



**PURCHASING CARD
(P-Card)**

POLICY AND PROCEDURES

Revised October 4, 2023

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I. Program Overview

The State of South Carolina Purchasing Card (P-Card) is a charge card designed to enable authorized State of South Carolina (State) employees to make small value purchases of supplies, materials, equipment, and services for State business use. The program streamlines payments by eliminating the administrative burdens and costs associated with traditional methods of payment.

The P-Card Program (Program) uses a VISA® purchasing card issued by Bank of America (Bank) pursuant to a contract awarded to the Bank by the Division of Procurement Services (DPS), with assistance from the Comptroller General’s Office (OCG). The P-Card may only be used for official State business and must be surrendered upon termination of employment or upon demand by the State or by the cardholder’s employer.

The P-Card is the only purchasing card authorized for use by employees of any State Agencies and by authorized employees of State Colleges and Universities.

All Entities are required to use the Works™ Payment Manager (Works™) system provided by the Bank, or other system approved by DPS, for card administration and cardholder monthly bank statement reconciliation.

Under the terms of the contract with the Bank, Counties and Local Political Subdivisions may also use the P-Card. DPS recommends that Counties and Local Political Subdivisions participating in the P-Card Program adopt and adhere to this Statewide Purchasing Card Policy. However, it is the responsibility of the appropriate governing body to put into place a P-Card policy and ensure its local entity adheres to that policy.

Use of the P-Card is subject to the small purchase procedures established by the State Consolidated Procurement Code (Code), this policy and Agency purchasing policies and procedures.

II. Statewide Program Administration

A. Administration

1. The DPS P-Card Coordinator serves as the Statewide Contract Administrator for this Program, including the provision of liaison services between the OCG, the Bank, and

the customer Agencies. The P-Card Coordinator is responsible for all contractual matters regarding the Program, including the approval of new Group A & B Agencies and Group C entities. You may contact the P-Card Coordinator by calling the DPS at 803-737-0600 or sending an email to pcard@mmo.sc.gov.

2. The OCG is responsible for administering the merchant category codes for which the P-Card may be used (See II, C) and payment administration for any State Agency which has its payments disbursed through the OCG (Group A Agencies). The list of Group A Agencies may be found online at: <https://procurement.sc.gov/contracts/p-card>
3. Institutions of Higher Education (Group “B” Agencies) have delegated authority that allows them to make payments from Agency checking accounts. They are not on the State accounting or accounts payables systems.
4. Counties & Local Political Subdivisions (Group C entities) include cities, counties, school districts, special purpose districts, and other local government entities. Group C entities make payments from their own checking accounts. These entities shall determine supply/service purchases and develop their own purchasing limitations consistent with applicable law.

B. State P-Card Policy

1. This State P-Card Policy (Policy) establishes minimum standards for use of the P-Card in order to ensure compliance with all applicable State laws pertaining to purchasing as contained in the State Code. The version of the Policy posted on the DPS website is the official Policy governing the P-Card Program. The effective date of the Policy is on the cover page of this document. DPS maintains an archive of previous versions of the Policy, which is available upon request. Additionally this manual serves as Lander’s Official P-Card Policy which may be updated from time to time and is posted at <https://www.lander.edu/about/offices-departments/procurement-services/index.html>
2. Agencies may use the P-Card for purchases up to the Code’s Small Purchase, “no competition” limit set forth in Section 11-35-1550(2)(a). This limit is currently \$10,000 however this is also subject to Lander’s Procurement Policy found at <https://www.lander.edu/about/offices-departments/procurement-services/index.html>. Before authorizing P-Cards with a STL in excess of \$2,500, an agency must obtain the approval of the agency head. In no event may an agency issue a P-Card with a single transaction limit exceeding the “no competition” limit in Section 11-35-1520(2)(a) unless approved as set forth in Part IID below.
3. Utilization of Minority-Owned Business (MBE) and Woman-Owned Business (WBE) Enterprises. The Code and DPS encourage use of certified MBEs and WBEs in all State procurements. The P-Card is a convenient payment tool to encourage

efficiencies for government and the business community in both the procurement and invoicing processes. In order to maximize the sharing of business opportunities with certified MBEs and WBEs, use of the P- Card is highly encouraged where appropriate.

Additional information regarding the Division of Small and Minority Business Contracting and Certification, including a list of certified MBEs/WBEs may be found at: <http://smbcc.sc.gov/directory.html>

4. Green Purchasing is designed to promote environmentally responsible purchasing by the State. Currently, statutes assign duties to DPS and the Department of Health and Environmental Control (DHEC) to develop specifications for recycled products, encourage the purchase of recycled and recyclable products, and thereby reduce the waste stream in the State. An effort in research, training and advocacy activities is ongoing to inform and train agency officials on what Green Purchasing really means and to assist them in that effort. DPS published a “State of South Carolina Environmentally Preferred Purchasing Policy” in 2009. The policy may be found at: <https://procurement.sc.gov/osp/green>

In addition, the National Institute of Governmental Purchasing (NIGP) and the National Association of State Procurement Officials (NASPO) have Green Purchasing initiatives. These organizations provide help and information on Green Purchasing at their respective websites, www.nigp.org and www.naspo.org

C. Merchant Category Code Authorizations

1. The banking industry assigns Merchant Category Codes (MCCs) to each merchant or vendor based on the type of goods and services that each merchant or vendor typically provides. Allowing or blocking certain MCCs does not provide complete protection against unauthorized use of the P-Card; however, doing so provides a measure of protection against unauthorized or prohibited purchases.
2. MCCs govern where P-Cards may be used. The OCG establishes and manages the State-authorized MCC groups that are eligible for use by Group A Agencies. This is intended to help achieve the goal that only vendors appropriate to the needs of a public agency are allowed to accept P-Cards and to reduce the potential for prohibited or unauthorized purchases. Unless hereafter approved by the OCG, MCCs shown on the following list as “blocked” (designated by “x”) must be blocked by Bank and the agency on each cardholder’s card profile and may not be used by P-Card holders. See the list of the blocked MCCs by clicking on the tab entitled, “BLOCKED MCCs,” at the following link: <https://procurement.sc.gov/contracts/p-card>
3. Unless otherwise noted in this Policy, MCC blocks do not apply to Group B Agencies and Group C Entities unless imposed by that Entity’s own P-Card Policy or applicable law. The University has established a Blocked Vendor List. Transactions will be blocked at the point-of-sale level at the types of vendors on the Blocked

Vendor Listing attached to these procedures. This is intended to help achieve the goal that only vendors appropriate to the needs of our agency are allowed to accept P-Cards and to reduce the potential for prohibited or unauthorized purchases.

4. The Purchasing Card Administrator can authorize the temporary unblocking of an MCC code on an as needed basis. Upon receiving a request from a Cardholder, the request will be reviewed to determine if the blocking can be changed for a particular purchase or series of purchases, ensuring that the purchase will not violate other policies and regulations. Once such a change is deemed authorized, the Administrator will work with the bank to have the MCC block changed temporarily for a particular purchase. Once the purchase is complete, the MCC restriction will revert back to the original set-up.

D. Single Transaction Limits

Each P-Card is subject to Cardholder Spending (Credit) Limits as defined in Section V(B). Neither Cardholders, nor merchants may exceed the Single Transaction Limit (STL) or split the purchase in order to accommodate for the STL. To raise the Single Transaction Limit above the “no competition” limit set forth in Section 11-35-1550(2)(a), the P-Card Administrator must first obtain the written approval of its governing board or if there is no governing board, Agency head. The P-Card Administrator must then submit a written request for the change, along with the approval of its governing board or Agency head, to the Materials Management Officer for approval. This request may be sent by email to: pcard@mmo.sc.gov. Each request must identify the name of the card holder, the new STL requested, the purpose of the request and any additional controls.

E. Emergency Procedures

The governing board of agencies or the agency head or the designee of either may authorize the agency to designate certain cards to be moved to Emergency Status in the event of a disaster affecting that agency or a declared emergency. This approval should designate the maximum STL that can be assigned to such cards.

When a State of Emergency has been declared, or during a time of an Emergency affecting an agency such as a natural disaster (ice storm, forest fire, tornado etc.), the P-Card Administrator may move cards to Emergency Status. When there is an emergency, approved Bank of America P-Cards will be activated and allowed to access this emergency profile. When moving a card to emergency status, agencies do not need advance approval of DPS to increase the STL when necessary to respond to the emergency. However, the agency shall notify DPS of those cards that have been assigned a single transaction limit in excess of \$10,000 for the purposes of responding to the emergency as soon as practical after doing so.

Cardholders shall document every approval and purchase made for Emergency Status. Once the Emergency is over, cards moved to Emergency Status shall be returned to normal status.

III. State Agency Roles and Responsibilities

A. Agency Head Responsibilities

The Agency head may delegate any or all of the following administrative responsibilities to any one or more P-Card Administrators or Department Liaisons, depending on the size and complexity of the local program.

1. Program Administration:

- a) Develop the internal policy governing the use of the P-Card, to include the following minimum requirements:
 - i. Ensure compliance with the State P-Card Policy;
 - ii. Provide for unique needs based on Agency mission;
 - iii. Define responsibilities of Agency P-Card Program personnel and establish process for changes in personnel;
 - iv. Define criteria for obtaining a P-Card;
 - v. Define acceptable use of the P-Card that cannot be less restrictive than State P-Card Policy;
 - vi. Provide a method for reporting suspected misuse or fraudulent use;
 - vii. List in detail consequences of misuse or fraudulent use;
 - viii. Create a provision for review of the internal policy for adequacy at least annually; and
 - ix. Create a provision for audit or other independent review of all areas of program administration and transactions at least annually.
 - x. Establish written internal procedures covering properly setting up the profile for each P-Card (including all blocked MCCs; see “C” above) and how to use the PCard, including telephone, fax, and Internet orders in order to maintain security over P-Card account information.
 - xi. Monitor Cardholder accounts for inactivity and promptly close accounts and cards that are no longer needed.
 - xii. Establish written internal procedures for compliance with State Policy regarding documentation of transactions.

- b) Work with management throughout the Agency to determine the appropriate spending limits for the Program as a whole and for individual Cardholders based on budget constraints, Cardholder job responsibilities, knowledge, skills and abilities, historical spending patterns, and overall procurement practices.
- c) Designate the following Program administrative positions as needed and ensure coordination among the positions:
 - i. P-Card Administrator; the central Administrator located in the Agency Purchasing Department who coordinates the P-Card Program for the Agency and acts as the Agency liaison with the Bank, OCG, and DPS. approved by Department Head.
 - ii. Department Liaison: an employee in each department who is responsible for reviewing transactions of individual Cardholders to make sure the transactions are legitimate public expenditures, are classified properly and comply with this policy.
 - iii. Internal Auditor: an employee responsible for auditing agency compliance with the State and agency P-Card Policy and notifying the P-Card Administrator of any discrepancies, including delinquent reconciliations and paperwork.
- d) Provide written designation of P-Card Program Administrator to the DPS P-Card Coordinator.
- e) Work with management to identify job titles/positions within the organization that require a P-Card or that would be good candidates for use of the P-Card.
- f) Develop written internal procedures for requesting P-Cards and approving Cardholders. Agency Head approval delegates transaction authority to the Cardholder.
- g) Ensure that a credit limit is assigned to each P-Cardholder Account and record the dollar amount of this credit limit on the employee Cardholder Agreement to be acknowledged by the prospective Cardholder upon receipt of a P-Card Account.
- h) Develop default accounting codes for purchases on the P-Card.

2. Program Compliance

- a) Establish written procedures to ensure compliance with, or request exceptions to, the Code, the State P-Card Policy, and the internal P-Card policy.

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- b) Coordinate any requests for exceptions to the State P-Card Policy with the DPS P-Card Coordinator or OCG, as appropriate. Document review of the status of all exceptions at least annually to determine if the exceptions should still be granted and notify the DPS P-Card Coordinator or OCG, as appropriate, of any revocations.
- c) Ensure that the Agency has sufficiently documented internal controls and other measures (e.g. audits) to prevent and/or detect misuse or fraudulent use of the P-Card.
- d) Establish written procedures to ensure security over P-Card account information to include:
 - i. Ordering and receiving new and replacement cards;
 - ii. Reporting lost or stolen cards to the Bank and to the P- Card Administrator;
 - iii. Collecting and destroying cards when cardholders transfer to jobs not requiring a P-Card, resign, or are terminated; and
 - iv. Deactivating cards in the Works™ system immediately upon notification of theft/loss of the card or upon termination of Cardholder’s employment for any reason.
- e) Establish written procedures to ensure that intentional misuse, or persistent negligent misuse (collectively “misuse”) or fraudulent use of the P-Card is documented. Minimum requirements include:
 - i. Documentation of the transaction (e.g. copies of receipts, invoices);
 - ii. Evidence of who conducted the transaction, who approved the transaction, and when and how the misuse or fraud was discovered;
 - iii. Documentation of personnel actions taken (e.g. Cardholder was terminated);
 - iv. Notifying the Bank immediately when fraud or card misuse occurs in order to properly meet the Bank’s guidelines regarding Bank reimbursement of transactions related to fraud or card abuse, or misuse; and
 - v. Notifying the S.C. Office of Inspector General immediately when fraud or card misuse occurs;
 - vi. Immediately reporting split purchases made to avoid the STL to DPS at pcard@mmo.sc.gov

3. Assign Cardholders to Supervisors/Liaisons

Establish appropriate limits on the number of Cardholders assigned to a supervisor/approving official and Liaison in order to ensure adequate review of business need and documentation (receipts/invoices, business purpose explanation for each transaction, and cardholder monthly bank statements) for each purchase.

4. Training

Develop a documented, Agency-specific training program that must be completed for all prospective Cardholders, Supervisors/approving officials, and Liaisons prior to issuance of the P-Card.

- a) Level I training is the initial training all prospective Cardholders must receive prior to issuance of a P-Card. This training permits purchases up to the “no compete” threshold. Level I training shall include:
 - i. Mandatory Cardholder Agreement specifying terms and conditions for use of the card; and written acknowledgement of receipt and training on:
 - ii. State P-Card Policy;
 - iii. Internal P-Card policy and/or user manual; and;
 - iv. familiarity with relevant forms.
- b) Level II training, also referred to as “Procurement Official” training, is in addition to Level I training. This training permits purchases requiring simple quotes for items/services without statements of work for requisitions exceeding the “no compete” threshold. Level II training shall include:
 - i. Prior completion of Level I training (or have the components of subsection 4.a) above included in Level II training);
 - ii. Review of the Code for authority/limitations for purchases above the “no compete” threshold;
 - iii. Certification of understanding of Level II authority and agreement to abide by Code policies and procedures.

5. Accounting Requirements

- a) Designate the storage location for all original transaction documentation.
- b) Establish billing discrepancy procedures, including disputed transactions.
- c) Establish reconciliation procedures between cardholders, supervisors/approving officials, and agency accounts payable unit to ensure timely payment of the monthly billing statement.

6. P-Card Administrator

The Lander University P-Card Administrator serves as the Contract Administrator for this Program, including the provision of liaison services between DPS, the Bank, and the Lander. The P-Card Administrator is responsible for all contractual matters regarding the Program. Their responsibilities also include:

- a. Lander University liaison with Bank of America.
- a. Utilizing WORKS application from Bank of America.
- b. Reviewing approved applications for completeness and submitting application to Bank of America; receiving Purchasing Card from Bank of America.
- c. Training Departmental Liaisons before releasing Purchasing Cards.
- d. Training Cardholder before releasing Purchasing Card.
- e. Having Cardholder sign Cardholder agreement, signifying agreement with the terms of the Purchasing Card program. Inform cardholder of updates in program policy and procedures.
- f. Handling disputed charges/ discrepancies not resolved by Cardholder or Departmental Liaison.
- g. Initiating change of Purchasing Card default index upon request of Department Liaison.
- h. Securing revoked Purchasing Cards and submitting information to Bank of America.
- i. Daily reviewing usage of Purchasing Card data for appropriateness.
- j. Processing upload of bill to accounting for charging individual departments.
- k. Reviewing Bank of America invoice and submitting to accounting for payment.
- l. Reconciling Lander University accounting statements as to payments to Bank of America and charges to individual departments.
- m. Purchasing Cards will be reviewed each year. Any card with no activity for the previous 12 month period will be reviewed for cancellation and the card holder/liasion will be notified that this action will occur.
- n. Maintenance of documentation including, but is not limited to, applications, Cardholder agreements, agency billing statements, reconciliation of accounting statements, Bank of America program material, and copies of transmittals and correspondence with Bank of America.

You may contact the P-Card Administrator by calling Procurement Services at 864-388-8276 or sending an email to procurement@lander.edu

B. Supervisors / Approving Officials Responsibilities:

Supervisors or other persons assigned the responsibility of reviewing Cardholder transactions (reviewer) must have a thorough knowledge of the job responsibilities of the Cardholders under his/her supervision in order to determine if purchases are reasonable

and proper. Before approving the cardholder monthly bank statements, the supervisor/reviewer must carefully review all documentation. Supervisor/reviewer responsibilities also include:

1. Attend Level I training.
2. Attend Level II training if supervising a Cardholder with Level II authority.
3. Maintain knowledge of State P-Card Policy and internal policies and procedures on use of the P-Card.
4. Request P-Cards for employees under his/her supervision.
5. Notify the P-Card Administrator when a Cardholder resigns, transfers, or is terminated from employment and confirm cancellation of the P-Card within three business days from the event date.
6. Monitor transactions and card activity to ensure that all purchases are for legitimate State business use.
7. Review all documentation to ensure:
 - a) Invoices/receipts have the required information;
 - b) State sales or use tax is applied if necessary;
 - c) Purchases were for legitimate State business use;
 - d) Cardholder Monthly bank Statements contain the Cardholder's original signature;
8. Sign the cardholder monthly bank statements signifying review and approval for payment. This responsibility cannot be delegated to another person;
9. All signatures are original signatures. Signatures made with rubber stamps are prohibited;

C. Liaison Responsibilities

The liaison reviews the transactions for all cardholders assigned to him/her to determine that the cardholder and supervisor/approver are complying with this State P-Card Policy; i.e., no prohibited transactions, no split transactions, purchases are made from contract vendors when available, no deliveries to other than the business address(s), no blocked MCCs, etc.

1. Attend Level I training
2. Attend Level II training if reviewing transactions of a Cardholder with Level II authority.

3. Perform documented monthly reviews of all transactions for assigned Cardholders to verify that there have been no non-allowable transactions
4. Notify P-Card Administrator of any non-allowable transactions identified in monthly transaction review.
5. Maintain documentation as assigned by the P-Card Administrator.
6. Assist in resolving disputed transactions.

D. Cardholders

All Cardholders are de facto purchasing agents for the State and their individual employers. Accordingly, all Cardholders must have a minimum understanding of State purchasing laws and regulations as contained in the Code, and internal purchasing rules.

1. Cardholder responsibilities and procedures include:

- a) Prospective Cardholder must be a full-time employee of Lander University.
- b) Prospective Cardholder's request for a Purchasing Card must be approved by his/her Department Head, Dean, and Vice President/Provost as applicable.
- c) Prospective Cardholders must be assigned a Departmental Liaison selected by his/her Department Head.
- d) Prospective Cardholders must attend a Level I training course. This consists of both P-Card training and Procurement 101 specific to Lander University. The Cardholder and Card Approving Official (e.g. the Cardholder's supervisor) will sign the Terms and Conditions for Use of the P-Card confirming that he/she has been fully trained and understands and will abide by all policies and procedures regarding the card usage as well as University Policies and Procedures related to the expenditure of University funds prior to receiving a P-Card.
- e) A Level II training must be taken in order to make purchases above the "no compete" threshold. Cardholders must certify that they understand and will abide by the additional policies and procedures of the Level II training.
- f) Maintaining security of the account number, expiration date, and security code at all times.
- g) Maintaining knowledge of State P-Card Policy and internal policies and procedures.
- h) Ensuring all purchases are allowable purchases according to State and internal P-Card policies.

- i) Ensuring all purchases comply with purchasing requirements of the Code.
- j) If item(s) is available from state contract vendors, it should be purchased from those contracts. These may be found at <https://procurement.sc.gov/contracts>
- k) Ensuring that funds are available prior to making any purchase.
- l) Purchases must have documented justification, outlining what the item is and what it is to be used for. While departments are encouraged to plan ahead, it is important that purchases reflect a current or definite upcoming need. Purchases should not be made for items with a 'possible' future use or to build up storage reserves.
- m) Obtaining "best value" for the State when making purchases with the P-Card.
- n) Maintaining all documentation required by State and internal P-Card policies for a minimum of twelve months following each purchase. Minimum documentation requirements are:
 - i. Monthly acquisition file for audit and/or review;
 - ii. Itemized receipt or invoice;
 - If receipt has been lost and a duplicate cannot be obtained, the P-Card Administrator can determine if internal policy will allow use of a Lost Receipt Affidavit. If allowed, a single Cardholder can use the form no more than three times in one fiscal year.
 - Use of the affidavit more than three times in one fiscal year will result in suspension of card privileges.
- o) Ensuring the supplies or services are described in sufficient detail so the vendors and/or merchants have a clear understanding of what is being acquired. Some requirements, because of their complexity, may not be suitable for purchase using the P-Card and may necessitate the use of a written Purchase Order.

2. Spending Limits

The general spending parameters for each VISA Purchasing Card issued is set at \$2,500 per transaction with a standard maximum of \$5,000 per month per card; however, a request for single transaction limits may be raised as high as \$5,000 with approval from the departmental budget manager. Purchasing Card limits may be increased up to a single purchase limit of \$10,000 for key procurement personnel as authorized by the President and his Council. The University, through the Procurement Department, will adjust monthly limits as determined by demonstrated

need. P-Card purchases may be made without securing competitive quotations or any type of value analysis if the prices are considered reasonable. If a Cardholder, through prior experience (e.g., comparison with prices paid previously for the same or similar items, familiarity with the supply/service based on frequent purchasing) knows that the proposed price is fair and reasonable, he/she does not have to do any further prior evaluation or analysis. However, if the Cardholder suspects or has information to indicate the price may not be reasonable or is purchasing a supply or service for which no comparable pricing information is readily available, action should be taken to verify that the price is reasonable and supporting documentation maintained by the Cardholder for twelve months following the date of purchase.

3. Placing an Order

Cardholders who are buyers within a governmental agency may use the P-Card as a payment mechanism. The documentation requirements will be the same as those required for any other type of acquisition or purchase, and Consolidated Procurement Code compliance is required for each acquisition. For proper allocation of funds, a purchase requisition may be prepared, and/or a different reconciliation program may need to be utilized, however requisitions need not be sent to Procurement Services for P-Card purchases.

To place the order and accept delivery the following procedures shall be followed:

- a) Confirm the vendor will accept the State P-Card.
- b) Merchants may charge a “premium” for the use of the P- Card but must “disclose the surcharge as a merchant fee and clearly alert the consumer of the practice at the point of sale.” If the vendor charges a premium, ask the vendor to waive the premium. If the vendor will not waive the premium, do not use the P-Card for the transaction. Follow the purchasing requisition process.
- c) Delivery instructions: instruct the vendor to use the following format and list the following information on the shipping label and packing slip:

Lander University
Attn.: Department Name and Building
204 W. Henrietta Ave
Greenwood, S.C. 29649

- d) When a telephone order is placed for pick-up at a merchant’s facility, the Cardholder may designate a staff member to pick up the order. If someone other than the Cardholder picks up the order, they should sign as having received the item(s). Their signature is not an approval for the purchase on the P-Card but for receipt of the product.

- e) Receipt of merchandise should be documented on the paid invoice or receipt. The cardholder **MUST** verify that what they purchased actually arrived.
- f) Justification of the purchase must be documented on or with the paid invoice or receipt. Justification includes a description of the item and what it will be used for.
- g) Attach original receipts, in order of the Citibank statement, behind both the Citibank and Certification statements for the month and send to Business Affairs for approval. Business Affairs retains all statements and receipts for five (5) years.

NOTE: If making your purchase in person, obtain an itemized receipt in addition to the credit card receipt and check the credit card receipt to ensure accuracy before signing.

4. Declines

Should the Purchasing Card be declined by a vendor, the Cardholder should immediately contact the University Purchasing Card Administrator for assistance. If purchase is being made outside of normal University business hours, the employee must find an alternate payment method or terminate the purchase and contact the University Purchasing Card Administrator during normal University hours.

5. Returns/Credits

Vendors will issue all credits to the individual Purchasing Card account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. **Under no circumstances** should a Cardholder accept cash in lieu of a credit to the Purchasing Card account.

Tips for Returns:

- Always retain boxes, containers, special packaging, packing slips, etc. until you are certain you are going to keep the goods. Some items, such as software or fragile pieces, cannot be returned without the original packaging materials.
- Read all enclosed instructions carefully. Often a phone number and other instructions are included on the packing slip and/or receipt.
- Many suppliers require you to obtain a "Return Authorization Number" before they will accept a return. If you neglect to get this number when it is required, the package may be refused and/or no credit issued to your account.
- If something is being returned due to a supplier error or problem, the supplier should pay any fees involved in the return. In a case where something is being returned for any reason other than supplier error or product defect, there may be a restocking fee (usually a percentage of the purchase price). You may use the Purchasing Card to pay this fee as long as it does not exceed any of your limits

6. Allocation of charges – Cardholders/Liaisons will:

- a) Receive system generated messages of available transactions for allocation.
- b) Allocate the charge to the correct index/account numbers.
- c) Identify transactions requiring payment of use tax.
- d) Process allocations in advance of the designated default cut-off date established by the University Purchasing Card Administrator. Allocations & sign-off must be completed within seven (7) business days of the transaction posting.

7. Sign Monthly Bank Statements

Sign the cardholder monthly bank statements attesting to the accuracy and completeness of the statement. All signatures must be original signatures. Signatures made with rubberstamps are prohibited.

8. Documentation

Submit all documentation to the supervisor or Liaison by internally established deadlines in order to ensure timely payment of the cardholder monthly bank statements. When a purchase is made over the counter, the Cardholder must obtain a customer copy of the charge slip. The Cardholder/Liaison will maintain the vendor receipts/packing slips/charge slips and monthly statements. Cardholders/Departmental Liaisons will assemble and retain Cardholders statements, charge slips and receipts for audit by internal and external auditors. Receipts for purchases must be maintained for 5 years.

9. Emergency Transactions

Emergency transactions over \$2,500 may not be handled with the Purchasing Card due to State procurement regulations, unless such a state of Emergency has been declared by Lander Administration. For any transaction that does not meet the spending controls assigned to the card, the Cardholder must contact the Purchasing Office for assistance.

10. Unresolved Disputes and Billing Errors

The Cardholder is responsible for contacting the vendor to resolve any disputed charges or billing errors. If the matter is not resolved with the vendor, the

Cardholder/Departmental Liaison should contact the Purchasing Card Administrator for assistance . Timely allocations will be very critical in the case of fraudulent or wrongful charges to the Card.

11. Tax Exemption - The University is not tax exempt

Purchases from Vendors located in South Carolina – The vendor is responsible for collecting retail sales tax at the point of sale. The amount of sales tax should be indicated on the receipt provided by the vendor. Should no tax be charged or the amount of tax charged is less than the amount required by the State of South Carolina, the Cardholder/Liaison must either indicate the appropriate tax amount in WORKS or submit a journal entry (if deadline has passed for allocation) to the Controller’s Office in order for the proper amount to be submitted to the SC Department of Revenue.

12. Purchases from Vendors located outside South Carolina

If sales tax is paid in another state, a use tax credit is allowed for the University, therefore, no South Carolina tax is due. The individual receipt provided by the vendor should indicate whether any out-of-state sales tax has been collected at the point of sale.

13. Reserved

14. Reconciliation

The Cardholder will receive the bank statement each month. As an alternative, the Program’s P-Card Administrator may choose to have Statements made available electronically through Bank of America’s CenterSuite® .

The monthly transactions shall be processed and reconciled upon receipt in compliance with the agency’s internal procedure(s) to ensure submission to the OCG for timely payment. The P-Card Reconciliation Program allows for daily reconciliation of transactions. The Cardholder is notified via e-mail each time a transaction is posted from the Bank and allows for immediate reconciliation in lieu of waiting for the monthly bank statements to reconcile the charge. Reconciliation must be completed within seven (7) business days from the date the statement is received.

Reconciliation in the Absence of the Cardholder

If the Cardholder will be absent from his/her office for more than four days after the SOA is received, he/she should notify the Agency P-Card Administrator if no system delegation has been made to another employee in the program area to reconcile the account. The P-Card System is set-up to enable daily reconciliation by the Cardholder. The System allows delegation to another employee for reconciliation purposes as well. If the absence is extensive and no delegation has been made, the Cardholder’s Supervisor shall review the receipts/documentation and sign the SOA

with an explanation as to why the Cardholder could not process the SOA in a timely manner. The SOA with receipts/documentation will be forwarded to the Agency P-Card Administrator for processing the reconciliation. The Agency P-Card Administrator shall provide training for an administrative alternate in the program area. Failure to review and/or process the SOA in a timely manner will be grounds to suspend and/or terminate the P-Card.

Review for reconciliation should include the following:

- Make sure all receipts and/or invoices are attached to the back of the Bank of America statement, in the order listed on the statement.
- If multiple receipts are issued for one transaction, make sure all associated receipts are stapled together and filed with the statement. The original transaction total should equal the cumulative total contained on the receipts.
- Make sure any charges for sales tax are identified as a credit pending.
- Verify that credits for any returned items appear on the Bank of America summary statement.
- If a charge appears on your Bank of America summary statement for an item ordered but not received, contact the supplier to resolve the matter. If you cannot resolve the matter with the supplier, follow the process for disputes outlined in Section III.D.10 of this policy.

15. Cardholder Liability

The Purchasing Card is a corporate charge card and will not affect the Cardholder's personal credit. However, it is the Cardholder's responsibility to ensure that the card is used within stated guidelines of this manual as well as University Policies and Procedures relating to the expenditure of University Funds. Ultimate responsibility for use/misuse of cards rests with the cardholder. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to administration, and further disciplinary action may include termination.

16. Card Security

Cardholders should always treat the University Purchasing Card with at least the same level of care as one does their own personal credit cards. The card should be maintained in a secure location and the card account number should be carefully guarded. Always ensure that the card is only used by approved cardholder.

17. Lost, Misplaced or Stolen P-Cards

Cardholder must immediately report any lost or stolen Purchasing Card to Bank of America toll-free at **1-888-449-2273**. (24 hours a day, 365 days a year). Notify your Department Liaison and/or the University Purchasing Card Administrator of a lost or stolen card at the first opportunity during normal business hours.

18. Requesting a Card

All contact with Bank of America for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by the University Purchasing Card Administrator located in the Procurement Services Office (388-8276 or 388-8899) .

To set up a card, the following steps are necessary:

1. The applicant must complete the P-Card training session and pass a short quiz.
2. Upon completion of the quiz, the Cardholder signs Cardholder Agreement form indicating agreement with the terms of the Purchasing Card program.
3. If a new Cardholder, applicant will receive a Purchasing Card Request Form and submits to Department Head for completion and approval.
4. Department Head completes the Purchasing Card Request Form, providing the name of the Department name, default index number, Cardholder, and Departmental Liaison to be assigned to the card.
5. Department Head approval delegates transaction authority to the Cardholder.
6. Approved application with all signatures is to be sent to the Purchasing Card Administrator.
7. Purchasing Card Administrator submits application to Bank of America in format approved by Bank.

The University Purchasing Card Administrator will use the tools offered by Bank of America for the maintenance of cards.

19. Terminating a Card

The P-Card Administrator is required to close an account if a Cardholder:

1. Moves to a new job in which a Purchasing Card is not required.
2. Terminates Lander University employment.

3. Any of the following reasons which will also subject Cardholder to disciplinary action in accordance with Lander University Policies and Procedures relating to disciplinary action and termination for cause:
 - a) The Purchasing Card is used for personal or unauthorized purposes.
 - b) The Purchasing Card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to Lander University.
 - c) The Cardholder allows the card to be used by another individual.
 - d) The Cardholder splits a purchase to circumvent the limitations of the South Carolina Consolidated Procurement Code.
 - e) The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the South Carolina Consolidated Procurement Code.
 - f) The Cardholder fails to keep a file with required receipts.
 - g) The Cardholder fails to provide, when requested, information about any specific purchase.
 - h) The Cardholder does not adhere to all of the Purchasing Card policies and procedures.

20. Fiscal Year Restrictions

Before placing any order, make sure funds are available in your account. Procurement Card privileges can be suspended at the end of Lander's fiscal year if a new year budget is not in place.

Cardholders are advised to use the Procurement Card judiciously as the end of the fiscal year approaches. **Funding will not be available to cover any charges appearing in a new fiscal year until a budget has been passed.** In accordance with the terms of the contract, in the event we are unable to pay Visa promptly, the University will have to pay interest for those charges that appear on the account after card suspension has been enacted

IV. Use of the P-Card

A. The P-Card is FOR OFFICIAL USE ONLY

The P-Card has the Cardholder's name embossed on it, and in accordance with VISA International regulations and State policy, may only be used by that individual. Use of the P-Card by a Cardholder for a personal purchase and/or a purchase of supplies or services that the Cardholder had no authority to make, and/or use of the P-Card by a person other than the Cardholder are unauthorized and strictly forbidden. Unauthorized use of the P-Card for personal purchases or use of the P-Card by a person other than the Cardholder may result in disciplinary action, up to and including termination from State employment and criminal prosecution. Supervisors or other approving officials who knowingly, or through willful neglect, approve or allow personal or fraudulent purchases or misuse of the P-Card are subject to the same disciplinary actions as Cardholders.

B. Cash Advances.

Use of the P-Card to obtain cash advances or withdrawals is strictly forbidden. Use of the P-Card to obtain such cash advances or withdrawals does not comply with the Contract and may subject both the Cardholder and the Bank to sanctions.

C. Order Splitting.

Splitting transactions to avoid the single transaction limit is strictly prohibited and doing so may result in removal of P-Card privileges.

D. Allowable Purchases.

The P-Card can be used for small value purchases of supplies, materials, equipment, or services, in compliance with the SC Consolidated Procurement Code, and where not otherwise prohibited or restricted. All purchases must be within Cardholder assigned spending limits unless prior, written approval is received to exceed these limits per the provisions of the Manual. Ordering methods such as verbal, internet or fax can be used under simplified acquisition procedures to acquire any type of supplies or services WITH THE EXCEPTION OF purchases from vendors assigned an MCC on the list of blocked Merchant Category Codes (MCCs).

The P-Card can be used for orders placed against Statewide Term Contracts by the Materials Management Office such as the Laboratory Supplies, Office Supplies, and Personal Computers. Purchases from open market sources shall be distributed equitably among the qualified suppliers.

E. Prohibited Purchases.

The following types of purchases are strictly prohibited by State policy. No exceptions will be granted unless obtained in writing as set forth in this policy. This list must be included in lists of prohibited purchases in policies at the local agency and program level:

1. Personal purchases of any kind (Personal purchases are defined as purchases of goods or services intended for non-work-related use or use other than official State business).
2. Cash advances in any form, including use of the card or card number at Automated Teller Machines (ATMs), inside bank branches or at cash advance, quasi-cash and money transfer locations such as Western Union, Telecheck, etc.
3. Gift cards, stored value cards, calling cards, pre-paid cards or similar products.
4. Reserved
5. Entertainment, including in-room movies
6. Alcoholic beverages
7. Tobacco products
8. Fuel for State-owned vehicles - Many of these purchases may be made with the State Fuel Credit Card, an alternate program.
9. Professional services
10. Food for consumption by State employees
11. Purchases using a P-Card from a vendor with a blocked MCC
12. To make payment on “open” accounts maintained with vendors. The P-Card shall only be used to pay one transaction at a time and cannot be used to pay the accumulated balance of an account
13. Payment of State and local taxes to the Department of Revenue

P-CARD POLICY & PROCEDURES

Allowable / Non-Allowable Charges - You may need to purchase goods and services that have a legitimate business purpose, however these may not be allowable purchases under the P-Card program. The following list presents some potential scenarios that you may encounter:

Allowable		Non-Allowable
Airline Tickets & Train Tickets plus baggage fees if purchased with ticket (which may exceed \$2500 – will have to contact Procurement Services for assistance)		Employee Travel with the exception of airline & train tickets & baggage fees when purchased with ticket. <u>**All other employee travel expenditures must be paid by the traveler from personal funds and reimbursed on a Travel Reimbursement Form upon return.</u>
Registration Fees		Travel Packages that include airline tickets, hotel and rental cars
Fed-Ex/UPS-Express Shipping		Registration fees that include hotels
Membership Dues		Employee functions
Books		Gift cards, Gift Certificates,
Printing		Cash advances
Postage & Office Supplies		Telephone calling cards or additional minutes for calling cards
Utilities		Holiday or Birthday Cards
Repairs		Holiday ornaments
Hardware		Sporting events
Lab Supplies		Foundation charges

Other Non-Allowable charges include:

- **Apparel of any kind** (employee or student) There are regular procurement methods to secure such items, if needed.
- **Food purchases** (Employee or student) – Aramark catering can be processed on a req. for payment. No one needs to be taking students or employees to local eateries. Athletics, while in travel status with teams, is an exception, but also must be within reason. Recruitment efforts should be utilizing the dining hall while it is open.
- **Software and software subscriptions** (all software must be reviewed by ITS) We have many occurrences of the same software being purchased directly. ITS p-cards will be an exception as long as the vetted software is identified as a campus solution and supported with a current budget.
- **Music Subscriptions** (some exceptions exist for campus-wide service and support, but area or office Pandora or Spotify accounts will not be supported, as an example)
- **Donations or sponsorships of any kind** (such efforts must be in concert with a larger institutional expectation and in consult with University Relations)
- **Marketing or Advertising** (such efforts must be in concert with a larger institutional expectation and in consult with University Relations and Enrollment Management)
- **Furniture** (department budgets were not intended to support furniture purchases.) We will eventually have a centralized process for furniture requests, but for now, emergency furniture needs can be brought forward in a request to the Finance Office for consideration. This will allow us to first exhaust options with furniture around campus.

- **IT Equipment** (ITS will coordinate any purchases for computers, printers, etc.) ITS will also determine if additional software is needed and acceptable for maintenance and support through their services.
- **Recurring charges of any kind (annually or monthly)** Automatically renewing charges are not allowed!
- **Plants, flowers, or floral arrangements-** These types of items must be coordinated through the Physical Plant Grounds Department.
- **Entertainment**
- **Gifts**
- **Gasoline**
- **Personal Charges**
- **Blocked Vendors**
- **Interdepartmental Purchases – including the Bearcat Shop**
Never save or store your card information on websites or webpages! – This increases the likelihood of credit card fraud in the event of a security breach.

NOTE: Gift Cards received as promotional items are to be used to the benefit of the State. If an employee receives a gift card, the card(s) must be turned in to the Agency P-Card Administrator.

F. When PRIOR AUTHORIZATION is required

P-Card holders may not use the P-Card for any of the following reasons absent express PRIOR authorization from the Agency P-Card Administrator:

1. requirements that necessitate other than routine terms and conditions
2. requirements that are too complex to be conveyed verbally

G. STANDARDS OF CONDUCT

State employees expending public monies hold a public trust; their conduct must meet the highest ethical standards. All State government employees must use the P-Card only to purchase supplies and services within the guidelines of this Policy. Cardholders and the Cardholder's Supervisor who make false statements on the P-Card records may be terminated from their position and may be fined, imprisoned, or both, as stated in the S.C. Code Ann. § 16-13-210.

H. IMPROPER USE OF THE P-CARD

Improper use of the Procurement Card by the cardholder may lead to suspension of all Procurement Card privileges. Card usage may be audited at any time. The Controller authorizes all requests for suspension.

1. Misuse or Abuse of the Card

The term "misuse or abuse" means the use of the Procurement Card outside the employee's authorized parameters (see **Section IV** on card use). Depending on the severity of the violation, cardholders could lose their privileges immediately. For lesser offenses, the following actions may be taken:

1st Offense: Both the cardholder and the cardholder's supervisor will be notified of the violation. The cardholder will be advised to use the card for official purposes only, and within the parameters established by Lander, SC, and Bank of America. The cardholder will also be advised that all Procurement Card privileges could be suspended if further violations occur. The cardholder will be personally responsible for reimbursing the state for unauthorized purchases, and be required to perform any corrective action identified.

2nd Offense: The cardholder, the cardholder's supervisor, and the area Vice President will be notified of the violation. The cardholder will be advised to use the card for official purposes only, and within the parameters established by Lander, SC, and Bank of America. The cardholder will also be advised that all Procurement Card privileges could be suspended if further violations occur. The cardholder will be personally responsible for reimbursing the state for unauthorized purchases, and be required to perform any corrective action identified.

3rd Offense: Use of the Procurement Card will be suspended permanently. This notification will be in writing to the cardholder, supervisor, and area VP. The cardholder will be personally responsible for reimbursing the state for any unauthorized purchases, and be required to perform any corrective action identified.

Note: Departments may implement further departmental disciplinary action.

2. Fraudulent Use of the Card

The term "fraudulent use" means the use of the Procurement Card with a deliberately planned purpose and intent to deceive and thereby gain a wrongful advantage for oneself or anyone else other than the State of South Carolina. The following actions will be taken:

- Immediate suspension of card privileges;
- Removal of cardholder's purchasing authority;
- Mandate employee reimbursement to the state; and
- Formal disciplinary action, which may result in termination of employment pursuant to applicable Lander Policy and/or South Carolina law.

V. Program Compliance

A. Internal Controls

Each Agency's internal P-Card policy must establish an internal control process and structure that ensures compliance with the Code and State P- Card Policy. Internal controls shall include:

1. Appropriate separation of duties between making transactions (Cardholders), review and approval of transactions for payment (approving officials), and payment of the cardholder monthly bank statements (Accounts Payable).
2. Weekly independent supervisory review of all card maintenance activity if the P-Card Administrator is also a Cardholder.
3. Appropriate hierarchical review and approval of purchases by someone with supervisory authority over the Cardholder and/or with the authority to question purchases if needed.
4. No Cardholder can provide approval for payment for his/her transactions or of the P-Card cardholder monthly bank statements. Review and approval responsibilities cannot be delegated to someone else.
5. Appropriate limits on the number of Cardholders assigned to supervisor/approving officials, and liaisons in order to ensure adequate review of business need and documentation (receipts/invoices, and monthly billing statement) for each purchase, and to ensure that each purchase complies with this policy and the Code.
6. Provision for an annual independent audit or review of the P-Card Program by the P-Card Administrator, Internal Audit unit, or other unit assigned audit responsibilities. Reviews must address:
 - a) Adequacy of internal policies and procedures;
 - b) Appropriateness of cardholder spending limits;
 - c) Adequacy of review, reconciliation, and payment procedures; and
 - d) Adequacy of documentation for transactions.
7. Internal Audit

Lander's internal control procedures and guidelines are as follows:
Cardholder/Department Liaison will:

- a) Submit vendor receipt, invoice, packing slip and any other additional supporting documentation to Department Liaison. Cardholder should also supply copies of orders placed by telephone, fax or internet to Department Liaison.
- b) Match Cardholder receipts to Purchasing Card Statement.
- c) Approve the charges made to the Purchasing Card. The approval certifies that the purchase meets the University guidelines for approval for payment.
- d) If the receipt is lost or misplaced, the merchant should be contacted and a replacement copy sent to cardholder via fax, mail, scanned copy, etc. If this is not possible, a typed and signed note from the purchaser with pertinent details will be accepted occasionally. If this becomes habitual, the procurement card may be suspended or revoked.
- e) Indicate alternate index/account number for purchases to be charged if different than the default assigned to the Purchasing Card.
- f) Enter alternate index/account number when applicable.
- g) Identify transactions requiring the payment of use tax.
- h) Retain all receipts and vouchers for audit by internal and external auditors. Receipts for purchases are to be maintained for 5 years.

Purchasing Card Administrator will:

- a) Reconcile Lander University's monthly accounting statement for payments to Bank of America and charges to individual departments.
- b) Make periodic audits of procurement card use and charges for appropriateness through the use of Bank of America's WORKS on-line reporting system. Areas to be monitored include, but are not limited to compliance with SC Consolidated Procurement Code, compliance with Purchasing Card regulations, compliance with University regulations, and sales and use tax charges. Non-use of card usage will also be monitored.

B. Cardholder Credit/Spending Limits

Spending limits enable management to provide Cardholders with the purchasing power to accomplish the needs of the job without exposing the State or the organization to unnecessary risk. Spending limits should be based on job responsibilities of the Cardholder and/or of the job title. Cardholder spending limits must be reviewed at least annually to determine that actual usage is consistent with spending limits. Spending limits that are available are:

1. Cycle (Credit) Limit – The cycle limit is a mandatory spending limit that restricts the amount of purchases a cardholder can make in one billing cycle. This limit is established between the agency and Bank of America.
2. Single Transaction Limit (STL) – The STL is a mandatory spending limit imposed on each Cardholder account for each purchase. The STL is subject to the “no competition” Limit as set forth in Parts IIB(2) & IID above. Agencies may choose to set a lower STL under their policies and procedures;
3. Number of Transactions per Day (Optional) - Management can choose to impose a maximum number of transactions on a Cardholder account in order to control use of the P-Card.
4. Number of Transactions per billing cycle limit (optional).

C. Card Issuance Requirements

1. Issuance is limited to one P-Card per Cardholder.
2. Cardholders must be permanent, part-time or full-time State employees whose jobs require the use of P-Card. There will be no exceptions to the following:
 - a) Cards may not be issued to student employees, temporary workers, or contractors.
 - b) Cards will not be issued in the name of a department or work unit to be shared by multiple employees.
 - c) Cards will not be issued to employees of foundations associated with any Agency.
3. An employee’s supervisor and the Department Head must approve a Cardholder’s application for a P-Card.
4. All training requirements as described in this Policy must be met before an employee receives the P-Card.

VI. Types of Accounts

Accounts allowed under this Program include traditional cards as well as accounts for which no physical card is issued. All accounts can be used only for official State of South Carolina business.

A. Standard P-Cards

Cardholders are limited to one active P-Card. Exceptions may be made for ghost accounts. The standard card Bank of America issues utilizes Chip and Pin technology, which is a card that contains data embedded in a microchip and requires the consumer to enter a personal identification number to complete the transaction. A chip and PIN card, also called an EMV microchip card, is considered more secure than a magnetic stripe credit card because of both the technology in the chip and the requirement to enter a unique PIN.

B. Ghost Card Accounts

The term “Ghost Cards” refers to a P-Card account established for the payment of monthly or other periodic charges to an established supplier of a State Entity and for which a physical card is not issued. In cooperation with the State P-Card Coordinator and the Bank, an Agency’s P-Card Administrator may establish a Ghost Card to make payments to a single, specified supplier. Ghost Cards provide a secure payment method restricted for use with the identified supplier and secured through numerous account restrictions including spending limits, MCC restrictions, and the absence of a physical card. Ghost cards may be considered when the supplier provides goods or services through an established relationship, often sending a monthly invoice for those goods or services. Examples of suppliers suitable for payment via a Ghost Card include telecommunication service providers, utilities, bulk fuel providers, and landlords. Ghost Card accounts are subject to the same MCC restrictions and single transaction limits as standard P-Cards as well as the same procedures for changing these restrictions and limits. Ghost Card accounts are also subject to all other requirements of this Policy. Please contact the State P-Card Coordinator for more information on Ghost Cards or for assistance in setting up Ghost Card accounts.

VII. Legal Issues

a) Failure to Comply with Laws, Policies, and Procedures.

Cardholders or supervisors/approving officials who knowingly, or through willful neglect, fail to comply with the following may be subject to suspension or termination of card privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.

1. The Code
2. State P-Card Policy
3. Internal policies and procedures governing procurement and the P-Card Program.

b) Accountability

Purchasing Card transactions are subject to the monitoring and review process of Procurement Services. Cardholders and/or liaisons may be requested to provide additional information for questioned transactions.

➤ Violations of the Purchasing Card Program and Guidelines

- Violations of the purchasing card program policy or guidelines may be self-reported, detected by cardholder liaison or in the University auditing program.
- Violations of the program policy or guidelines will result in notification of violation to the cardholder and department head for the card.

Any of the following action(s) will be the result based on the severity of the violation:

- i. Inquiry to the cardholder for explanation of the use of the purchasing card for a questionable transaction.
- ii. Suspension of the purchasing card until:
 - a. Assurances have been made by the department head that measures have been taken to avoid a reoccurrence of the violation by the cardholder.
 - b. Cardholder has attended additional training on the purchasing card policies and guidelines.
- iii. Termination of the purchasing card.
- iv. Disciplinary action in accordance with the University Policy and Procedures relating to disciplinary action and termination for cause.
- v. Repayment of the transaction with personal funds.

Actions for purchasing card transactions which are violations of the State Procurement Code will be handled as an unauthorized procurement.

c) Unauthorized Procurement

An unauthorized procurement is an act of obligating Lander University in a contract by any person not authorized to do so in accordance with Lander University procurement policies and procedures:

- Personal purchases not used for University business but paid with University funds.

P-CARD POLICY & PROCEDURES

- Any single purchase over \$2,500/\$5,000 unless purchased by a designated buyer approved by the President's Council who will ensure that the purchases are in compliance with the SC Consolidated Procurement Code.
 - Split orders with a single vendor where the monetary total exceeds \$2,500/\$5,000.
 - Non-compliance of using State of SC established contracts when applicable.
- i. When a transaction has been determined to be an unauthorized procurement and payment has already been made, the following steps need to be taken by the employee who made the purchase:
1. The employee who made this purchase will have to send a letter of explanation to the Director of Procurement Services stating the facts and circumstances surrounding the purchase of the items and what corrective actions are being taken to prevent this from happening again.
 2. The letter should be routed through the appropriate administrative channels in the department to the Director of Procurement Services where it will then be sent to the President for ratification.
- ii. When a transaction has been determined to be an unauthorized procurement and payment has not been made, the following steps need to be taken by the employee who made the purchase:
1. The employee who made this purchase will have to send a letter of explanation to the Director of Procurement Services, stating the facts and circumstances surrounding the purchase of the items and what corrective actions are being taken to prevent this from happening again, action taken against the individual committing the act, and documentation that the price is fair and reasonable.
 2. The letter should be routed through the appropriate administrative channels in the employee's department to the Director of Procurement Services where it will then be sent to the President for ratification.
 3. Once this unauthorized procurement has been reviewed and ratified by the President, a purchase order will be issued.

The DPS P-Card Coordinator reserves the right to withdraw any authority or delegated approval due to non-compliance with applicable laws, rules, regulations, policies, and procedures, or the terms of any conditional approval.

VIII. Student Group Travel by Institutions of Higher Learning

For an institution of higher learning, acting under policies approved by its Board of Trustees, use of the P-card may be authorized by Agency P-Card Administrators for meal and lodging purchases incurred for the travel of student groups under the following procedures when expending funds derived wholly from athletic or other student contests, from the activities of student organizations, and from the operations of canteens and bookstores, and from Private Practice or funds other than the general funds provided:

1. Only certain designated staff members who chaperone student trips routinely will be authorized to use P-cards for student group travel.
2. As with all other P-cards, each card must be issued in the name of one employee who is authorized to chaperone student trips. Each employee assigned a card has complete responsibility for the use of that card. The card may not be used by anyone else.
3. P-cards may be used by authorized personnel to purchase food/meals, lodging, and airfares for students and chaperones when on student travel status trips. The p-card may not be used to pay meal or lodging expenses for any state employee who chaperones the students except as authorized under the exception for the institutions of higher learning listed above.
4. All P-card expenditures will be reviewed monthly in accordance with agency P-card review and reconciliation procedures.
5. All P-card charges related to travel expenditures for the students' travel should be accounted for as student travel.
6. Charges related to travel expenses for a state employee chaperone should be accounted for as employee travel. An employee chaperone must comply with state travel regulations for employees, including not using the p-card for their portion of meal and lodging expenses when non-exempt funds are used.
7. Any charges to the P-card that are found to be out of compliance with grant, state and/or institutions guidelines will be reimbursed to the college by the card holder within 10 days of the discovery of the excess charges.
8. Failure to repay excess charges will result in the permanent revocation of P-card use by the offender and will result in disciplinary action by the college.
9. Each P-card holder, with a P-card authorized for food/meal and lodging purchases, will sign, receive, and read a copy of this P-card guideline for food/meal and lodging purchases, acknowledging understanding and receipt of the guidelines, his respective institution's Board of Trustees' travel policies, and the terms of use.

Appendix

I. Definitions

Agency – Lander University arranges with the card issuer, Bank of America, for the issuance of Purchasing Cards to approved University employees and agrees to accept departmental liability for the employees' use of the cards.

Cardholder - an employee of the University who is approved by his/her department head to use the Purchasing Card to execute purchase transactions on behalf of the University. The Cardholder is the **only** person allowed to use the purchasing card.

Card Issuer - Bank of America's services were contracted for by the State of South Carolina, to issue VISA Purchasing Cards to University employees, to bill the University for all purchases made on the cards, and to collect payment from the University on behalf of the vendors.

Department Head - University official who must approve employee's request for a Purchasing Card, assign Departmental Liaison, designate default account numbers for purchases on the Purchasing Card, and submit application to the University Purchasing Card Administrator. Department Head approval delegates transaction authority to the Cardholder.

Departmental Liaison - an employee in each department/college should be responsible for proper use of the Purchasing Card within that department. Each Cardholder will be assigned a Departmental Liaison and the liaison will be responsible for reviewing transactions of individual Cardholders daily to perform allocation of funds and to make sure the transactions are classified as an appropriate university expense. The Departmental Liaison is responsible for reviewing the individual Cardholder's transactions to make sure the transactions comply with the purchasing card procedure. The Liaison will be responsible for account distribution and retention of backup documentation for the cardholder. The Departmental Head will clearly identify the Cardholders for whom the Liaison is responsible. **A Departmental Liaison may not be Liaison for his/her own card.** Someone else in the department, in addition to the Departmental Head, must review and sign the Liaison's monthly documentation.

DPS – Division of Procurement Services – Columbia, SC

OCG – Office of the Comptroller General – Columbia, SC


Purchasing Card Administrator - the central Administrator located in Lander University's Procurement Services Office who coordinates the Purchasing Card program for the University and acts as the University's intermediary in correspondence with the card issuer. The Administrator monitors transactions periodically for compliance with procurement card guidelines and procurement regulations.


Vendor - the merchant from whom a Cardholder is making a purchase.

II. Forms

- Purchasing Card Request Form PC-101
- Cardholder Agreement PC-102
- Commercial Card Claims Statement
- Blocked MCC List– available at
www.lander.edu/about/offices-departments/procurement-services/index.html
- Sample Suspension Memorandum for Inappropriate Use
- Liaison Review Checklist PC-103

P-CARD POLICY & PROCEDURES

	PC-101 PURCHASING CARD REQUEST FORM	
THIS FORM IS TO REQUEST A PURCHASING CARD FOR USE IN THE PURCHASE OF ALLOWABLE SUPPLIES, SERVICES, EQUIPMENT AND MISCELLANY. ALLOWABLE PURCHASES & OTHER REQUIREMENTS CAN BE FOUND ON THE PROCUREMENT SERVICES WEBPAGE: https://www.lander.edu/about/offices-departments/procurement-services		
SECTION 1 - REQUESTED BY:		
DEPARTMENT NAME: _____ DEPARTMENT INDEX NUMBER(s): _____	Rationale for need: _____ _____	
SECTION 2 – CARDHOLDER:		
LAST NAME: _____ FIRST NAME: _____ LH#: _____	PHONE #: _____ EMAIL: _____ DEPT CPO BOX #: _____	
SECTION 3 – LIASON FOR CARDHOLDER:		
LAST NAME: _____ FIRST NAME: _____ LH#: _____	PHONE #: _____ EMAIL: _____	
SECTION 4 – CARD LIMITS (CHOOSE ONE):		
<input type="checkbox"/> \$2,500 SINGLE TRANSACTION LIMIT/ \$5,000 MONTHLY LIMIT <input type="checkbox"/> \$5,000 SINGLE TRANSACTION LIMIT/ \$10,000 MONTHLY LIMIT		
SECTION 5 – SIGNATURES:		
CARDHOLDER SIGNATURE: _____ SUPERVISOR/DEPT. CHAIR SIGNATURE: _____ (PRINT): _____ DATE: _____ COLLEGE DEAN SIGNATURE: _____ (PRINT): _____ DATE: _____ VP/PROVOST SIGNATURE: _____ (PRINT): _____ DATE: _____		
Return completed forms to the Office of Procurement Services procurement@lander.edu		
SECTION 6 – TO BE COMPLETED BY THE PROCUREMENT SERVICES OFFICE:		
<input type="checkbox"/> CARD ORDERED ___/___/___ <input type="checkbox"/> TRAINING SCHEDULED ___/___/___ <input type="checkbox"/> TRAINING COMPLETED ___/___/___		
Questions should be directed to the Office of Procurement Services at procurement@lander.edu or 864-388-8276		Page of

 <p>LANDER UNIVERSITY</p>	<p>PC-102 CARDHOLDER AGREEMENT</p>	
<p>The Purchasing Card (P-Card) is to be used only to make purchases at the request of and for the legitimate business benefit of Lander University. The Purchasing Card must be used in accordance with the provisions of the Purchasing Card Program Cardholder Manual and in accordance with the Purchasing Card policies and procedures established by Lander University. Violations of these requirements may result in revocation of use privileges and/or disciplinary action, up to termination of employment. <i>Refer to Purchasing Card Manual at https://www.lander.edu/about/offices-departments/procurement-services/index.html</i></p> <p>Employees who are found to have inappropriately used the Purchasing Card will be required to reimburse Lander University for all costs associated with such improper use.</p>		
SECTION 1 – P-CARD INFORMATION:		
<p>Date of P-Card Training Completion: _____</p> <p>Spending Limits:</p> <p>Single Transaction (STL) \$ _____</p> <p>Monthly Credit Limit (CL) \$ _____</p>		
SECTION 2 – CARDHOLDER INFORMATION:		
<p>Last Name: _____</p> <p>First Name: _____</p> <p>L#: _____</p>	<p>PHONE #: _____</p> <p>EMAIL: _____</p> <p>DEPT CPO BOX #: _____</p>	
SECTION 5 – SIGNATURES:		
<p>I have completed the P-Card Training Course, read the Purchasing Card Manual, and agree to comply with State and University policies and procedures.</p> <p>CARDHOLDER SIGNATURE: _____ Date: _____</p>		
<p>Return completed forms to the Office of Procurement Services procurement@lander.edu</p>		

P-CARD POLICY & PROCEDURES

COMMERCIAL CARD CLAIMS STATEMENT OF DISPUTED ITEM

Instructions: Your company should first make good-faith efforts to settle a claim for purchases directly with the merchant. If assistance from Bank of America is required, please complete this form, and fax or mail with required enclosures within 60 days from the billing close date to:

Bank of America – Commercial Card Services Operations
P. O. Box 53101
Phoenix, AZ 85072-3101
Phone (800) 410-6465, FAX (888) 678-6046

Company Name: _____
Account Number: _____
Cardholder Name: _____

This Charge appeared on my statement, billing close date: _____
Transaction Date: _____
Reference Number: _____
Merchant Name/Location: _____
Posted Amount: _____ Disputed Amount: _____

(Cardholder Signature) (Authorized Participant Signature) (Date) (Phone Number)

Please Check Only One

1. _____ **Unauthorized Transaction:** I did not authorize, nor did I authorize anyone else to engage in this transaction. No goods or services represented by the above charge were received by me or anyone I authorized. My Bank of America card was in my possession at the time of the transaction.
2. _____ **Charge Amount Does Not Agree With Order Authorizing the Charge:** The amount entered on the sales slip was increased from \$_____ to \$_____. I have enclosed a copy of the unaltered sales slip.
3. _____ **Merchandise or Services Not Received:** I have not received the merchandise or services represented by the above transaction. The expected date of delivery of services was _____. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.)
4. _____ **Defective or Wrong Merchandise:** I returned the merchandise on _____ because it was (check one):
_____ defective; _____ wrong size; _____ wrong color; _____ wrong quantity.

(Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them, their response and proof of the return of merchandise. Please provide a detailed description of the wrong or defective nature of the merchandise.)

5. _____ **Recurring Charges After Cancellation:** On _____ (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America account has been charged request.) _____ time(s). (Please enclose a copy of the merchant's confirmation of your cancellation)
6. _____ **Recurring Charges Already Paid by Other Means:** I already paid for the goods and/or services represented by the above charge by means other than my Bank of America Commercial Card. (Please provide a copy of the front and back on the cancelled check, money order, cash receipt, credit card statement, or other documentation as proof of purchase/payment. Describe your efforts to resolve this matter directly with the merchant, the date(s) you contacted them, and their response.)
7. _____ **Credit Appears as a Charge:** The enclosed Credit Voucher appeared as a charge on my Bank of America Commercial Card account.
8. _____ **Credit From Merchant Not Received:** I did not receive credit for the enclosed Credit Voucher within 30 calendar days from the date it was issued to me by the merchant shown above. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response. Provide a detailed statement explaining your reason(s) for disputing this charge.)
9. _____ **Hotel Reservation Cancelled:** I made a reservation with the above hotel which I later cancelled on _____ (date) at _____ (time). I received a cancellation number which is _____. (Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant.
_____ I was not given a cancellation number.
_____ I was not told at the time that I made the reservation that my account would be charged for a "No Show".
_____ I was not informed of the cancellation policy.



Date:

To: Cardholder
Through: Department Head
From: Scott Pilgrim
P-Card Administrator

Subject: Suspension of P-Card Privileges for Inappropriate Use


Procurement Services has identified a transaction on your P-Card that does not comply with the P-Card Policy and Procedures. A memo signed by the Department Head must be sent to the P-Card Administrator detailing the circumstances of the occurrence and stating full compliance.

If the memo is not received within five business days, the account will be suspended until receipt of the documentation.

If you need any assistance with the supporting documentation, please contact us at extension 8698 or 8276.

Please contact me if you have any questions. Thank you for your prompt attention to this matter.

P-CARD POLICY & PROCEDURES

	PC-103 P-CARD LIAISON REVIEW CHECKLIST*	
<p>NO PROHIBITED PURCHASES INCLUDING BUT NOT LIMITED TO:</p> <ul style="list-style-type: none"> • Personal purchases of any kind (Personal purchases are defined as purchases of goods or services intended for non-work-related use or use other than official State business). • Cash advances in any form, including use of the card or card number at Automated Teller Machines (ATMs), inside bank branches or at cash advance, quasi-cash and money transfer locations such as Western Union, Telecheck, etc. • Gift cards, stored value cards, calling cards, pre-paid cards or similar products. • Employee travel expenses, including lodging, transportation (except airline tickets and rental cars), and meals. • Entertainment, including in-room movies. • Alcoholic beverages or Tobacco products. • Furniture • Fuel for State-owned vehicles. (Many of these purchases may be made with the State Fuel Credit Card, an alternate program) • Professional services. (Medical Services, Accounting, Legal, plumbing, A/C work, electrical, etc.) • Food of any kind (unless a documented exception is granted by the Finance Office). • Purchases from a vendor with a blocked MCC (see www.lander.edu/about/offices-departments/procurement-services) • To make payment on "open" accounts maintained with vendors. The P-Card shall only be used to pay one transaction at a time and cannot be used to pay the accumulated balance of an account. • Payment of State and local taxes to the Department of Revenue • Apparel of any kind • Software or Software Subscriptions including Music Subscriptions. (Exceptions may be allowed with documented approval by Finance and ITS) • IT Related purchases of equipment (Exceptions may be allowed with documented approval by ITS) • Donations or sponsorships <p>*This checklist represents some of the most common things to look for but is not all inclusive. For a complete listing of prohibited purchases refer to the Purchasing Card Manual at www.lander.edu/about/offices-departments/procurement-services</p> <ol style="list-style-type: none"> 1) No Split Purchases 2) Proper Review and Signature 3) Purchases made from state contract vendors when possible 4) Deliveries only made to business address 		
<p>I hereby certify that I have reviewed the transactions and associated documentation for (cardholder) _____ and that any issues identified have been addressed in accordance with applicable policies and procedures.</p> <p>Liaison name (print): _____</p> <p>Liaison Signature: _____ Date: _____</p>		
<p>This completed form should be filed with the cardholder statement each month.</p>		