

THE
UNIVERSITY
OF
MISSISSIPPI

SMALL
PURCHASE
PROCUREMENT
CARD
PROGRAM

USER'S GUIDE

REVISED NOVEMBER 2019

KEY CONTACTS – WHO TO CALL

FOR GENERAL INFORMATION ON CARD USAGE, CARDHOLDER AGREEMENTS,
POLICIES AND PROCEDURES:

First contact your Departmental Card Administrator:

Dept. Card Administrator: _____
Phone Number: _____

Other contacts for questions concerning the Procurement Card Program:

Ms. Shelley Morrison
University Procurement Card Administrator
Phone: 915-7449
E-mail: smorriso@olemiss.edu

Ms. Rachel Bost
Director of Procurement Services
Phone: 915-7044
E-mail: rbost@olemiss.edu

TO REPORT A LOST OR STOLEN CARD:

IMMEDIATELY CALL

1-888-934-1087

When reporting a lost or stolen card to Regions Bank, inform them that this is a
“Procurement Card”

HOW THE PROCUREMENT CARD PROGRAM WORKS

THE PROCUREMENT CARD PROGRAM

The Procurement Card Program provides users in departments with a Visa credit card to use in making allowable, small dollar commodity purchases for University business. All charges are the liability of the University. This credit card is basically used as you use a personal credit card.

- Identify a needed purchase.
- Make sure it is an allowable purchase under the procurement card rules and grant terms that may apply.
- Order or purchase goods from the vendor using the credit card.
- Obtain an itemized receipt showing what was bought.
- Verify the charge on the weekly e-mail.
- Notate any changes on the printed e-mail.
- Post the document if SAP end user.
- Forward the printed email, complete with changes and attached receipts, to the Office of Procurement Services for approval.
- Procurement Services will post documents for those without SAP.
- Procurement Services will file all documentation.

Differences between the Procurement Card and a Personal Credit Card:

This credit card is used like a personal credit card; however, as a procurement card, there are differences that you should also be aware of:

- The department is liable for all charges made on a card before that card is reported as lost or stolen to Regions Bank.
- There is no personal liability on the card unless you violate the terms of card use by making a personal purchase.
- Each card has limits which are specified by the Department for each Cardholder. These are transaction and cycle period dollar limits and number of transactions allowed per cycle.
- Transactions are downloaded weekly to the University.
- The transactions on the Procurement Card are billed directly to the University and a monthly statement is sent for each credit card account. The University pays Regions Bank once a month for all charges made by every Cardholder. The merchant is paid by Visa within 48 hours of when the merchant gives/transmits the transaction to Visa.
- Departmental accounts are debited for the amount of each transaction as specified on the weekly email.

HOW THE PROCESS WORKS

Described below are six simple steps to using the Procurement Card to make and account for purchases. Some steps obviously have to be done by the Cardholder. Other steps will be done by the Departmental Card Administrator, the Approving Official, or a support staff person, depending upon how your department has designed its procedures. Regardless of who does what, each of the following must be done.

1. Make a purchase.
Many of your purchases will be done in person at a store. However, you can also make purchases over the phone or the internet. Departments who have departmental cards rather than individual cards will have to sign the cards out for use. It is highly recommended that you keep a log of your purchases, especially if using a departmental card. An example is provided.
2. Receive the goods and obtain a detailed receipt.
For purchases made at a store, obtain a detailed receipt at the time of purchase. Goods ordered by phone or internet will be received in the mail or by freight. Every purchase has to be documented with a receipt which will usually come in one of three forms – standard store receipt, packing slip or order form. Cardholders should ask the merchant to include an itemized invoice with the packing slip. This is not an invoice to be paid, but provides the itemized breakdown of the cost of all goods shipped. All receipts must contain the following information:
 - Vendor identification
 - Date purchase was made
 - A description of each item purchased
 - Total cost of each item purchased
 - Partial Card number
3. Verify the goods received are what was ordered.
This is necessary only for goods received in the mail or by freight carrier. Work with the vendor to correct any problems with the goods received.
4. Verify that all charges on the weekly billing email are correct.
Every Monday morning the University downloads all of the Visa transactions that posted the prior week. A SAP document is then created and parked for each Visa account with transactions. For each SAP document, an email is sent to the appropriate departmental card administrator. The email includes the SAP document number, instructions, and lists the G/L account, cost center/internal order, purchase date, purchase amount and vendor for each transaction. Example emails are included in this guide. Print the email. Use your receipts or purchase log to verify that all charges on the email are correct. File a dispute form for any charges in error. This form can be obtained from the University Procurement Card Administrator.

5. Notate any changes on the printed email and post, if applicable. When the SAP document is created, funds are encumbered against the default cost center/internal order and G/L account designated by the Cardholder. If a transaction should be charged to another University account or to another G/L account, the change should be notated on the printed email. Transactions may be split between multiple University accounts and multiple G/L accounts. If no changes are necessary, write "No Changes" on the printed email. If you have the appropriate SAP authorizations, change and post your parked document. Notate the date posted on the printed email. Staple all receipts and documentation to it and forward to the Office of Procurement Services by Friday of the same week.

It is imperative that all documentation is sent to the Office of Procurement Services on a timely basis. The University is required by the State of Mississippi to maintain an original record of any expenditure of public funds. Therefore, the Office of Procurement Services cannot post a procurement card document without proper documentation, namely itemized receipts. Because the University can not pay the bank for its monthly charges until all documents for that particular month have been posted, one delinquent department can prevent payment for the entire University. Therefore, the following policy has been established.

- A. On Monday of the first week, an email is sent to the departmental administrator. On Friday of the same week, the printed email and all related receipts are due in the Office of Procurement Services.
- B. On Monday of the second week, a reminder will be sent to the departmental administrator for all documents that have not been received.
- C. On Friday of the second week, a temporary hold will be placed on all delinquent accounts. **The card will remain on hold for a period of 30 days from the date the document and all related receipts are received.** A notice of this hold will be sent to the departmental administrator as well as his/her department head.
- D. On Monday of the fourth week if documentation is still outstanding, the account will be closed. Once the documentation is received, there will be a 90-day waiting period before the department may petition to have its account reinstated.

If a department's VISA account is placed on hold (3) three different times, their card will be suspended for (90) ninety days. The department will have to petition to have their card reinstated at the end of the ninety-day period. Procurement Services must be contacted if there are unforeseen circumstances causing a delay in the processing of a department's VISA document, so that problems may be addressed before an account is placed on hold.

When documentation is not going to be available in the time allowed and a diligent effort has been made to obtain it, contact the Office of Procurement Services as soon as possible. It is extremely important that departments keep the lines of communication open when they are unable to meet the document deadline. We will always try and work with the department if the vendor does not do their part by supplying the necessary paperwork. Inability to find the time to process the document is not an acceptable excuse.

Furthermore, **it is also extremely important that the correct G/L account be assigned to each transaction.** The University's accounting system is based on these account assignments. The proper use of these codes is imperative for accurate budgeting and reporting. Repeated failure to correct these accounts may lead to the denial of future use of the procurement card. A complete list of the G/L accounts can be found on the Internet. The address is <http://www.olemiss.edu/depts/procurement/glcoding.pdf>.

The following are some of the more frequently used codes for commodities:

- 56110 – Printing
- 56130 – Office Supplies – Campus Bookstore
- 56135 – Office Supplies – Other
- 56140 – Purchased Instructional Materials
- 56480 – Expendable Equipment

6. File weekly email and receipts.

Copies of the email and receipts should be retained in departmental files. After review and approval, Procurement Services will post all SAP documents that could not be posted by the department. Procurement Services will file all documentation so that it is easily retrieved upon the request of the auditor or other official persons.

CHALLENGES YOU NEED TO BE AWARE OF

Need for invoices listing individual pricing for items purchased with one transaction.

- Lack of an invoice causes problems in allocating the transaction to multiple accounts and in partial returns.
- Have your Cardholders ask that the vendor include an itemized invoice in the delivery along with the packing slip, or ask the vendor to fax you an itemized invoice.
- It may become difficult to match the documentation to the transaction on the cardholder statement when volume is heavy on any one day, by the same Cardholder, to the same vendors.

Proof of tax exemption is needed.

- Lack of tax exemption proof causes a delay in the order or taxes to be charged on the transaction.

- If a vendor asks for proof of tax exemption before the order is placed, send the vendor a copy of the letter of verification included in this guide.
- Some vendors require a federal tax id number. The University's number is 64-6001159.
- If the vendor charges taxes, you must contact the vendor for a credit. This is the cardholder's responsibility.

DEPARTMENTAL PROCUREMENT CARD SIGN OUT SHEET

FOR DEPARTMENT: _____

FOR CARD ACCOUNT: _____

[illegible]

BOTH TYPES OF RECEIPTS ARE NECESSARY. SUBMITTED ALONE, THEY ARE NOT SUFFICIENT DOCUMENTATION.

EXAMPLE

PITNER OFFICE SUPPLY, INC.

P.O. Box 1161
1714 University Ave., Suite B
OXFORD, MS 38655
Phone 234-0062

PITNER OFFICE SUPPLY
1714 UNIVERSITY AVE
SUITE B
OXFORD MS 38655
602-234-0062

BATCH: 124
S-A-L-E-S D-R-A-F-T
74853502
010106102159

REF: 0003
CD TYPE: VISA
TR TYPE: PURCHASE
DATE: JUL 01, 02 10:17:52

TOTAL \$13.65*

EXP: 02/09

*** IMPRINT CARD ***

CARDMEMBER ACKNOWLEDGES RECEIPT OF GOODS
AND/OR SERVICES IN THE AMOUNT OF THE
TOTAL SHOWN HEREON AND AGREES TO PERFORM
THE OBLIGATIONS SET FORTH BY THE
CARDMEMBER'S AGREEMENT WITH THE ISSUER

THANK YOU

TOP COPY-MERCHANT BOTTOM COPY-CUSTOMER

Customer's Order No. 6-28 20 02					
Sold To U. of Miss. Somerville 109					
Address					
Phone:					
Ship To					
Address					
SOLD BY	CASH	CHARGE	C.O.D.	VIA	<input type="checkbox"/> PREPAID <input type="checkbox"/> COLLECT
✓	QUANTITY	DESCRIPTION	PRICE	AMOUNT	
1	1	by lhr 56002 badge holders 083		13.65	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14			TAX		
15			TOTAL		13.65
All claims and returned goods MUST be accompanied by this bill.					
0073501 Rec'd By					

GSD-204-3
PRINTED IN U.S.A.



Thank You

EXAMPLE

Date: Mon, 1 Jul 2002 09:30:19 -0500 (CDT)
From: account statements <visainfo@umprd.olemiss.edu>
Subject: Visa Report /usr/sap/PRD/SYS/global/F-65VISA.DAT
X-MailScanner: Found to be clean
X-DPOP: Version number suppressed

FOR BEST VIEWING RESULTS, CHANGE SCREEN FONT TO COURIER NEW, SIZE
9 AND EXPAND E-MAIL WINDOW TO FULL SIZE.

Document 0086010377 has been created for VISA account SCOTT NOSS 5372 .
Please review the following VISA transactions for accuracy. Print this email. Notate
any changes on the printed email. If no changes are necessary, write "No Changes" on
it. Change and post the parked document. Notate the date posted on the printed
email. Staple all receipts and documentation to it. Send it to Shelley Morrison in
Procurement Services. This documentation must be received in Procurement Services
no later than Friday of this week.

G_L_ACCOUNT	COSTCENTER	PURCHASEDATE	PURCHASE AMOUNT	VENDOR
56490	211127010A	06/25/2002	12.74 +	WAL MART , OX
56490	211127010A	06/20/2002	18.02 +	HMSHOST-JAN

WITH SAP

Date: Tue, 9 Jul 2002 13:31:41 -0500 (CDT)
From: account statements <visainfo@umprd.olemiss.edu>
Subject: Visa Report /usr/sap/PRD/SYS/global/f-65VISAR.DAT
X-MailScanner: Found to be clean
X-DPOP: Version number suppressed

FOR BEST VIEWING RESULTS, CHANGE SCREEN FONT TO COURIER NEW, SIZE
9 AND EXPAND E-MAIL WINDOW TO FULL SIZE.

Document 0086000039 has been created for VISA account LARRY MCCAY 6568 .
Please review the following VISA transactions for accuracy. Print this email. Notate
any changes on the printed email. If no changes are necessary, write "No Changes" on
it. Staple all receipts and documentation to the printed email. Send it to Shelley
Morrison in Procurement Services. This documentation must be received in
Procurement Services no later than Friday of this week.

G_L_ACCOUNT	COSTCENTER	PURCHASEDATE	PURCHASE AMOUNT	VENDOR
56490	121127701A	07/02/2002	41.98 +	BOOKMART-OXFOR
56490	121127701A	07/03/2002	129.98 +	PITNER OFFICE S

WITHOUT SAP

Letter Ruling

Received

NOV 04 2016

Procurement Services

—DEPARTMENT OF—
REVENUE
STATE OF MISSISSIPPI



000000045 01 SP 0.465 01694 1 45

|||||

JEANNINE M. WALTERS, PROCUREMENT SERVICES
UNIVERSITY OF MISSISSIPPI THE
PO BOX 1848
UNIVERSITY MS 38677-1848

Date: October 21, 2016
Letter ID: L1596925312

Reference: Sales Tax Exemption
Letter Ruling Number: 16-0387

This is in response to your letter dated October 18, 2016, requesting that the Mississippi Department of Revenue provide a ruling regarding the University of Mississippi's exemption from MS sales and use tax. Your request has been assigned the letter ruling number listed above. Please use this number in any further correspondence with the DOR concerning this request.

After a search of the applicable statutes, this is to confirm that the University of Mississippi does qualify for sales tax exempt status pursuant to Miss. Code Ann. §27-65-105(b). This Section provides that sales to schools, when such schools are supported wholly or in part by funds provided by the State of Mississippi, provided that this exemption does not apply to sales of property which is not to be used in the ordinary operation of the school, or which is to be resold to the students or the public are exempt from sales taxes. As a prerequisite to exemption, the sale of property or charge for services must be sold directly to, billed directly to, and paid for directly by the exempt entity.

This exemption does not apply to sales of tangible personal property or services to contractors purchased in the performance of contracts with the exempt entity, nor the employees of the exempt entity, although the contractor or employee may be reimbursed for the expense by the exempt entity. Furthermore, this exemption does not apply Contractors Tax levied by Miss. Code Ann. §27-65-21.

You may use a copy of this letter in order to substantiate the University of Mississippi's exempt status. I trust that this is the information you were requesting. Should you have any additional questions, feel free to contact this office at (601) 923-7015.

Under Miss. Code Ann. §27-65-85(a), it shall be unlawful for any person to use an exemption authorized under the Sales Tax laws for the purpose of avoiding the payment of tax the person is required to pay by law. Any person violating this provision shall be guilty of a misdemeanor and, on conviction thereof, shall be fined not more than Five Hundred Dollars (\$500.00), or imprisoned not exceeding six (6) months in the county jail, or punished by both such fine and imprisonment, at the discretion of the court.

This letter ruling is based on the specific facts and circumstances that you communicated to the DOR. This ruling is not binding on the DOR if these facts and circumstances are inaccurate, contain a material omission of a relevant fact or facts to the issue(s) presented or if such facts and circumstances change. This letter ruling is also only valid for seven (7) years from the date of this letter. At the end of this seven (7) year period, you are free to update your information and request another letter ruling if you wish. This ruling is only applicable to you or to your client if you are requesting this ruling on behalf of another and can only be relied upon by the person for whom the ruling was requested.

If the facts and circumstances presented in your request are accurate, complete and do not change for the seven (7) year

Received

NOV 04 2016

Date: October 21, 2016

Letter ID: L1596925312

Procurement Services

period indicated above, the person for whom it was requested can rely upon this ruling unless and until there is a change in the law or regulation or the issuance of judicial decision that indicates the ruling is no longer correct or the DOR retracts the ruling. The DOR does reserve the right to retract this ruling if it later determines on its own review that the ruling is incorrect. Such retraction will be in writing and the effect of the retraction will be prospective from the date of the retraction letter.

Sincerely,

Erica Willis

(601) 923-7022

Mississippi Department of Revenue

USE OF THE PROCUREMENT CARD

The following are the minimum conditions/instructions/limitations required for all transactions utilizing The University of Mississippi Small Purchase Procurement Card:

1. No procurement card transactions may exceed \$5,000.00.
2. State contract items shall not be purchased using the procurement card unless the contract vendor is being used. A list of mandatory state contracts can be found at <http://www.dfa.ms.gov/dfa-offices/purchasing-travel-and-fleet-management/purchasing-and-travel/contracts/>
3. No personal use of the procurement cards will be authorized or allowed. Based on apparel guidelines set forth by the Internal Revenue Service (IRS) clothing items (monogrammed polos, khakis, shoes, etc) are not to be purchased using any university funds, unless:
 - A. The employee must wear the clothes as a condition of employment.
 - B. The clothes are not suitable for everyday wear.
 - C. The University retains the clothing after termination of employment.
4. No ATM cash withdrawals will be allowed on the procurement card.
5. Only in-stock, immediate deliver items may be purchased. NO BACK ORDERS. Verify phone orders are in stock and ready for immediate shipment.
6. Orders must be invoiced ONLY at or after the date of shipment. An example recordkeeping log is provided for your convenience.
7. Procurement card purchases are exempt from Mississippi state and local taxes.
8. All purchases are to be made within the limits set and available budget authority.
9. All equipment purchased must be either shipped or brought, along with the invoice, to Central Receiving so that property barcodes can be placed on the equipment items. Then the barcode number must be written on the VISA document and the purchase must be coded with the correct g/l code when posting the VISA document. Failure to include the barcode number will render your document incomplete and subject to suspension. A list of exception items is provided.
10. The procurement card shall not be used for travel and travel related expenses, but may be used for allowable food purchases if a detailed itemized receipt, list of persons attending, and the purpose of the meal are provided. **Alcoholic beverages are not an allowable expense.** The tip shall not exceed 20% (unless mandated by the restaurant) of the pre-tax amount. The average cost per person

should not exceed \$35.00. If the average cost per person exceeds \$35.00, the VISA document must be approved by the Provost or appropriate vice chancellor.

11. No fuel for vehicles.
12. The procurement card shall not be used for the payment of personal/professional services of a consultant/contractor/individual as these must be processed on an electronic Form 13.
13. The cardholder should obtain itemized transaction receipts from the merchant for each use of the card.
14. The cardholder should ensure that the prices paid are fair and reasonable.
15. All items purchased are required to be for bona fide University purposes.
16. The cardholder should ensure that surcharges (processing fees) are not charged on the procurement card. During the 2013 Legislative Session an amendment to MS code 31-7-9 was passed which states that a vendor shall not impose a surcharge on a buyer who uses a state-issued credit card, procurement card, travel card, or fuel card.

What does this mean for the procurement card users? Simply stated it means, that a vendor cannot charge a surcharge when you are making a purchase with the procurement card. You will need to inform the vendor of this new amendment if they impose the surcharge. If a vendor is not willing to comply, please inform them they are breaking Mississippi state law and if they insist on imposing a surcharge, please use another vendor.

Property Exceptions

Summary/Purpose: The University is required to maintain a complete and current inventory list of each property item that costs \$1,000 or more unless the items purchased fall within the groups listed below. These exception items will be reported as equipment:

Regardless of their purchase value

- Weapons
- Two-Way Radio Equipment
- Lawn Maintenance Equipment
- Cellular Telephones
- Chain Saws
- Air Compressors
- Welding Machines
- Generators
- Motorized Vehicles

Only if purchase value is \$250 and greater

- Cameras and Camera Equipment
- Televisions
- Computers and Computer Equipment
 - includes computer systems, printers and external hard drives
 - includes wireless devices such as tablets (i.e., Apple iPads), e-Readers (i.e., Amazon Kindles, B&N Nooks), and music/media players (i.e., Apple iPods)
 - does not include monitors purchased separately and GPS systems

Inventory Requirements

Summary/Purpose: State requirements for inventory items.

1. Primary Inventory

Primary inventory includes all equipment purchases of \$1,000.00 or more ([and all exception items](#)) that are required to be numbered and included on the property inventory list of any department and reported to the State Property Office. It is the responsibility of the University Property Office to attach labels to all primary inventory items in areas where they can be readily seen without having to move the item for identification. It is the responsibility of the department chairperson or his/her designee to assist the Property Office in identifying and labeling these items.

2. Secondary Inventory

Secondary inventory includes all other equipment, furniture, etc., costing less than \$1,000.00 and not required to be included on the departmental equipment inventory. These items will be identified with a red label stating "Property of The University of Mississippi". Although these items are not accounted for through the State Property Office, department chairs are responsible for keeping up with this equipment and should use the same procedures when loaning or disposing of these items.

Effective January, 2011

LIMITING LIABILITY

The department is liable for:

- All charges made on a card before that card is canceled or reported as lost or stolen to Visa.
- All unallowable purchases, per the terms of your grant(s), made against accounts.
- All unallowable purchases as described within this User's Guide.

The department has responsibilities and decisions that will effect exposure to liability. These responsibilities and decisions are:

- Educate your cardholder to IMMEDIATELY report a lost or stolen card.
- Educate your cardholder to keep the card secure.
- Educate your cardholder to review their transactions on their statement.
- Assign appropriate card limits per cardholder needs.
- Choose responsible cardholders.
- Use caution when placing orders over the Internet.
- If you choose to have departmental rather than individual cards, make sure employees properly sign out the cards and return them promptly. An example sign out sheet is provided.
- Choose a departmental card administrator that is familiar with what is and isn't an allowable purchase, status of funding, etc.

VIOLATIONS AND CONSEQUENCES

Below are the 5 types of Cardholder violations and an explanation of what is an appropriate consequence for a specific violation. **The department as well as the Office of Procurement Services has the authority to cancel a card at any time.**

1. PERSONAL PURCHASE(S)

Definition:

A personal purchase is anything that is not purchased for use and ownership by the University.

Violation:

It is a cardholder violation to make ANY personal purchases or transactions with the Procurement Card or any other purchase method. It is against the law to use government funds, state or federal, to purchase items for personal use. Even though the Cardholder may have paid the University back, or intends to pay back the amount of the purchase, it may be considered a fraudulent act.

Consequence:

The University must be reimbursed immediately for the amount of the personal purchase. The Card may be canceled. Any violation of this policy may be investigated and could result in termination and/or criminal prosecution. In the event of willful or neglectful default of these obligations, the University shall take any recovery action deemed appropriate, that is permitted by law.

2. CASH OR CASH TYPE TRANSACTIONS

Definition:

Cash, cash in addition to purchase, cash in lieu of credit to the account, travelers checks, money orders, gambling, ATM transactions, etc.

Violation:

A cash or cash type transaction made using the Procurement Card (this includes accepting cash rather than credit for returned items).

Consequence:

Card may be canceled and any violation of this policy may be investigated and could result in termination and/or criminal prosecution. In the event of willful or neglect default of these obligations, the University shall take any recovery action deemed appropriate, that is permitted by law.

3. SPLIT PURCHASES

Definition:

Split transactions are defined as single items costing more than \$5,000.00 which are split between multiple transactions to circumvent the \$5,000.00 limit.

Violation:

A split purchase is defined above.

Consequence:

Card may be revoked and the Cardholder will be required to obtain further training before the card is reinstated.

4. INAPPROPRIATE PURCHASES

Definition:

Any purchase that is a violation as set forth in this guide, the purchasing policies and procedures of the University or State of Mississippi purchasing regulations. The Procurement Card should never be used for employee travel or personal/professional services that should be processed on a Form 13 or any other purchases not allowed by the intent and purpose of the Procurement Card Program shall be allowed.

Violation:

Purchase of any inappropriate items or services on the Procurement Card.

Consequence:

Any violation of this policy may be investigated and could result in termination and/or criminal prosecution. At a minimum, the Cardholder will receive a warning and may be required to obtain additional training on use of the program. Chronic abuse may result in cancellation of the card and will be investigated as a personal purchase.

5. FAILURE TO PROVIDE SUPPORTING DOCUMENTATION

Definition:

Each transaction on the Procurement Card must be represented by an itemized receipt or other acceptable means of documentation that verifies the date of purchase, the vendor or merchant name, each item purchased and the price of each item.

Violation:

Lack of supporting documentation for every transaction is a cardholder violation.

Consequence:

Any violation of this policy may be investigated and could result in termination and/or criminal prosecution. Human error and patterns of chronic abuse will be considered. At a minimum, the Cardholder will receive a warning and may be required to obtain additional training on use of the program. Chronic abuse may result in cancellation of the card and will be investigated as a personal purchase.

DEPARTMENT SET UP AND RESPONSIBILITIES

The Department must complete the following steps in order to participate in the Procurement Card Program:

1. *Designate a Departmental Card Administrator.* This individual will act as a liaison for the Department by dealing with the cardholders, vendors or merchants, the University Procurement Card Administrator, the Office of Procurement Services, Visa and Regions Bank. He/She will be responsible for all aspects of the Procurement Card Program for the Department such as receiving the weekly email, adding cardholders, destroying the cards of terminated employees, forwarding receipts and other documentation to the Office of Procurement Services, maintaining departmental files, etc. In addition, the Departmental Card Administrator will have access to cardholder account security information and is responsible for the confidentiality of this information.
2. *Define Documentation and Process Flow.* This includes sign out sheets for departmental cards, a log of orders made on-line or by phone, flow of invoices from time of receipt to filing, etc. Examples of forms which may be used are included.
3. *Define your Hierarchy.* Supply an "organizational chart" showing your Cardholders, Departmental Card Administrator, Department Head, etc. A sample hierarchy chart for a department is included. The nine-level hierarchy in this sample must be followed by all departments. If a level does not apply to you just type "none" in that block.
4. *Complete the Cardholder Information Sheet.* This form must be completed for each purchasing card account. If duplicate cards are desired, please note how many at the top of the form. An example as well as an original form is included.
 - A. EMPLOYEE NAME (maximum 40 characters) – This will be a permanent employee of the University, either the individual cardholder's name or the individual responsible for the Department's card; either way an individual employee's name must be filled in at this point. The employee's name will be printed on the card.
 - B. BUSINESS TELEPHONE NUMBER – This is the employee's University telephone number.
 - C. EMPLOYEE ID NUMBER – This will be the employee's University employee identification number.
 - D. DATE OF BIRTH – This will be the employee's date of birth.

- E. TEXT ON CARD – This will be printed on the second line of the card. This is usually the name of the department, program, grant, etc.
 - F. SINGLE TRANSACTION LIMIT – This is to set a dollar limit for each single purchase. It is not to exceed \$5,000.00 as is stipulated by the purchasing laws of the State of Mississippi. However, department heads may establish lower limits for their employees.
 - G. MONTHLY SPENDING LIMIT – This sets a dollar limit per billing period for each purchasing card account. This field cannot be left blank. Remember, the cardholder will not be able to charge more purchases on the account during the billing period once the limit is met. You will need to adequately gauge the dollar amount of purchases that will be made during any one period of the year and not set a limit below your highest spending cycle.
 - H. COST CENTER – This is to assign a default cost center or internal order for each card. When the weekly SAP document is created, funds will be encumbered against this University account. However, the departmental administrator will have an opportunity to change accounts before the document is posted.
 - I. G/L NUMBER – This is to assign a default G/L account. G/L account 56490, Other Supplies and Materials, will be used unless another account is assigned here. When the weekly SAP document is created, funds will be encumbered against this G/L account. However, the departmental administrator will have an opportunity to change it to the correct G/L account before the document is posted.
 - J. DEPARTMENT NAME – This is the name of the employee's department.
 - K. EMPLOYEE SIGNATURE – The employee must sign and date.
- 5. *Read and Sign the Cardholder Agreement.* This form must be signed by the Cardholder, the Departmental Card Administrator and the Department Head. It should be attached to the corresponding Cardholder Information Sheet. Please include email addresses and phone numbers. An example as well as an original form is included.
 - 6. *Prepare Filing System.* The department will need to prepare a filing system for the weekly billing emails and supporting documentation, copies of cardholder agreements, information sheets, forms used in the program, etc. Departments should not rely on Procurement Services for copies of this documentation.

7. *Attend Participant Training Program.* Departments that participate in the Procurement Card Program should send appropriate departmental representatives to training sessions. It is required that the Departmental Card Administrator and the Card Holder attend the training so that he/she will be aware of the guidelines. The Office of Procurement Services will make these sessions available. An overview of the program and its policies and procedures will be presented.
8. *Forward the Implementation Packet Information to the University Procurement Card Administrator in the Office of Procurement Services.*

THE UNIVERSITY OF MISSISSIPPI
 (DEPARTMENT NAME)
 PROCUREMENT CARD HIERARCHY CHART

EXAMPLE

CHANCELLOR DR. JEFFREY VITTER	LEVEL 1
PROVOST DR. MORRIS STOCKS	LEVEL 2
VICE CHANCELLOR FOR ADMINISTRATION AND FINANCE LARRY SPARKS	LEVEL 3
NONE	LEVEL 4
NONE	LEVEL 5
NONE	LEVEL 6
DIRECTOR OF PROCUREMENT SERVICES JAMES R. WINDHAM	LEVEL 7
DEPARTMENTAL CARD ADMINISTRATOR SHELLEY MORRISON	LEVEL 8
AIRCRAFT POOL SCOTT NOSS	LEVEL 9

THE UNIVERSITY OF MISSISSIPPI

PROCUREMENT CARD HIERARCHY CHART

CHANCELLOR DR. GLENN BOYCE	LEVEL 1
PROVOST DR. NOEL WILKIN	LEVEL 2
	LEVEL 3
	LEVEL 4
	LEVEL 5
	LEVEL 6
	LEVEL 7
DEPARTMENTAL CARD ADMINISTRATOR	LEVEL 8
CARDHOLDER	LEVEL 9

EXAMPLE

Regions Purchasing Card Cardholder Registration Form

Cardholder Information				
Employee Name	Scott Noss		Company Name	University of Mississippi
Business Telephone Number	(662) 915-7449		Company Contact	Shelley Morrison
Employee ID #	000-00-1234		Address	P. O. Box 1848
Date of Birth	06/01/1975		City, State, ZIP Code	University, MS 38677-1848
Email Address	snoss@olemiss.edu		Telephone #	(662) 915-7449
Statement Mailing			Purchase Limits	
Text on Card/4 th Line	Aircraft Pool		Single Transaction	\$5000 Monthly Limit \$6000
Mailing Address	P. O. Box 1848		Cash Advance	\$ *Card Expiration
City	University		Velocity Limits	
State	MS		Daily	
ZIP Code	38677-1848		Monthly	
Ledger				
Cost Center	100222333A	(M) G/L Number 56490	(H) G/L Number	
Department Name	Aircraft Pool			Employee ID #
Signatures				
Employee (Print) Scott Noss	(Sign)	<i>Scott Noss</i>		Date 7/1/14
Approving Mgr. (Print) James Windham	(Sign)	<i>[Signature]</i>		Date
TO BE COMPLETED BY BANK (Please print or type)				
Bank Name: REGIONS				
<input type="checkbox"/> Special Handling Code				
Corp: DG	BIN: 471575	Prod/Sub-Prod: PUR 001	Type Prod: 10	Com Ind: I
Company #:	Inv Freq:	Central Bill Account #:		
Card Type: V	Inst ID:	# Cards: 1	Cred Assoc 9	Annual Fee:
Bill Day:	Bill Code:	Diversion Account #:	SECR CD SPACE THRU	
Rpt Level Ind:	Rpt Hierarchy:	Auth Level Ind:	Auth Hierarchy ID:	
MCC Group:	MCC Equal Ind:	Single Txn Limit Amount:	G/L Sub Account:	Cost Center:
Daily Spend Limit Amount:	Monthly Spend Limit Amount:	Employee ID:	Fee Frequency:	
FI Approval:			Date:	
Hierarchy		Central Bill Information		
Level:		Department:		
ID:		Central Bill: <input type="checkbox"/> NEW <input type="checkbox"/> Existing (Account #)		

*Required only if desired expiration date is less than the default (1 year)



Regions Purchasing Card Cardholder Registration Form

Cardholder Information				
Employee Name		Company Name		
Business Telephone Number		University of Mississippi		
Employee ID #		Company Contact		
		Shelley Morrison		
Date of Birth		Address		
		P. O. Box 1848		
Email Address		City, State, ZIP Code		
		University, MS 38677-1848		
		Telephone #		
		(662) 915-7449		
Statement Mailing		Purchase Limits		
Text on Card/4 th Line		Single Transaction	\$	Monthly Limit \$
Mailing Address	P. O. Box 1848	Cash Advance	\$	*Card Expiration
City	University	Velocity Limits		
State	MS	Daily		
ZIP Code	38677-1848	Monthly		
Ledger				
Cost Center		(M) G/L Number	(H) G/L Number	
Department Name		Employee ID #		
Signatures				
Employee (Print)		(Sign)	Date	
Approving Mgr. (Print)		(Sign)	Date	
TO BE COMPLETED BY BANK (Please print or type)				
Bank Name: REGIONS				
<input type="checkbox"/> Special Handling Code				
Corp: DG	BIN: 471575	Prod/Sub-Prod: PUR 001	Type Prod: 10	Com Ind: I
Company #:	Inv Freq:	Central Bill Account #:		
Card Type: V	Inst ID:	# Cards: 1	Cred Assoc 9	Annual Fee:
Bill Day:	Bill Code:	Diversion Account #:	SECR CD SPACE THRU	
Rpt Level Ind:	Rpt Hierarchy:	Auth Level Ind:	Auth Hierarchy ID:	
MCC Group:	MCC Equal Ind:	Single Txn Limit Amount:	G/L Sub Account:	Cost Center:
Daily Spend Limit Amount:	Monthly Spend Limit Amount:	Employee ID:	Fee Frequency:	
FI Approval:			Date:	
Hierarchy		Central Bill Information		
Level:		Department:		
ID:		Central Bill: <input type="checkbox"/> NEW <input type="checkbox"/> Existing (Account #)		

*Required only if desired expiration date is less than the default (1 year)



EXAMPLE

UNIVERSITY OF MISSISSIPPI PROCUREMENT CARD PROGRAM CARDHOLDER AGREEMENT

The cardholder shall sign a statement verifying that he/she has read these minimum requirements and any additional policies or procedures established by the University and that it is understood he/she will be personally liable for any purchase that is made which is not in compliance with these procedures; and in addition to being responsible for any such charges, the cardholder may lose the privilege of using the procurement card and may face disciplinary action.

The following are the minimum requirements for use of the Small Purchase Procurement Card.

The cardholder shall:

1. Assure that the items purchased are required for bona fide University purposes.
2. Assure that the prices paid are fair and reasonable.
3. Notify the merchant that the purchase is being made in the name of a government entity which is exempt from state and local taxes.
4. Be responsible for obtaining transaction receipts from the merchant or vendor each time the Procurement Card is used and forwarding receipts and documentation to Procurement Services.
5. Assure that all items are received (no back orders allowed).
6. Assure that no state contract items are purchased unless purchasing from the contract vendor.
7. Assure that purchases are within the limits set and available budget authority.
8. Assure that the Procurement Card is not used for travel and travel related expenses.
9. Assure that no personal/professional services of a consultant/contractor/individual are purchased with the card.
10. Assure that no cash advances are made with the card.
11. Assure that any equipment purchased is shipped/brought to Central Receiving, along with a copy of the invoice, so that property barcodes can be placed on the equipment.

The undersigned requests that a Procurement Card be issued for their department/departmental applicant with the understanding that the department is liable for all charges made on the card before that card is reported as lost or stolen to Regions Bank. The departmental applicant has read the above agreement and the University of Mississippi Procurement Card Program User's Guide and agrees to be bound by their terms and conditions. The signature of the departmental applicant authorizes the amount of any inappropriate items purchased with the Card to be withheld from any compensation due from the University (for example, semi-monthly pay). Also, the undersigned substantiates that the Cardholder Information on the attached is correct and within their authorization to approve for use.

Scott Hoss 7/8/15
Departmental Applicant Date

Email: snoss@olemiss.edu

Phone: 915-7449

Rachel Bost 7/8/15
Department Head Date

Email: rbost@olemiss.edu

Phone: 915-7448

Shelley Morrison 7/8/15
Departmental Card Administrator Date

Email: smorriso@olemiss.edu

Phone: 915-7449

UNIVERSITY OF MISSISSIPPI
PROCUREMENT CARD PROGRAM
CARDHOLDER AGREEMENT

The cardholder shall sign a statement verifying that he/she has read these minimum requirements and any additional policies or procedures established by the University and that it is understood he/she will be personally liable for any purchase that is made which is not in compliance with these procedures; and in addition to being responsible for any such charges, the cardholder may lose the privilege of using the procurement card and may face disciplinary action.

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4. Be responsible for obtaining transaction receipts from the merchant or vendor each time the Procurement Card is used and forwarding receipts and documentation to Procurement Services.
5. Assure that all items are received (no back orders allowed).
6. Assure that no state contract items are purchased unless purchasing from the contract vendor.
7. Assure that purchases are **within the limits set** and available budget authority.
8. Assure that the Procurement Card is not used for travel and travel related expenses.
9. Assure that no services are purchased with the card.
10. Assure that no cash advances are made with the card.
11. Assure that any equipment purchased is shipped/brought to Central Receiving, along with a copy of the invoice, so that property barcodes can be placed on the equipment.

The undersigned requests that a Procurement Card be issued for their department/departmental applicant with the understanding that the department is liable for all charges made on the card before that card is reported as lost or stolen to Regions Bank. The departmental applicant has read the above agreement and the University of Mississippi Procurement Card Program User's Guide and agrees to be bound by their terms and conditions. The signature of the departmental applicant authorizes the amount of any inappropriate items purchased with the Card to be withheld from any compensation due from the University (for example, semi-monthly pay). Also, the undersigned substantiates that the Cardholder Information on the attached is correct and within their authorization to approve for use.

Departmental Applicant
Date

Email: _____

Phone: _____

Departmental Card Administrator
Date

Email: _____

Phone: _____

Department Head
Date

Email: _____

Phone: _____

GENERAL INFORMATION

1. TELEPHONE OR INTERNET PURCHASE PROCEDURE

- A. "Telephone or Internet Purchase Procedure," as used in these instructions, means a procedure where an order is placed or a purchase is made through an oral or on-line agreement which is made by telephone or over the Internet. No written purchase order or contract is issued. The commodities are provided by the vendor and payment is made using the procurement card.
- B. When placing a telephone or internet order to be paid using the procurement card, the cardholder will:
 - 1) Confirm that the vendor agrees to charge the procurement card when shipment is made so that receipt of the supplies may be certified on the weekly email.
 - 2) Verify that the vendor agrees to include an itemized receipt with the merchandise.
 - 3) Instruct the vendor to include the following information on the shipping document or packing slip. This information will alert Central Receiving that the supplies have been purchased with the procurement card:
 - Cardholder's name and department
 - Building name, room number, city, state and zip code
 - Cardholder's phone number
 - The term "Procurement Card" or "Telephone Order"
- C. A log shall be used to document or record telephone procurement card orders. An example is provided.

2. DOCUMENTATION PROCEDURES

A. Documentation

Any time a purchase is made that will be paid using the procurement card, whether it is done over the counter, by telephone or over the internet, a document must be retained as proof of purchase. The documents will later be used to verify the purchases shown on the weekly billing email.

- 1) When a purchase is made over the counter, the cardholder is to obtain a customer copy of the charge slip and an itemized receipt, which will become the accountable documents. In some instances, the charge slip and itemized receipt will be one document. In other instances, the cardholder will not obtain a copy of the signed charge slip as with Wal-Mart credit card charges. In these cases, the person making the charge should sign the back of the itemized receipt.
- 2) When making purchases by telephone, it is recommended that the cardholder document the transaction on an order log and attach any shipping documents associated with the order.

B. Missing Documentation

If for some reason the cardholder does not have documentation of a transaction to send with the printed billing email, the cardholder must attach a written explanation that includes a description of the item, date of purchase, merchant's name and why there is no supporting documentation and his/her supervisor must sign as approving.

If a particular vendor is consistently lax in providing the appropriate documentation, the department should consider using a purchase order next time an order needs to be placed with that company. Another option would be to find another supplier.

3. APPROVAL

Approval of the transactions that cardholders have made using the procurement cards will not be totally defined in this guide. Supervisors, because of their knowledge of the job responsibilities of cardholders, may be required to look at each cardholder's purchases and at the merchant who made the sale in order to determine if these items were for official use and if they were items allowed to be purchased in accordance with the instructions provided. If for any reason the supervisor questions the purchase(s), it is his/her responsibility to resolve the issue with the cardholder. If they can not be satisfied that the purchase was necessary and for official use, then the cardholder must provide a credit voucher proving item(s) had been returned for credit, or a personal check for the full amount of that purchase.

4. DISPUTES

- A. If items purchased with the procurement card are found defective, the cardholder has the responsibility to return item(s) to the merchant for replacement or to receive a credit on the purchase. If the merchant

refuses to replace or correct the faulty item, then the purchase of this item will be considered to be in DISPUTE.

- B. A disputed item must be noted on the printed billing email. In addition, a Dispute Form must be completed by the cardholder with appropriate documentation attached. This form is available from the University Procurement Card Administrator. It shall be forwarded with the weekly email through the cardholder's supervisor to the University Procurement Card Administrator for adjustment with the bank. The University Procurement Card Administrator will notify the cardholder and his/her supervisor of the action taken on disputed items.
- C. It is essential that the time frames and documentation requirements established by the bank be followed to protect the cardholder's rights in disputes. Regions Bank must be notified in writing of any unresolved disputed item within sixty (60) days of the date of the monthly statement on which the questioned item appears.

5. REQUESTS FOR INITIAL, ADDITIONAL OR CHANGES TO PROCUREMENT CARDS

- A. All requests for new cardholders or changes to current cardholders will be done by submitting a Cardholder Information Sheet and a signed Cardholder Agreement. The forms will be processed through the Office of Procurement Services which will forward them to the credit card issuer.
- B. All requests for procurement cards must be approved by the Department Head and the Office of Procurement Services.

6. LOST OR STOLEN PROCUREMENT CARDS

- A. Should any department or employee lose or have their procurement card stolen, it is the responsibility of the cardholder to immediately notify the procurement card issuer and the University Procurement Card Administrator of the loss. The telephone number is 1-800-335-8427. When reporting a lost or stolen card to Regions Bank, inform them that this is a "procurement card".
- B. In addition to notifying the procurement card issuer and the University Procurement Card Administrator, the cardholder must notify their supervisor of the lost or stolen card WITHIN ONE WORKDAY after the discovery of the loss or theft of the card. The cardholder will be required to file an Unauthorized Use Affidavit with the Office of Procurement Services WITHIN 10 BUSINESS DAYS, which will include all information concerning the lost or stolen card. If the procurement card is known to be

stolen, a copy of the police report shall be attached to the Affidavit. This form can be obtained from the University Procurement Card Administrator.

7. TERMINATING EMPLOYEE

- A. If an individual cardholder leaves the department, their card must be collected and destroyed. The Departmental Card Administrator will be responsible for collecting and destroying cards and must provide a memo to the University Procurement Card Administrator reporting that the card was destroyed. The University Procurement Card Administrator will notify the bank that the card has been destroyed.
- B. Should a cardholder be transferred to another supervisor's area of responsibility, their card must be collected and destroyed. Once the transfer is complete, the cardholder may re-apply for a card without attending the training session again.
- C. In the event the department is not able to collect the card when the employee leaves, the department shall notify the University Procurement Card Administrator immediately in writing to ensure the procurement card is canceled. The University Procurement Card Administrator will notify the bank to cancel the card to prevent any purchases after the employee leaves.