

Medical College of Georgia Purchasing Card



Users' Guide

Medical College of Georgia
Materials Management – HSB 315
1120 15th Street
Augusta, GA 30912
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MCG PURCHASING CARD PROGRAM

USERS' GUIDE

PREFACE

By implementing the MCG Purchasing Card Program, The Medical College of Georgia is taking another step to provide departments more flexibility in making small dollar supply purchases and to significantly reduce the paperwork and processing time.

The State of Georgia has directed that all state agency purchasing card programs are modeled after their program. Thus, this User's Guide sets forth guidelines consistent with the state's program. The state's policies and procedures are located at:

http://statepurchasing.doas.ga.gov/00/channel_title/0,2094,35226973_36298628,00.html

The Purchasing Card is the Institution's primary tool for making small dollar supply purchases. Implemented in 1999, this program has proven effective and efficient in making purchases within delegated purchasing authority. We welcome your feedback to ensure that the program meets the campus' needs.

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Overview of the Purchasing Card Program

P-Card Overview

The State of Georgia Purchasing Card (P-Card) is a valuable tool for quickly and efficiently purchasing and paying for small value supply items.

What is the Purpose

Most goods and services that faculty and staff require for their ongoing duties are within the \$5,000 small purchase level. Such expenditures currently average only about \$200. Given this fact, it makes sense that the Institution create streamlined small order procedures. The process must include safeguards that enhance public trust. The MCG Purchasing Card Program accomplishes that goal while significantly reducing necessary paperwork and processing time.

To take advantage of these benefits requires only that [existing purchasing procedures](#) continue to be followed and that the purchases are made from vendors that accept VISA. As with all purchases, sources available under existing State of Georgia and MCG contracts must be considered first; however, the use of the card is by no means restricted to these contracts. The few restrictions are addressed in the [“Restricted Purchases” section](#) of this guide. Otherwise, cardholders are encouraged to use the P-Card for items appropriate to the legitimate needs within State, Institution, and Departmental guidelines.

THIS CARD IS NOT TO BE USED FOR PERSONAL PURCHASES OR AS PERSONAL IDENTIFICATION UNDER ANY CIRCUMSTANCES.

Who Benefits

Using the p-card benefits the cardholder and department in the following ways:

- **It allows employees to obtain many goods and services faster and easier;**
- **It significantly reduces paperwork and processing time in the employee’s department, as well as in Accounts Payable and Purchasing;**
- **It provides cost savings through consolidated payment (one monthly payment to the Card Issuer, covering all p-card transactions versus individual vendor invoices).**

Important benefits for vendors include:

- **Receiving payment in three business days;**
- **Elimination of after-sale invoicing and collection activities;**
- **No additional applications or paperwork necessary if they are already VISA merchants.**

P-Card Program Contacts:

Purchasing Card Program Coordinator:

Lillian Samundsen

Medical College of Georgia
Materials Management – HSB 315
1120 15th Street
Augusta, GA 30912
(706) 721-9441 Phone/Voicemail
(706) 721-4798 Fax
lsamundsen@mcg.edu

The Purchasing Card Program Coordinator is responsible for the overall planning and management of the purchasing card program, to include assisting departments in determining how to use the p-card to fit their needs, planning and coordinating training, customer service, processing p-card request forms, changes in cardholder information (name, address, increase or decrease in card limits, etc.), disputed transactions and post-audit review.

Purchasing Card Compliance Specialist:

Tabetha Kendrick

Medical College of Georgia
Materials Management – HSB 302
1120 15th Street
Augusta, GA 30912
(706) 721-4583 Phone/Voicemail
(706) 721-4798 Fax
tkendrick@mcg.edu

The Purchasing Card Compliance Specialist is responsible for the desktop and field audits, including planning and scheduling review of departmental internal controls and transaction detail. Also included are reviewing compliance issues with departments and making recommendations for improvement to include preparing draft finding reports for director review.

Bank of America

The cardholder must call Bank of America immediately upon discovering that the card has been lost or stolen. Also call or e-mail MCG's P-Card Program Coordinator on the first available business day during normal business hours at (706) 721-9441. All other p-card issues must be directed to the listed P-Card Program contacts.

Please share suggestions for improving the MCG P-Card program including suggestions for training, this guide, and procedures with the P-Card Program Coordinator and/or P-Card Compliance Specialist.

How to Get a P-Card

The Request Form

Completing the P-Card Request Form is the first step in obtaining a p-card. The form must be approved by the department head, and submitted via fax (1-4798), email, or campus mail to the P-Card Program Coordinator. ***Pay careful attention when completing the form.*** The request form includes the following areas:

Employee Information

When filling out the request form the following items are required:

- The date the form was submitted
- The cardholder's complete department name
- The name the cardholder wishes to appear on the p-card (**Official name as it appears in the MCG PeopleSoft System**)
- The cardholder's last four (4) digits of the social security number
- The cardholder's building code and room number
- The cardholder's work extension
- The cardholder's GroupWise email address

Department (approval) Information

The request form also requires the following departmental information:

Default Account

Each card issued will be assigned a PC# (shorthand # assigned to each CFC) and default CFC which is identified by the Department Head on the P-Card Request Form. This is the PeopleSoft account string (CFC) that will automatically apply to every p-card transaction unless changed during the reconciliation process. (DEFAULT CFC's cannot be sponsored CFC's **EXCEPT** PPG, incentive or residual accounts) Any CFC additions, deletions, or changes must be submitted via email to the P-Card Program Coordinator ***prior to the cycle cutoff***.

Cardholder Monthly Limit

The State of Georgia has an established standard monthly card limit of \$10,000. The department head is responsible for setting the cardholder's monthly spending limit which should mirror the monthly budgetary limits for supplies within the department. If the department head sets a card limit above \$10,000, a special approval form will need to be completed.

Department P-Card Coordinator

The departmental P-Card coordinator is a designated representative that routes all p-card requests and oversees departmental p-card processes.

Electronic Transaction Reconciler

The reconciler can be the cardholder or their proxy who allocates charges to the appropriate PC#'s, account strings, and the account codes for each transaction in WORKS Payment Manager by posted deadlines. (Review, allocate and sign-off in WORKS)

Electronic Approver

The electronic approver is the individual – Chair, Director, or Department/Administrative Manager – that reviews the reconciliation documents and indicates approval by review, allocate (if necessary) and sign-off within WORKS Payment Manager. The approver may delegate electronic approval authority to another individual; **BUT the appropriate hierarchal approver MUST manually review and sign-off on reconciliation documents.** To delegate requires a memo or email addressed to the P-Card Program Coordinator or the P-Card Compliance Specialist. ***The cardholder and approver can never be the same.***

Department Head/Manager

The Department Head/Manager is the Chair, Director, or Department/Administrative Manager and must indicate approval by signing the request form prior to submission to the P-Card Program Coordinator.

P-Card Training

Orientation Training

All personnel with procurement responsibilities who wish to purchase small-value supply items with the State of Georgia Purchasing Card must complete orientation training before distribution of the p-card. The orientation training reviews the cardholder, reconciler, and approver responsibilities based on the state purchasing contract with the card provider. In addition other topics discussed include:

- The Purchasing Card Program purpose and benefits
- Purchasing resources
- Shipping and receiving requirements
- Federal Express Requirements
- Spending controls
- The three-tiered reconciliation process
- Reconciliation and Approver responsibilities
- P-Card Dos and Don't's (Restrictions)
- P-Card Compliance Issues (to include possible disciplinary actions for non-compliance)

Additional training is available for first time cardholders, approver and/or managers in WORKS Payment Manager. All scheduled trainings are posted on the HR Training site and participants must register at <http://www.mcq.edu/hr/training> .

Renewal Cards/Renewal Training

In cases of card expiration, renewal cards are mailed to the p-card office. The cardholder is required to complete renewal training prior to distribution of the card. Once the training is complete the renewal card will be available for pick up at p-card office.

Upon card renewal all cardholders who wish to continue using the purchasing card must complete online renewal training. The training will review cardholder, reconciler, and approver responsibilities. In addition other topics discussed include:

- The Purchasing Card Program purpose and benefits
- Purchasing resources
- Shipping and receiving requirements
- Federal Express Requirements
- Spending controls
- The three-tiered reconciliation process
- Reconciliation and Approver responsibilities
- P-Card Dos and Don'ts (Restrictions)
- P-Card Compliance Issues (to include possible disciplinary actions for non-compliance).

Employee Agreement Form

The employee agreement form outlines the terms and conditions for use of the p-card and must be signed by the cardholder before distribution of the p-card. By signing the form, the employee attests to:

- Receiving and understanding the procedures for use and protection of the card,
- Understanding responsibilities in the reconciliation process and billing disputes,
- Understanding and accepting consequences of card violations.

Using the P-Card

The p-card can ***only be used by the assigned cardholder*** to make small-value supply purchases. The following procedures should be followed for all purchases with the p-card:

Decision to Buy

When making the decision to buy, the cardholder should:

- Review the restricted purchases and the basic purchasing procedures to ensure the transaction is appropriate.
- Review the statewide contracts; if a contract exists for an item, it is mandatory to purchase from the contracted vendor no matter the cost.
- If purchasing faculty recruitment ads, follow established procedures in place by Human Resources and Materials Management.
- Make a concerted effort to include small/minority owned businesses when making purchases. In addition, vary the suppliers to give fair treatment to all suppliers and to assure that the price obtained is reasonable. Varying the suppliers provides small/minority entrepreneurs the opportunity for doing business with MCG.

Making the Purchase

There are three main methods of making purchases.

Over the Counter

When making an over-the-counter purchase

- Verify that the vendor accepts VISA. Once you have determined that the vendor will accept visa, provide the p-card for payment and make sure the vendor understands that the purchase is exempt from state and local sales tax. If necessary, provide a copy of MCG's exemption certificate.
- Verify that **no sales and use tax** is included in the final purchase price before signing the sales draft.
- Retain the receipt

Phone or Fax

When placing an order via phone or fax

- Provide the vendor with the requested card information.
- Make sure to tell the sales representative over the phone, or indicate on the fax order form, that the purchase is exempt from state and local sales tax. If necessary, provide a copy of MCG's exemption certificate.
- If the shipping address is not the same as the billing address, give the vendor detailed shipping instructions to include the proper shipping address.
- Retain appropriate documentation for the purchase

Internet Orders

When placing Internet orders:

- If available, always use the Governmental or Educational section of the vendor's website for placing orders to ensure tax exemption. If the vendor does not have these sections available, the vendor may inadvertently charge sales and use tax. If this is the case, the cardholder must contact the vendor to request a credit to the p-card and if necessary, provide a copy of the sales tax exemption certificate
- Complete the necessary order process and provide card information to include the billing address that appears on the cardholder bank statement.
- Retain appropriate documentation for the purchase

Shipping Information

When making purchases via phone, fax, or Internet, give the billing and shipping address in the following format:

Medical College of Georgia
Department Name – Bldg Code and Room # - Name
1120 15th Street (if a street address is mandatory)
Augusta, GA 30912 – xxxx

This allows delivery directly to the cardholder or other locations specified by the cardholder. Since there is no purchase order number for the vendor to reference, the second line of the address creates the Medical College of Georgia's delivery information. In the instance that the vendor misdirects a package, most of the campus can direct it to the proper unit. ***Do not ship to MCG's receiving warehouse.***

Federal Express (FEDEX)

If the cardholder has the need to ship using Federal Express:

- Contact the p-card office to have an account opened.
- Once the account is open the cardholder is required to create an online account at www.fedex.com.
- All Fedex receipts must include the ship to address.
- All Fedex packages must be MCG business related.

Sales and Use Tax

If sales and use tax has been charged:

- Contact the vendor immediately to have the sales tax refunded and if necessary follow up with the vendor to ensure the tax will be removed.
- Follow up to ensure the credit appears on the next monthly statement.
- If the vendor will not reimburse the sales and use tax, document your attempts to have the tax removed and place with the original receipt.

State sales and use tax credit receipts are not mandatory, as long as the "written" detail of expected credit is included on the original receipt along with the date the credit posted to the bank statement. State auditors will review the bank statements to ensure that the credit appeared. Findings will not be issued for missing sales and use tax **unless it is not refunded.**

Purchase Returns

If the cardholder determines that the material is defective or incorrect:

- Contact the vendor to request a shipping address and return authorization number.
- Request a p-card credit.
- In the comments section in WORKS – you can indicate that a credit is expected.
- Ensure that the credit appears on the next monthly statement. If not, process the charge as a disputed item.

Each department is responsible for the preparation and shipment processes.

Spending Controls

Cardholder Spending Limits

Since the Medical College of Georgia, not the individual employee, will pay for the purchases made with the P-Card, additional authorization controls have been added to these card accounts. These limits are imposed at the point of sale when the card is swiped. The available limits on a card include but are not limited to:

Monthly limit Determined by department
Single transaction limit \$5,000.00
Single equipment item \$999.99

The single transaction and single equipment item limits ***include*** shipping and handling charges. Individual cardholder limits are set by the Department Head/Manager and are indicated on the p-card request form.

Merchant Activity Type Limits

Specific types of businesses identified by a Standard Industrial Classification (SIC Codes are restricted on the card). The institution prohibits the use of the card for travel, entertainment, cash advances, and services – other items are listed in “Restricted Items” section of this manual. If you have any problem using your card with a certain vendor, please contact someone from the P-Card Office.

Cardholder, Reconciler, and Approver Responsibilities

Cardholder Responsibilities

When accepting the P-Card, the cardholder becomes an authorized purchasing agent for the Institution and has certain responsibilities. These include:

Protection of card

The cardholder must protect the security of the p-card and p-card number. No one may use the card but the assigned cardholder. If the card information is compromised or the card has been lost or stolen, the cardholder must call the card provider. The cardholder must also call or email MCG’s P-Card Program Coordinator.

Limitations on Vendors

Purchases from friends, relatives, or from companies where the cardholder has a financial interest are prohibited.

The cardholder must not accept any gift or gratuity from any vendor when it is offered, or appears to be offered, to influence your decision-making regarding p-card purchases.

Purchase Limitations

The cardholder accepts the responsibility to ensure that restricted items are not purchased.

Receipt Maintenance

The cardholder accepts the responsibilities for maintaining receipts as well as the responsibilities for completing the monthly reconciliation process.

Name Change

The cardholder is responsible for notifying the p-card office if their name changes.

Providing Feedback

The cardholder is responsible for completing periodic surveys to rate the effectiveness of the P-Card and suggest any changes/additions for improvement.

Reconciler Responsibilities

The reconciler (cardholder or proxy) reviews, allocates and signs-off their transactions in WORKS Payment Manager and is responsible for the following:

- Reconcile the cardholder's transaction electronic bank documents and receipts
- Review the reconciliation documents for inappropriate purchases
- Allocate transactions to the correct CFC, entering the appropriate account code, and return the electronic statement on or before the due date
- Sign the Bank Statement

Approver Responsibilities

Appropriate approvers for each department are the department Chair, Director, or Department/Administrative Manager. The approver has the following responsibilities:

- Review the reconciliation documents and approving the allocations before the final "manager" sign-off each month.
- Review appropriateness of items purchased and funds utilized. Additionally, it should be noted that the Department Chair, Director, or Department/Administrative Manager is responsible to review all cardholder transactions. Failure to do so, could result in disciplinary action up to and including termination of employment.
- Identify and discuss any minor violations with the cardholder to provide additional instruction. Discussions should be documented and attached to the reconciliation documents. If major violations are noted, the situation should be documented and attached to the reconciliation documents, and appropriate actions taken (See page 19, Major Violations).

- Sign the bank statement (paper and electronic) even if the appropriate hierarchical authority is “signing-off” in WORKS Payment Manager. The electronic approval sign-off can be delegated by the appropriate manager if submitted in writing to the PCard Program Coordinator or the PCard Compliance Specialist. If delegated, the appropriate manager **MUST** still review all reconciliation documents and manually sign-off on the appropriate Bank of America Statement each month.

Restricted Purchases

In addition to the limits, which are controlled at the point of sale by the card, the Medical College of Georgia limits the use of the card through policy. The card may be used only for purchases, which are made under delegated authority (See the State of Georgia Purchasing Card Program Policy) by the State, Board of Regents and the Medical College of Georgia.

http://statepurchasing.doas.ga.gov/00/channel_title/0,2094,35226973_36298628,00.html

The following are **restricted** for use with the P-Card:

- **Adjunct Professors** (non-employee)
- **Agreement Between Institutions** (USG & Non-USG)
- **Bookstore** (MCG)
- **Building Materials** (Exception: lab materials and those items pre-approved through Facilities Management; personal heaters and fans must meet the Environmental Health and Safety, Fire Safety Policy Guidelines.)
- **Calling Cards** (Phone Cards)
- **Computer parts & components over \$500** (to include shipping and handling) for repairs or upgrading. Examples include memory, motherboards, processors, repair items, etc.
- **Computer supplies & peripherals over \$1,000** (to include shipping and handling). Examples include external drives, speakers, printers, scanners, monitors, etc.
- **Computer systems or laptops**; regardless of price.
- **Consulting Companies / Professional Services**. Examples include certified public accountancy, architecture, chiropractor, dentistry, professional engineering, podiatry, veterinary medicine, registered professional nursing, law, psychologists, medicine and surgery, etc.
- **Controlled assets** such as guns, ammunition, explosives, etc.
- **Equipment (asset) items over \$1,000** (to include shipping and handling). Examples include digital cameras, audiovisual and lab equipment.
- **Flowers/florist purchases**
- **Gift Cards**
- **Hazardous materials and chemicals** to include Biosafety Level 2 and Biosafety Level 3 materials and **Radioactive materials**.

- **Honorarium / Speaking Fees**
- **Jewelry**
- **Leases**
- **License Renewal, IT** (Exception: Software renewals through MSD are allowable purchases on the p-card if less than \$1,000).
- **Maintenance**
- **Personal items and/or gifts** (items are considered personal if they are for the sole use of a state employee). Examples include coffee pots, food/beverages, pictures, plants, gifts for other faculty (retirees), study incentives unless supported by a sponsored account (see note).
- **Perspective Faculty**
- **Reimbursements**; to include food.
- **Postage**; submit an IDR to MCG mailroom for supplies or services.
- **Research Subjects.**
- **Restaurants, catering, or fast food establishments & Entertainment** unless specifically supported by a sponsored account or by a departmental sales account (see note).
- **Sales and Use Tax**
- **Service Agreements** (Individuals)
- **Software that does store protected health information (PHI) or sensitive personnel / student information (i.e. social security number, etc.), regardless of price, and software over \$999.99**
- **Special Approval Commodities**
- **Split purchases** to circumvent credit, single equipment item, or transaction limits.
- **Professional services and consultants. Software that does store protected health information (PHI) or sensitive personnel/student information (i.e. social security numbers, etc.), regardless of price, and software over \$999.99.**
- **Services with multiple payments. Examples include stipends, maintenance agreement payments, etc.**
- **Staffing, Temporary Personnel.** Examples include Augusta Staffing, Kelly Girl, MAU, Sizemore, Georgia Personnel Services, etc.
- **Stipends & Purchases with multiple payments.** Examples include maintenance agreement payments, etc.
- **Subscriptions**
- **Single Transaction purchase of supplies** (one vendor) greater than \$4,999.99.)
- **Travel services** such as airlines, hotels (to include reservations), car rentals, gasoline, cash advances, traveler's checks, travel insurance, currency exchanges, meals and beverages, taxis, bus tickets, etc.

- Utilities
- VISA Applications
- **Wireless communication devices to include cell phones, PDA's with cell phone or wireless capability, pagers, two way radios, and service hookups. (See the Wireless Communication Devices Policy).**

Note: If a sponsored account supports any purchase that is otherwise restricted such as personal items/gifts, restaurants, catering, flowers, entertainment, etc., the cardholder must provide a copy of the approved grant/study, the approved budget, the page describing allowable purchases and a completed special approval form. If the cardholder is making food purchases for meetings, luncheons, etc. supported under the grant/study, receipts for food purchases, dates of the meeting, and a list of attendees must be provided to the P-Card Compliance Specialist. If the cardholder has received special approval to purchase gift cards, they will need to provide a copy of how the gift cards will be tracked along with copies of receipts. All of the above MUST be prior approved through the P-Card Office.

Receipt Maintenance

The cardholder is responsible for obtaining receipts, packing slips, or other documentation required for permanent audit documentation of a purchase. These documents **must include**:

- Vendor information
- Date
- Total transaction amount to include shipping and handling
- Itemized list of items purchased

If the vendor cannot supply a valid receipt, it is the cardholder's responsibility to request that the vendor provide a written receipt with the items purchased. This written receipt **MUST** be attached to the invalid receipt.

The transaction cutoff cycle with the card provider is the 27th of the month. Purchases made from the 28th day of the previous month through the 27th day of the following month must process (post) through Bank of America in order to be part of a current billing cycle.

Remember, not all items purchased before the 27th will process before the statement cutoff.

Reconciliation process

Materials Management, in accordance with Generally Accepted Accounting Principles (GAAP) and Best Business Practices, requires that a three-tiered process is in place for each cardholder to provide adequate segregation of duties with regard to the cardholder, reconciler, and approver. Detailed information regarding electronic reconciliation is included in the WORKS Payment Manager User's Guide. **Receipts and reconciliation documentation must be maintained for two (2) years on-site and five (5) years off-site for a total of seven years.**

In the event a department does not have adequate staff to support the three-tier reconciliation process, the cardholder may prepare the reconciling materials for approval. **The cardholder and approver must never be the same person.** Any questions concerning this request may be directed to the P-Card Program Coordinator, 721-9441 or the P-Card Compliance Specialist, 721-4583.

Cardholder

The cardholder (purchaser) must review either the electronic version or a paper version of the transactions that have processed through Bank of America each month. The cardholder must maintain the receipts. Once transactions appear in WORKS Payment Manager, the cardholder should review the charges for accuracy and appropriateness and compare it with the receipts. If the electronic or paper version of the transactions does not match the receipts, one of the following should be done:

- Follow instructions for **disputed charges**.
- VISA's vendor contract requires billing upon shipment of the order. If the items purchased have not been received, determine the shipping date from the vendor and request they provide proof of delivery or track of delivery. If adequate information is not provided, follow instructions for **disputed charges**.

Reconciler

The reconciler should compare the electronic or paper version of the Bank of America processed (posted) transactions with the cardholder's receipts. This review of purchases and transaction allocations, indicate the second tier of the reconciliation process. In most departments, the cardholder and reconciler is the same person. The cardholder reviews the transaction against the receipt and applies the appropriate allocation for manager review.

Approver

The approver reviews the reconciliation documents against the electronic or paper version of the Bank of America statement and approves the purchases and allocations each month. The approver will indicate their review and approval by signing the Bank of America paper statement where indicated and signing-off in WORKS Payment Manager. If the electronic approval sign-off is delegated, the appropriate manager **MUST** still review all reconciliation documents and manually sign off on the Bank of America Statement each month. **Appropriate approvers for each department are responsible to review/verify that all cardholder transactions are appropriate and MCG business related. Failure to do so could result in disciplinary action up to and including termination of employment.**

Resolving Disputes with Vendors

In the event of an erroneous charge, the cardholder must contact the vendor and attempt to resolve the problem and document the communication (either on the statement, transaction log, or as an attachment to the statement) to include the date, the persons involved, and a brief description of the problem and outcome.

If the cardholder is unable to resolve the dispute with the vendor, he/she should contact the P-Card Program Coordinator for appropriate actions and provide all the necessary documentation. A dispute form will be filed with the card provider to ensure that appropriate credit is received for the disputed items. Please note that a dispute form must be filed with the card provider no later than **60 days past the statement closing date** in order to place a transaction into dispute. The cardholder should **NEVER PLACE THE ITEM (S) IN DISPUTE IN WORKS PAYMENT MANAGER**.

Lost or Stolen P-Cards

The cardholder must immediately contact the card issuer if the P-Card has been lost or stolen by calling **1-888-449-2273** and notify the P-Card Program Coordinator.

Returning P-Cards

Upon termination, transfer, or retirement, the card will be surrendered to the P-Card Program Coordinator, the P-Card Compliance Specialist or the Department Manager. If the Department Manager receives the card they will be responsible to notify the p-card office via email.

Payment

The P-Card Program Coordinator will receive one monthly statement for all cardholders. Payment will be made on the due date via wire transfer by the card issuer.

Reporting

Transaction activity reports that are broken out by employee and school/department will be provided as requested.

Purchasing Review

The P-Card Compliance Specialist will review all p-card activity each month and review each cardholder's reconciliation process annually to ensure compliance with p-card guidelines.

P-Card Violations

The Medical College of Georgia (MCG) expects every individual cardholder to strictly adhere to the policies and procedures governing use of the MCG Purchasing Card (P-Card). Failure to do so could 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. This policy will be administered in accordance with other MCG related policies. For classified staff, any disciplinary action imposed for a violation of this policy shall be in accordance with Policy Number 1.4.07. For faculty, any disciplinary action imposed for a violation of this policy shall be in accordance with the Faculty Manual.

Violations of policies governing use of the P-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 Director of Materials Management can suspend a cardholder's privileges without input from the department; however, the department will be notified of any such action. All other actions are determined at the appropriate department level. Any alleged violation or questionable transaction could result in an immediate temporary suspension of card privileges pending a review to determine what, if any, action is appropriate.

Cardholder's who use the p-card for personal purchases whether minor or major, will be required to make restitution.

Minor Violations

Minor violations are instances that are “accidental” and without willful intent, or a delinquent reconciliation process. Example would include but are not limited to: using the wrong credit card when doing personal shopping and usually includes immediate discovery and notification of the P-Card Program Coordinator; purchases with the card that should be made through the institution requisition system or some other means; and failure to reconcile and return the statement in a timely manner. Reconciliation includes “review, allocate and sign-off” by posted deadlines. Transactions **will** close on time each month so that the expenses can be posted to MCG’s financials in a timely manner.

Minor violations are considered serious offenses and repeated instances will result in progressive discipline to include termination of employment, if deemed necessary. Possible disciplinary actions include:

- 1. Cardholder and Business Manager receive written notice via email noting the violation; a warning is given. Attach a copy of the purchasing card dos and don'ts for review and understanding – 1st offense.**
- 2. Cardholder receives written notice of policy violation and the department head is notified of the violation. Mandatory retraining within 14 days of the P-Card Program Coordinator becoming aware of the violation or the cardholder's privileges will be suspended – 2nd offense.**
- 3. Temporary suspension of cardholder's privileges for a period of 30 days and mandatory retraining before the cardholder's privileges are reinstated – 3rd offense.**
- 4. Suspension without pay for 1-3 days – 4th offense and now considered major. These actions will be in full day increments and departments will coordinate with Human Resources before imposing a suspension.**
- 5. Permanent suspension of cardholder's privileges – 5th offense and now considered major.**

Major Violations

Major violations are instances that show “willful Intent” to disregard established policy. Examples include but are not limited to: purchasing equipment or computers, splitting orders to avoid the single purchase limit, or knowingly making personal purchases. The circumstances of the violations will determine the appropriate action, which could include termination of employment. Each instance will be reviewed on a case-by-case basis.

Any major violation will result in immediate temporary suspension of the cardholder’s privileges with notification to the department and Human Resources. If deemed appropriate the bank, MCG Police, and the Office of Institution Audit and Compliance will also be notified. Human Resources will consult with the Department Manager to determine an appropriate course of action. Possible disciplinary actions include:

- 1. Cardholder receives written counseling by the appropriate Vice President, Dean, Chair, or Director. This will be placed in the employee’s official personnel file and is only an option for a *first offense*. Temporary suspension of cardholder privileges for 30 or more days and mandatory retraining before the cardholder’s privileges are reinstated.**
- 2. Suspension without pay for 5 days. These actions will be in full day Increments and departments will coordinate with Human Resources before imposing suspension.**
- 3. Permanent suspension of card privileges.**
- 4. Termination of employment. Coordination with Human Resources required.**