



P-CARD POLICY AND PROCEDURES

INTRODUCTION:

The P-Card is a procurement tool, which offers an alternative to the existing college procurement payment process and provides an efficient method to purchase and pay for consumable commodities of a low dollar value, as well as travel related expenses.

Only employees of the college who completed a P-Card Application/Change Form approved in its entirety may be permitted to receive a P-Card. All P-Card holders must attend a mandatory training session.

The P-Card is designed to simplify the process for the purchases and payment of goods and services related to college business only. Use of the card for personal purchases is strictly prohibited. While the P-Card is a procurement tool, it does not supersede established college procurement policies and procedures.

All P-Card purchases must adhere to the following policies and procedures:

- [Food Policy](#)
- [Gift Card and Merchandise Policy](#)
- [Procurement Policy](#)
- [Travel Policy](#)

Questions regarding the P-Card policy and procedures can be directed to the college P-Card Administrator, Kelleigh O'Hearn at kohearn@necc.mass.edu or x3929. Questions regarding college procurement policies and procedures can be directed to Beth Donovan at procurement@necc.mass.edu x3940.

TYPICAL PURCHASES:

- Books
- Travel
- Conference Registrations under \$1,000 (\$1,000 or more see P-Card administrator or designee for one-time transaction limit increase).
- Subscriptions
- General Supplies
- Permits/Fees/ Licenses

RESTRICTED BUSINESS/COMMODITIES:

The P-Card is not to be used for the following restricted commodities:

- Alcohol
- Cash
- Gift Cards
- Tuition
- IT Equipment

Please note: this is not intended to be a comprehensive list. Questions, should be directed to the P-Card Administrator.

No personal purchases are allowed.

GRANT ACCOUNTS:

Not all grant accounts are appropriate for P-Card use. Check with the Grants Manager for possible restrictions. P-Card applications against grant accounts must be approved by the Grant Manager.

CARD LIMITS:

All purchase transactions cannot exceed the \$999 (cost of goods, including all delivery, shipping and/or special handling charges) transaction limit or the monthly maximum limit of \$5,000 unless otherwise authorized. President and Vice Presidents may exceed these limitations.

However, it may be increased beyond the Maximum Limit if justified and approved by the P-Card Administrator, the CFO/COO and/or designee. Exception: Conference/memberships/ registrations over \$999 can be approved at the discretion of the P-Card Administrator or designee.

The cardholder may make multiple purchases from the same vendor in a single day, as long as the total of the combined purchases from the vendor does not exceed \$999. Transactions to the same vendor against a single card for a period of 24 to 48 hours that cumulatively exceed the \$999 single purchase limit are considered to be questionable. This is called Dovetailing; splitting up transactions in order to get around the card dollar limit parameters, which is prohibited.

Purchase transactions may not exceed the available budget in the org number assigned to the card and must be appropriate for that budget.

The authorization process occurs through an electronic system that supports the P-Card processing services under the college's agreement with US Bank. In addition the P-Card Administrator and Procurement Dept review transactions to monitor P-Card compliance.

Requests for permanent increase in limits must be submitted via a P-Card application change form.

TAX EXEMPTION:

As a general rule, the college is exempt from the Massachusetts sales tax on property and services purchased directly by the college and consumed in connection with college business. The authority for this exemption is contained in M.G.L., Chapter 64H, Section, 6(d), which provides an exemption for sales to agencies of the Commonwealth. The Massachusetts sales tax on meals is covered by a separate policy.

The tax-exempt number (999-089-547)* appears on the front of each P-Card. This number must be given to all vendors by the cardholder at the time of the transaction to exempt payment of MA state sales tax. If sales tax is billed incorrectly to the cardholders account, it is the responsibility of the cardholder to dispute the charge with the vendor.

If a vendor requires a tax exemption certificate, it is the responsibility of the cardholder to request the certificate from the P-Card administrator or the procurement dept. Use of the college's tax exemption number for personal purchases is strictly prohibited.

CARD REBATE AND REWARDS:

There may be times that college purchases may result in cash or cash-like incentives. The cash and/or

incentives are the property of the college and may not be used for personal gain. Examples of such incentives include, but are not limited to: rebates, gift cards, two-for-one purchases and spend rewards. The college recommends that cardholders not participate in these promotional offers. It is the responsibility of the cardholder's department to be assured that any monetary or cash incentive reward received as a result of an NECC purchase becomes the property of the college.

SHIPPING INSTRUCTIONS:

All items purchased using a college P-Card **MUST** be shipped to a college business address under no circumstances shall an item be shipped to a cardholder's home address.

RESPONSIBILITY FOR RECEIPT OF GOODS:

The cardholder is responsible for ensuring receipt of goods and follow-up with the vendor to resolve any delivery problems, discrepancies or damaged goods.

Make sure you save your documentation: Upon receipt of your goods, keep the documentation received from the vendor (typically a sales receipt or packing slip) for later reconciliation of P-Card transactions.

RESPONSIBILITY FOR RETURNING ITEM(S):

Item(s) should be returned directly to the vendor by whichever means the vendor requires. The cardholder is responsible to see that proper credit is posted for any returned item(s) and that evidence of the return is maintained.

HOW TO DISPUTE A TRANSACTION:

The cardholder is responsible for following up with the vendor for any erroneous charges, disputed items or returns within 7 days of receipt of the cardholder statement. A cardholder may dispute a charge that appears on his/her monthly credit card statement. The cardholder should contact the vendor first to resolve any outstanding issues. If the cardholder is unable to reach agreement with the vendor. The cardholder should report the problem to the college P-Card Administrator as soon as possible and dispute the transaction manually on the US Bank website or to call US Bank Customer Service at 1-800-344-5696.

LOST OR STOLEN CARD:

It is the responsibility of the cardholder to immediately report a lost or stolen P-Card. A cardholder must report a lost or stolen P-Card by phone directly to US Bank at 1-800-344-5696 and notify the P-Card Administrator at the time of the occurrence.

P-CARD SECURITY:

Only authorized cardholders and/or designee may use the P-Card. Cards and card numbers must be safeguarded by the cardholder against use by unauthorized individuals within or outside the college.

P-CARD AUDITS:

Periodic post audits may be performed of cardholder's P-Card accounts to determine compliance with policies and procedures. In the event a cardholder is contacted to supply additional documentation, it is solely the cardholders' responsibility, not support staff, to promptly gather and supply all information requested within 5 business days.

IMPROPER USE:

The P-Card represents the college's trust in you and your empowerment as a responsible employee of the college to safeguard and protect the college's assets. As a cardholder, you assume the responsibility for the protection and proper use of the P-Card.

The following situations are a few examples of "misuse" of the P-Card:

- Purchases using the P-Card for the sole benefit of the employee.
- Use of a P-Card by a suspended or terminated employee.
- Circumventing Procurement, Travel, Food, Grant policies.
- Use of P-Card to purchase restricted commodities.
- Use of P-Card in excess of available budget.
- Use of the P-Card after the expiration date of a grant or contract, or for purchase(s) that are inappropriate for the org charged.
- Failure to reallocate and approve transactions in timely manner
- Excessive amount of missing receipts

CONSEQUENCES OF MISUSE:

Misuse of the P-Card will be handled promptly for all cardholders. The following actions will be taken.

- A warning will be issued to the individual cardholder and Supervisor.
- The Supervisor will be advised of all instances of personal and administrative misuse, for appropriate action.
- Depending on the severity of misuse, disciplinary measures may include a reduction in the cardholder's authorization limits, the cancellation of the P-Card, or termination of employment.

REALLOCATION & RECONCILIATION OF STATEMENT:

When the goods are received, the cardholder shall save the supporting documentation (itemized sales receipt, cash register receipt, vendor order form, packing list, etc.) to upload into US Bank.

The P-Card program is paperless. All documentation related to a transaction must be uploaded and attached to the transaction. After the close of the statement the cardholder or designee must reallocate and approve all transactions within 10 days. The cardholder will reconcile the documentation to the monthly statement that can be viewed online at access.usbank.com and forward reallocated transactions to the appropriate approver. Once approved, the statement with documentation will be saved on the US Bank site.

Under no circumstances may the cardholder approve a statement without first obtaining all required supporting documentation. If documentation cannot be obtained a missing receipt form (attached) must be completed and uploaded with the transaction.

P-Card Approver/Supervisor or Designee: Additionally, each transaction must be reviewed by the designated approver. The approver must review all transactions for correct reallocation and supporting documentation. The approver must review each transaction which they are responsible for to ensure compliance with the P-Card Policy and Procedures.

P-CARD POLICY AND PROCEDURES

I have received and read the P-Card Policy and Procedures and attended the mandatory training provided by the P-Card Administrator. Furthermore, I understand that it is my responsibility to comply with all requirements outlined in the Policy and Procedures.

Employee's Signature

Employee's Name (Print)

Date

LOST/MISSING RECEIPT FORM

This form is to be used when an invoice, receipt, or other supporting documentation is misplaced or not received. Standard procedure is to submit the original receipt or invoice as supporting documentation for expenditures.

The purchaser should make every effort to obtain a receipt or other documentation to support NECC College expenses.

For lost air tickets, car rental and hotel receipts, a duplicate must be obtained and submitted with this completed form.

This affidavit is submitted in lieu of original receipt and attests:

- No original receipt for this expense is available
- I have attached a duplicate of this receipt if available, and proof of payment if applicable
- The expense was incurred on behalf of NECC business
- The item and amount of the expense are accurate
- No reimbursement of this expense has been or will be sought or accepted from any other source

Description of expense:

Amount: _____

Vendor: _____ Date of Receipt: _____

Claimant Signature _____ Date _____

Supervisor Signature _____ Date _____