



**PROCUREMENT CARD
POLICIES AND PROCEDURES**

PROCUREMENT MANUAL SUPPLEMENT

Revised: February 20, 2009

**MISSISSIPPI GULF COAST COMMUNITY COLLEGE
PROCUREMENT CARD POLICIES AND PROCEDURES
(PROCUREMENT MANUAL SUPPLEMENT)**

The Procurement Card Program offers the College a convenient way of doing business by providing VISA credit cards to end users in the departments. The cards provide an easy, familiar purchase method that will greatly improve customer service by reducing order time for small dollar purchases.

The program is expected to lower the overall administrative cost for processing small dollar purchases from the point of order through the point of payment. For every purchase that is made using the card, the processing time and effort the department, Purchasing, and Accounts Payable put forth individually to pay for that order is reduced.

If you wish to obtain a Procurement Card, contact Lynn Deegen ext. 6212 in the Central Office.

Procurement Card Contacts: Lynn Deegen
Director of Purchasing & Property Control
Central Office
601-928-6212

Rachel (Libby) Alexander
Accounts Payable
Central Office
601-528-8417

Scott Wilson
Comptroller
Central Office
601-928-6222

The billing period for the procurement card is from the first to the last calendar day of each month. The Bank will require two days processing time after the last day of the month to prepare account statements. The overall account statement will then be mailed to Accounts Payable in the Central Business Office. Individual Cardholders will receive an e-mail from the bank notifying them that their memo or individual card statements can be downloaded and printed to be reconciled. The e-mail that the cardholder receives will contain a link to the web page from where they will download and print their statement each month. The individual cardholder will review the credit card statement and verify that he/she has receipts for all charges posted. The cardholder is responsible for submitting a completed Procurement Card Voucher (See Attachment A) to Accounts Payable (See Attachment B for instructions), within five (5) working days of receipt of the credit card statement. The Procurement Card Voucher must be approved and signed

by the Budget Authority of the department being charged. The Procurement Card Voucher is available on the College Forms Repository. The following is a list of items that must accompany the Procurement Card Voucher:

1. An **original** receipt for each charge on the credit card statement. If the original receipt is lost; a Missing Document Affidavit (Attachment C) must be completed and attached for each missing receipt.
2. The **original** Credit Card Statement from the Bank.

A copy of the Procurement Card Voucher along with a photocopy of the Credit Card Statement must be maintained by the department for its records.

Upon receipt of the department's completed Procurement Card Voucher, Accounts Payable will review the voucher and its attachments and verify that no sales tax was charged, the Credit Card Statement is attached, an original receipt for each purchase is attached, and the expenses are allowable. Charges to the department will be processed from the bottom section of the Procurement Card Voucher that was completed by the Cardholder. Accounts Payable will then reconcile the individual credit Card Statements to the overall account statement and remit payment to the bank.

Challenges to Be Aware Of

The following is a list of guidelines for avoiding problems and obstacles often faced during card use or during voucher processing. Failure to follow these guidelines may result in delayed processing or issuance of a Violation Notice.

1. Purchases on the Procurement Card are exempt from sales tax. It is the Cardholder's responsibility to remind the merchant at the point of sale that he/she is using a College Procurement Card that is exempt from the State sales tax. Contact Purchasing, your campus Business Office, or Accounts Payable to obtain a letter of our tax-exempt status from the State. If sales tax is charged, it is the cardholder's responsibility to contact the merchant and get a refund.
2. An **itemized original receipt** is required for documentation of all purchases. A packing slip is not sufficient.
3. If a merchant does not provide a receipt, the cardholder should request one. If the cardholder is unable to obtain a receipt or a receipt is missing for any other reason, a Missing Document Affidavit (Attachment C) must be completed and attached to the copy of the Procurement Card Voucher submitted to Accounts Payable (see Attachment D for instructions). The Missing Document Affidavit must include a list of every item purchased on the receipt, an explanation of why the receipt is missing, and signatures of the cardholder and his/her supervisor. Missing Document Affidavit is available on the college Forms Repository.
4. If the cardholder will be unavailable for an extended period of time and will not be available to submit the Procurement Card Voucher in a timely

manner, arrangements must be made by the cardholder, for another individual in the department to verify the charges and submit the Voucher to Accounts Payable. It is the cardholder's responsibility to ensure that this is done every month.

5. All items on receipts must be identifiable. Provide a description of any items that are indicated on the receipt by a stock number, model number, or any other coding that does not readily identify the item purchased.

Audit of Departmental Records

Please note that all departments will be subject to random and surprise audits from Central Office Purchasing or Accounts Payable personnel or the Office of the State Auditor.

The following points are closely scrutinized during audits:

1. The card must be physically secure when not in use.
2. A telephone log must be maintained for all telephone or Internet orders.
3. If a cardholder allows another person within the department to use the Card, the cardholder must sign the original receipt above the other person's signature.
4. Evidence of reconciliation of card purchases to monthly budget reports must be provided.
5. Submission of receipts by departments to Accounts Payable is reviewed for timeliness.

Use of the Procurement Card

Following are the minimum conditions/instructions/limitations required for all transactions utilizing the Mississippi Gulf Coast Community College Small Purchase Procurement Card.

1. **No** Procurement Card transaction may exceed One Thousand Five Hundred Dollars (\$1,500.00) with point of sale terminals and Fifty Dollars (\$50.00) with manual sales receipts.
2. State Contract items shall not be purchased using the Procurement Card.
3. **No personal** use of the Procurement Card will be authorized or allowed.
4. **No ATM cash withdrawals** will be allowed on the Procurement Card.
5. Only in stock, immediate deliver items may be purchased. **NO BACK ORDERS ARE ALLOWED.** Verify that phone or Internet orders are in stock and ready for immediate shipment.
6. Telephone or Internet orders must be invoiced only at or after date of shipment. A telephone/internet order log shall be maintained by the cardholder.
7. Procurement Card purchases are **EXEMPT** from state and local taxes.

8. All purchases are to be made WITHIN THE LIMITS set by the available budget of the department. (Cardholders are reminded that Procurement Card Transactions will not reduce their budget until the Accounts Payable department inputs their voucher to pay the bank. Therefore, cardholders must consider what they have spent during the month on the Procurement Card, and subtract that amount from their budget to have a true idea of what is available in their budget.
9. **No inventoriable equipment** shall be purchased with the Procurement Card. This applies to equipment items costing \$1,000.00 or more as well as special inventoriable items that would normally be inventoried regardless of price or threshold. (See list of “Special Inventory Items” below).
10. The Procurement Card SHALL NOT be utilized for travel and entertainment expenses.
11. The cardholder must obtain ITEMIZED TRANSACTION RECEIPTS from the merchant for each use of the card.
12. The cardholder should ensure that the prices paid are fair and reasonable.
13. All items purchased are required to be for bona fide College purposes.

If any of the policies or conditions of Procurement Card use are not met, a Violation Notice may be issued to the cardholder. Copies of an issued Violation Notice will also be forwarded to the cardholder’s supervisor, the Vice-President of the campus the cardholder works on, as well as the Vice-President for Administration and Finance. The Violation Notice serves as a first time warning; if another violation occurs on a particular card, the card may be revoked. If a violation of state purchasing statute occurs, or any other illegal activity is found to have occurred in the use of the card, the employee may be subject to restitution of the cost of the item, termination and/or prosecution.

Conflict of Interest

Section 9.203 of the State of Mississippi, OFFICE OF PURCHASING, TRAVEL, AND FLEET MANAGEMENT PROCUREMENT MANUAL.

- (1) It shall be a breach of ethical standards for any employee to participate directly or indirectly in a procurement when the employ knows that:
 - (a) The employee or any member of the employee’s immediate family has a financial interest pertaining to the procurement;
 - (b) A business or organization in which the employee, or any member of the employee’s immediate family, has a financial interest pertaining to the procurement; or
 - (c) Any other person, business, or organization with whom the employee or any member of the employee’s immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

Special Inventory Items

The following items may not be purchased with the Procurement Card, regardless of price: Weapons

Two-Way Radios

Lawn Maintenance Equipment

Cellular Telephones

Chain Saws

Air Compressors

Welding Machines

Generators

Motorized Vehicles

Special Inventory Items with Threshold Limits

The following items may not be purchased with the Procurement Card dependent upon the thresholds listed with each item:

Camera & Camera Equipment (over \$250)

Computers & Computer Equipment (over \$250)

This includes: CPUs, Hard Drives, Terminals and Printers; all other computer hardware is to be considered at the \$1,000 level

Televisions (over \$250)

The preceding list is general and subject to change. If you have any questions about whether an item would be considered a special inventory item, please contact Lynn Deegen, Director of Purchasing & Property Control, in the Central Office at (601)928-6212.

ATTACHMENT A

**MISSISSIPPI GULF COAST COMMUNITY COLLEGE
Procurement Card Voucher**



Procurement Card Voucher

Campus (check one) Central Office Jackson County Campus Jefferson Davis Campus Perkinston Campus
 George County Center Keesler Center West Harrison Center Applied Technology & Developmental Center

CARDHOLDER _____ CARD # _____

DEPARTMENT _____ BILLING PERIOD _____

VENDOR	FUND	ORGN	ACCT	PROG	DATE	AMOUNT

APPROVAL

CARDHOLDER _____ DATE _____

BUDGET AUTHORITY _____ DATE _____

ACCOUNT SUMMARY

FUND	ORGN	ACCT	AMOUNT

Attach Receipts and Card Statement to Back of Form and Return to Central Business Office within 5 days.

White- Central Business Office **Yellow-** Departmental Copy

ATTACHMENT B

MISSISSIPPI GULF COAST COMMUNITY COLLEGE Procurement Card Voucher Instructions

Instructions for completing the College Procurement Card Voucher:

- A. (Print or Type) the name of the Procurement Card Holder. (The name printed on the Card.
- B. (Print or Type) the name of the Department being charged.
- C. (Print or Type) the Card Number (all digits).
- D. Record the Monthly billing period. This information should come directly from the statement sent from the bank.
- E. List, by individual receipt, each vendor name from where purchases were made.
- F. List the Fund Number from the account being charged for this receipt.
- G. List the Organization/Department number for the account being charged for this receipt.
- H. List the Account Number being charged for this receipt.
- I. List the Program Code for the account being charged for this receipt.
- J. List the date each purchase was made. (This date should match the date on the receipt attached).
- K. List the dollar amount of the receipt.
- L. The card holder must sign the voucher here.
- M. The **Budget Authority/Department Head** for the account(s) being charged **must sign** the form here.
- N. If multiple accounts are to be charged, each account charged should be listed individually with a total amount to be charged to each account. This section should be completed even if only one account is being charged. (The sum of the Account Summary section must equal the sum of the receipt section above.
- O. Small receipts are to be taped or stapled to an 8-1/2 x 11 sheet of paper.

After completing the Procurement Card Voucher, the Card holder should attach the original statement from the Bank, (department should make a copy of the statement from the Bank for their records) and attach all of the original receipts to the back of the voucher; the voucher should be forwarded to the Central Business Office, Accounts Payable Department, within five (5) business days following receipt of the monthly bank statement. Department should maintain a copy of this voucher and receipts along with a copy of the bank statement for their records.

ATTACHMENT C

Mississippi Gulf Coast Community College
Missing Document Affidavit



Procurement Card
Missing Document Affidavit

Campus (check one)
 Central Office Jackson County Campus Jefferson Davis Campus Perkinston Campus
 George County Center Keesler Center West Harrison Center Applied Technology & Developmental Center

Vendor: _____
Cardholder: _____ Account Number: _____
Signature of Department Supervisor: _____

<u>Item</u>	<u>Description</u>	<u>Date of Purchase</u>	<u>Cost</u>
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Detailed explanation of missing documentation:

The undersigned employee responsible for said missing documentation hereby states under oath that the above facts are true and correct to the best of his/her knowledge.

Date: _____ Signature of Employee: _____

ATTACHMENT D

Mississippi Gulf Coast Community College Missing Document Affidavit Instructions

Instructions for completing a Missing Document Affidavit:

- A. (Print or Type) the name of the Procurement Card Holder (as it appears printed on Procurement card).
- B. (Print or Type) the Procurement Card number (all digits).
- C. Have your supervisor sign in this space.
- D. List all items purchased including the cost of each item in this section. Only one Transaction will be allowed on each Missing Document Affidavit. This document serves as a replacement for a vendors receipt.
- E. Give a detailed explanation as to why you were not able to produce a receipt for the items purchased.
- F. Cardholder should sign here verifying that the above information is correct.

After completing the Missing Document Affidavit, you should attach it to the Procurement card voucher that you send to Accounts Payable. It will only be used when you do not have a receipt for a particular purchase. This document should seldom be used.