

PURCHASE CARD POLICY

APPROVED BY POLICY COMMITTEE 8/28/2023

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(Impact Area – Dept Name) SUNY Morrisville *Morrisville Campus *Norwich Campus *EOC	(General Subject Area) Finance	(Specific Subject Area)
	Author: VP for Administration and Finance	Supersedes Policy #
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SUNY MORRISVILLE		

A. Policy Summary

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The State of New York has developed a NY State Purchasing Card (hereinafter referred to as P-Card) to allow employees to make purchases at the point-of-sale, over the telephone or Internet. The Card allows you to spend money directly out of your budget **after you receive approval from Cabinet and/or SUNY.** You can use the Purchasing Card to buy the things you would normally buy for your department as long as the purchase is approved prior to spending and the amount does not exceed transaction limits. The same New York state and college restrictions that apply to other methods of purchasing, also apply to the Purchasing Card.

In order to be delegated authority, you have to undertake some responsibility. You must protect the Purchasing Card, just as you protect your own credit cards. You must agree to use the Purchasing Card responsibly. You must retain the transaction records for audit purposes. You must attach the transaction records to your monthly reconciliation and submit them to your department head/supervisor for review and approval. The department head indicates approval by signing the Certification Page of your monthly reconciliation packet. Note: Always keep a copy of your reconciliation and backup records (transaction invoices).

B. Issuance

1. Cards are issued after request to the Business Office.
2. Requests for P-cards are made by the Cabinet Member and include the following info:
 - name and title
 - department
 - default account (this can be changed for individual transactions)
 - telephone number
 - office location
3. Maximum single card transaction will be determined by VP for Administration & Finance.
4. All purchases from the same vendor valued at \$2,500 and above must be supported by written documentation justifying the selection of the vendor and the Reasonableness of Price form must be completed and submitted.
5. It is possible to change P-card limits once the P-card is set up. The cardholder's reporting supervisor(s) and reporting officer are required to forward written authorization to the campus P-card Administrator for limit changes.
 - **Temporary.**

Temporary limit changes would be warranted, for example, when there would be an out of the ordinary charge for a cardholder in a particular billing period. The limit(s) would be changed to accommodate the special circumstances and revert to the original limit(s) at the end of the billing period when the unique situation is completed. If a cardholder is constantly requesting temporary limit increases, he/she should consider requesting permanent increases. A temporary limit increase requires authorization of the cardholder's supervisor and the Account Manager.
 - **Permanent.**

Permanent limit changes would be appropriate if the cardholder expects to spend at higher levels in greater than one billing period. A permanent limit increase requires authorization of the cardholder's supervisor, Account Manager, and VP for Administration & Finance.

C. Training and Card Holder Responsibilities:

1. Cardholders must be trained in card usage and given a copy of the P-card policies and procedures and they should sign an acknowledgement form regarding training and receipt of the policies and procedures.
2. The cardholder must protect the Purchasing Card, just as they protect their own credit cards.
3. The cardholder has to **agree/attest, in writing**, to use the Purchasing Card responsibly.
4. The cardholder must retain the transaction records and backup documentation for audit purposes.
5. The cardholder must attach the transaction records to your monthly reconciliation packet from the credit card company and submit them to your department head/supervisor for review and approval.
6. **Reconciliations must be submitted to the Business Office each month. Failure to submit a reconciliation may result in revocation of Purchase Card privileges.**

D. Card Usage Requirements:**(1) Purchasing Card – Acceptable Use**

Goods and services from merchants that accept the credit card.

Examples of allowable purchasing card purchases:

- office supplies
- classroom supplies
- facilities cleaning supplies
- maintenance/repairs of equipment
- conference registration fees

Required Vendors/Merchants to Consider:

- [New York State Office of General Services \(OGS\) contracts](#)
- New York State Certified Minority Business Enterprises (MBE);
- New York State Certified Women Business Enterprises (WBE);
- New York State Certified Minority Women Business Enterprises (MWBE).

(2) Purchasing Card – Disallowed Use

There are some goods and/or services for which the purchasing card cannot be used.

1. Because there is an alternate payment method for such use or
2. Because the use would not be permitted with New York State funds.

Purchasing any of the disallowed goods and/or services could result in cardholder repayment to the College for the unauthorized purchase and in loss of purchasing card privileges.

The purchasing card may NOT be used for the following:

- Airfare
- Alcoholic beverages
- Bus (including shuttles and charters carrying non-employees)
- Car Rental
- Cash advances and cash refunds
- Cash back on purchases
- Flowers
- Food items and/or beverages (including bottled water)
- Formal agency (SUNY) contracts approved by the Office of the State Comptroller
- Gasoline
- Gift certificates
- Gifts (retirement, birthday, award plaques/trophies, etc.)
- Hazardous materials (chemicals, gases, etc.)
- Hiring construction contractors to do repair work/alterations of any type
- Hotel
- Limousine
- Medical services (doctor visits, emergency dental work, prescriptions)
- Office/staff kitchen/break room supplies (including cups, utensils, plates, tissues, paper towel, napkins, etc.)

- Personal use items
- Postage
- Recreation
- Relocation expenses
- Rentals
- Rents
- Restaurants
- Savings bonds
- [SUNY contracts](#)
- Taxi
- Tolls
- Train
- Travel & entertainment (**including travel for faculty/staff/students and non-employees**)
- Weapons, explosives
- No purchases may be made with the intent of later reimbursing the College.

(3) Sales Tax Exemption

The cardholder should always use the [“State of New York Employee Tax Exemption Certificate”](#) when making official College purchases. If New York State sales tax amounts are being charged on a cardholder’s credit card, the cardholder is required to go back to the vendors/merchants for the return of the sales tax amount by either credit to the P-card or by check refund. Check refunds should be delivered to the Purchasing & Accounts Payable Office for processing the check refund amount back to the cardholder account number where item was charged.

(4) Split Charging

Having a single purchase split into multiple invoices on one statement, multiple statement periods, multiple cardholders, or multiple fiscal years **is not acceptable**.

If a transaction does not fit within the cardholder’s limits, the cardholder should:

1. Request an increase in the cardholder’s limits, or
2. Submit the goods and/or services request on a purchase requisition for purchase order processing with payment through the voucher processing system.

E. Monthly Reporting:

(1) Credit Card Company Statement (Monthly Reporting)

Access the **Credit Card Company site for your Statement**. When a purchasing card is issued, the cardholder sets up a user ID and password through the website, under Self-registration for Cardholders. Only the cardholder and credit card company are privy to the cardholder’s user id and password.

(2) Certification (Monthly Reporting)

Cardholder certification for a billing cycle must be completed by the end of the following month of the statement. For example, July 2023 billing cycle will be available for certification on 08/10/23 (approximately); the cardholder is required to certify by 08/31/23 and send to the Business Office. The purchasing card login and step-by-step instructions are available at: [SUNY Financials Procurement Card](#).

F. Issues on Compliance:**(1) P-card Termination Policy**

The P-card can be terminated for the following reasons:

1. Employee separation - It is the responsibility of each cardholder and cardholder supervisor to notify the Business Office of his/her pending separation from the College at least one full billing period prior to the employee's departure or immediately upon notice of separation.
2. P-cards with No Activity - P-cards with no activity for six (6) consecutive billing period months will be automatically terminated.
3. Intentional Misuse of P-card
4. ***Failure to submit monthly reconciliation to the Business Office***

Intentionally misusing the purchasing credit card is a serious violation of cardholder responsibilities:

1. 1st instance - written warning and p-card re-training;
2. 2nd instance - three-month suspension of P-card privileges;
3. 3rd instance - revocation of Card privileges.

(2) Safeguarding the P-card and related systems

1. Acceptable locations to keep the procurement purchasing card:
 - Cardholder's wallet
 - Locked desk drawer or safe accessible by the cardholder only
2. The cardholder should never give the P-card to someone else to make charges.
3. Do not post or write the card number in any place that is easily accessible.
4. Never photocopy the back of the p-card that contains the 3-digit security code and cardholder signature.
5. The cardholder's user id and password for the credit card company's system (for statement retrieval) and the SUNY system (for certification) should not be shared.

(3) Excessive Use of a Single Vendor/Merchant – Procurement Rules, Regulations and Limits:

The P-card operates under the same procurement rules and regulations as all State University of New York purchases. Generally, there is a limit on the total amount the College as a whole, can spend with one vendor/merchant in a 12-month period after which price quotes and/or bids must be solicited.

The Purchasing & Accounts Payable Office monitors this spending. However, it is good practice for all cardholders to use:

1. NYS Preferred Sources
2. NYS OGS contracts
3. Certified MBE, WBE and M/WBE

The Purchasing & Accounts Payable Office will notify cardholders when purchases to specific vendors should be halted.

(4) Dispute Process

When a transaction on the cardholder's statement is not recognized by the cardholder, the cardholder should do the following:

1. The cardholder should review his/her records. Perhaps the transaction is showing with an alternate merchant/vendor name.
2. Contact the merchant to find out who made the charge. The credit card statement usually has the telephone number for each merchant listed. It may be that you failed to keep a record of the particular charge in question.
3. When all avenues are exhausted for determining a valid charge, the merchant should be contacted and advised that the charge is not the cardholder's charge, and the cardholder should request a credit to the account.
4. If the merchant will not credit the account, the cardholder should:
 - Contact credit card company at the telephone number on the back of the credit card.
 - Advise the Purchasing & Accounts Payable Office of the situation.
 - In situations of suspected fraud, credit card company will always terminate the violated account and issue a new card account.
 - The cardholder should always complete the Dispute Form on the credit card company's system. The credit card company's receipt of the Dispute Form will initiate the crediting of the improper charge to the cardholder's account.

Contact Information

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