasing card program
- Approve requests for new issues of purchasing cards.
- Enforce card limits and controls.
- Issue late statement notices.
- Suspend or close purchasing cards.
- Notify cardholders and approving supervisors of noncompliance and account closure.
- Review and arrangement for cards issued for foreign travel.