

# Purchasing Card Handbook

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Disbursements Office

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If card related problems occur during University travel and assistance is needed during normal business hours, contact the Disbursements Office.

If outside normal business hours, contact Bank of America with the number on the back of the card.

# Welcome to the Purchasing Card Program!

The Purchasing Card is a company-billed, company-paid credit card issued to University employees to use as a payment tool, without affecting the cardholder's line of credit. The use of this card is limited to business-related expenses only and may be used for travel, office or classroom supplies, and/or commodity purchases. In order to avoid having to put these expenses on a personal credit card and wait for reimbursement, an employee can use the Purchasing Card to make these purchases.

The Purchasing Card is reconciled in an online travel and expense management program called Concur. Employees should request travel and submit expense reports in Concur where the approval routing is automated and Purchasing Card transactions load automatically, making the entire travel and reconciliation process more streamlined for the employee.

## Steps to apply for a Purchasing Card

- 1. Submit the application:** You may find the Purchasing Card application on MyFSU under the Forms tab. The application must include all pages including the sponsor authorizer and cardholder agreement forms. Approvers **MUST BE** Banner Authorized.
- 2. Complete Training:** Once the application is processed, you will receive an email with training instructions. These instructions will direct you to Blackboard, where we have created training modules and short quizzes for both Concur and Purchasing Card. Both trainings must be completed with a passing grade before you can pick up your card.
- 3. Pick Up Your Card:** We will notify you when your card has arrived and check to see if training and bank information have been completed. You may then pick up your card in PRK 252. If you are not available to come in person, you may send a delegate if you also send an email stating we can release the card.

- ❖ You should apply as soon as you are aware of future travel or purchases you need to make. Once the application is submitted and processed, it takes approximately 1-2 weeks for the card to come in the mail.
- ❖ Training materials are in BlackBoard and will be available to cardholders at any time, even after they have completed their training. MyFSU and BlackBoard are the main resources for Purchasing Card materials besides the Disbursements Office.

# Using your Purchasing Card

There are multiple financial policies that specifically cover what can and cannot be purchased on your Purchasing Card. It is very important that all cardholders read and understand these policies in order to avoid any possible usage violations. The policies can be found in BlackBoard or on MyFSU under the Employee tab and then in the Policies link. Below are a list of helpful policies.

- ❖ Business & Special Expense Policy
- ❖ Transportation & Travel Policy
- ❖ Purchasing Policy
- ❖ Guidelines Governing Financial Accounting of FSU Computer-Related Acquisitions

In addition to the University policy there may be additional departmental guidelines, policies, and documentation requirements that must also be followed.

All Purchasing Cards have two established limits as designated on the initial application: **single transaction** which limits what can be charged at a single time, and **monthly credit** which limits how much can be charged per month. These limits are set by the Dean/VP approver of your department.

*Be sure to take in to account both limits when making purchases.*

Ferris State University is a tax exempt organization. When making purchases with the Purchasing Card, the Cardholder should not be charged for sales tax. If you need a copy of the Tax Exempt Certificate, contact the Disbursements Office or Purchasing.

Another way we ensure compliance is by using MCC Codes. These codes are categories of Vendors determined by the bank that are assigned a specific MCC Code which we then can assign to your card. For example, if your card is only approved for MCC Code 907-Commodities, you may only use your card for those purchases, and your card will be declined if it is being used for something under a different MCC Code category.

Various purchases require prior approvals or need to be pre-qualified prior to making the purchase. These purchases include but are not limited to:

- ❖ Services, including maintenance (requires approval from the Purchasing Department)
- ❖ Hazardous materials, chemicals, and controlled substances (requires Exception Authorization Form)
- ❖ Stamps and postage (requires Exception Authorization Form)
- ❖ Alcoholic beverages (requires Alcohol Authorization Form)

Any expenses that are deemed personal in nature will need to be reimbursed back to the University in the Timme Center on the first floor. "Personal" expenses are any expenses that do not follow University policy or do not have a business purpose.

Personal Expenses are not typically allowed; however, there are a few exceptions that arise. For instance, meals while on travel that will be offset by the per diem meals as well as non-reimbursable expenses included on a hotel bill. More information on reporting these charges can be found in the Concur Handbook. Contact us if you have any questions.

# Card Maintenance

While using your card, there may be different situations that arise that require changes to your card. We understand when a purchase may need to be made that is outside of the typical card specifications. For these instances, we have forms that can be filled out and submitted for consideration. These can be found on MyFSU or BlackBoard. All forms can be submitted by email, fax, campus mail, or in person.

<b><u>Form Name</u></b>	<b><u>Description and Use</u></b>
<b>Limit Change Form</b>	Used to change single and/or monthly limits at the discretion of the employee’s department and the Disbursements Office. Changes are temporary but can become permanent with sufficient and apparent need. Please keep in mind the original limits when applying for a change to reduce processing time. For limit changes over \$5,000, an invoice is required to be submitted with the Limit Change Form.
<b>Usage Change Form</b>	Used to change the available MCC Codes on the Purchasing Card. Changes are temporary but can become permanent with sufficient and apparent need.
<b>Temporary Cardholder Form</b>	Needed for Department Cards to be used by an employee not listed as the cardholder. Form is active for one Fiscal Year and must be renewed every July.
<b>Alcohol Authorization Exception Form – Business Meal(s)</b>	Form needed for one time authorization of alcohol purchases for a business meal. Must be received and approved BEFORE the purchase.
<b>Exception Authorization Form</b>	Used for purchases that are not typically allowed under policy. Can be used for one time purchases or for one Fiscal Year and must be renewed every July.
<b>Cardholder Information Update Form</b>	Used to update an existing card. This will not issue a new account number, it will issue a new card with updated information. Examples of this would be a name change, department change, or position change.

## Expiring Card

Each card is automatically reissued at least 30 days prior to the card's expiration date. The bank will not reissue a new card if it has not been used in one year. Contact Disbursements if you still need your card; we will reissue the card and have you complete training again.

## Broken/Worn Plastic

If your Purchasing Card has broken or become worn down beyond use, please contact Disbursements immediately and a replacement card can be ordered. The account number and cardholder information will not change.

## Temporarily Closing a Card

For cards that are not going to be used for an extended period of time (i.e. sabbatical, medical leave, etc.), we offer the option of temporarily closing the card for added security and to reduce the risk of fraudulent activity.

To inquire about temporarily closing a card, please contact the Disbursements office.

## Disputing Transactions

In the event of a purchase dispute (such as quality issues, purchase price discrepancies, warranty issues, and other performance issues), the cardholder should use reasonable efforts to resolve the dispute with the merchant first.

If the cardholder is unable to promptly resolve the issue with the merchant, please contact the Disbursements Office within sixty (60) days after the transaction's postdate so the transaction can be disputed in PaymentNet.

Bank of America will use commercially reasonable efforts to assist the cardholder in attempting to obtain reimbursement from the merchant.

A chargeback will not be granted for a transaction that occurs on a card that does not have the cardholder's name embossed on it.

If at any time the cardholder suspects that fraudulent activity has occurred, they should NOT dispute the charge. Instead, contact the Bank of America immediately at 1-888-449-2273.

# Purchasing Card Security

The cardholder assumes full responsibility to safeguard the card and account number to the same degree that the cardholder should safeguard his/her personal credit card.

The cardholder must not allow any unauthorized individuals to use the card or the card number. A violation of this trust may result in the cardholder having his/her card withdrawn and/or disciplinary action for the cardholder and/or unauthorized individuals.

The cardholder cannot fax or email the full 16 digit card number, but the cardholder may fax or email the last four digits of the card and indicate that the vendor call for the full card number.

## Fraudulent or Unauthorized Charges

Bank of America and VISA offer coverage for unauthorized or fraudulent purchases on a card issued in an employee's name.

If a cardholder suspects that their card has been used fraudulently, they should contact Bank of America right away to close the card and check for fraud charges. Then contact the Disbursements Office so we may start the process for fraudulent charges.

VISA will only cover the fraudulent transaction that is reported and any charges that post after the original report date.

## Lost or Stolen Cards

Immediately notify Bank of America by calling 1-888-449-2273. Then please contact Disbursements so we may begin processing this in our department.

The date that the card is reported stolen to the bank is when fraudulent charges become the bank's liability. Any fraudulent charges made before the card is reported stolen are the University's liability.

Document lost or stolen cards in writing, copying the cardholder supervisor and Disbursements on all communications.

A card that is found after being reported lost must be cut in half and sent to the Disbursements Office at Prakken 255.

# Reconciliation and Compliance

To reconcile charges made on the Purchasing Card, you must use Concur. Charges must be reconciled within 30 days, and we recommend Expense Reports be submitted once per month. When your charges have been in Concur for 30 days, Auto Notifications start to be emailed to you.

30 Days - Auto notification to submit the charges on an Expense report.

45 Days - Auto notification weekly that charges need to be submitted on an Expense Report.

60 Days - Auto notification every 3 days that charges are over-due, and contact from the Disbursements Office.

90 Days - Contact from Disbursements manager. Card may be closed for 90 days; employee must then complete card training again, and Manager must request card to be reinstated.

## Receipts & Backup Documentation

Transactions greater than \$50 are required to have itemized receipts as backup documentation in Concur. Airfare, lodging, car rental, and business meals expenses always require an itemized receipt, no matter the amount.

- ❖ Receipts and additional supporting documentation must substantiate the business purpose.
- ❖ An e-receipt from Concur will be accepted in lieu of paper receipts.

### An itemized receipt includes:

- ❖ Merchant name
- ❖ Date of purchase
- ❖ List of items purchased
- ❖ Quantity
- ❖ Unit & total price
- ❖ Method of payment

For more information on how to upload receipts and documentation, please refer to the Concur Handbook.

## Compliance Monitoring

Compliance reviews (audits) will be conducted internally by the Disbursements Office. Receipt audits are also conducted by the Concur Audit team.

- ❖ While the majority of compliance reviews will occur electronically, you may be contacted for additional information or for an on-site review.
- ❖ Points of interest for the review will be documentation, business purpose, and compliance to University policies.
- ❖ Poor reviews could result in loss of privileges. See Abuse Guidelines for more information.