



POLICY VIII-D-5: Purchasing Card

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Policy/Procedure

The Purchasing Card is a corporate liability procurement card that looks like a traditional credit card, and is used in a similar manner, but with a named-employee of Dickinson College (the “College”) as the cardholder. The Purchasing Card is simply a procurement and payment method and does not change or modify any existing procurement policies regarding preferred vendors, restricted purchases, documentation requirements, etc. The Purchasing Card contains several benefits and insurance coverage, which are identified in the [Card Benefits](#) guide.

A Purchasing Card may be used to purchase any authorized goods or services for the College except the following:

- Anything for personal use or non-College purposes;
- Purchases made at internal campus locations, such as the bookstore and dining services locations (internal billings allow the College to avoid bank fees charged to process credit card transactions);
- Certain commodities required to be purchased from a preferred supplier (i.e. office products ordered via the [Phillips Office Products EZ Order](#));
- Cash advances (unless approved and communicated to Financial Operations in advance); and
- Any purchases prohibited by another College policy.

As one of the safeguards of the Purchasing Card program, certain Merchant Category Codes (MCC’s) that are believed to be of no value to the College have been blocked. For example, a Cardholder cannot use the card at an off-track betting establishment or at a mobile home dealer. The MCC that is used to classify a vendor is determined by the vendor’s bank. Any purchases made from vendors with blocked MCC codes will be rejected. Additional restrictions may be added to the list of excluded codes at the discretion of individual departments or if items are

specifically excluded by funding agencies. Cardholders are instructed to contact a Program Administrator in cases where a card transaction has been denied.

Purchasing Card Eligibility

An employee who has been delegated purchasing authority by his/her departmental Budget Officer/approver may apply for a Purchasing Card. A [Purchasing Card Account Form](#) must be completed, signed by the Budget Officer/approver responsible for the applicant's departmental budget, and forwarded to Financial Operations for approval.

The [Purchasing Card Account Form](#) must also be used to submit changes to a Cardholder's account, including cancellation of a Purchasing Card.

Cardholder Agreement

The Cardholder must sign the [Cardholder User Agreement](#), which states the employee will secure the card and adhere to the College's policies and procedures for proper use of the card. A card will not be issued if this form is not signed by the Cardholder and the Cardholder's manager.

Purchasing Card Restrictions

The College no longer supports or issues Purchasing Cards that are in a department or project name. Purchasing Cards will only be issued to specific individuals employed by the College. The banking industry has made recent changes that no longer provide coverage of any kind (dispute or fraud) for any Purchasing Card that is not in an individual's name. Any department/division still using a Purchasing Card with a departmental name will be solely responsible for any financial losses due to disputes or fraudulent activities. A departmental account will be charged for fraudulent or disputed amounts.

All Purchasing Card transactions must be reviewed and coded by the Cardholder (or the Cardholder's designated proxy) in JP Morgan's *Smart Data OnLine*. The Cardholder is responsible for ensuring all charges made with the card are in compliance with the [Purchasing Card Policies and Procedures Manual](#). The Cardholder's departmental Budget Officer/approver must review and approve the monthly *Purchasing Card Reconciliation Envelope*. The Budget Officer/approver is also responsible for ensuring that departmental funds are available in the general ledger account(s) for Purchasing Card purchases.

Purchasing Card activity is monitored to make sure unauthorized goods and services are not purchased. Purchasing Cards used to purchase unallowed items may be cancelled. An employee who makes unauthorized purchases or uses the Purchasing Card in an inappropriate manner is subject to disciplinary action, including possible termination of employment, criminal prosecution, and repayment of unauthorized or inappropriate purchases, and any collection costs or attorney's fees incurred as a result thereof.

Purchasing Cards that are lost or stolen must be reported immediately to JP Morgan at 1-800-316-6056. It is imperative that the Cardholder contacts the bank immediately for suspension of the Purchasing Card, as the College is responsible for all charges made on the card until it has been cancelled at the bank. The Cardholder must also notify Financial Operations after reporting the incident to the bank.

Purchasing Cards must be immediately returned to Financial Operations upon termination of employment, whether voluntary or involuntary. If a terminated employee continues to use this card, the Budget Officer's/approver's department will be liable for all charges.

Failure to properly follow and comply with the Purchasing Card policy and related procedures (see [Purchasing Card Policies and Procedures Manual](#)) will result in cancellation of the Purchasing Card.

Related Information

- Departmental Chairs (Academic)
- Bookstore: Student Charging Options (Campus Operations)
- Petty Cash
- Accounts Payable Payment Methods
- Procurement of Goods and Services
- Procurement Authorizations
- Personal Purchases
- Receipt and Return of Goods
- Tax-Exempt Purchases
- Travel and Related Expenses

History/Revision Information

Responsible Office/Division: Financial Operations

Effective Date:

Last Amended Date: October 2012

Next Review Date: June 2013

Also Found In: