

College Procedure: 730.4 - Purchasing Card (P-Card)
Policy Reference: 730 - Purchasing
Responsible Department: Finance
Approval Authority: Cabinet
Procedure Owner: Vice President, Finance
Effective Date: 6/8/2011

Version Number: 3
Legal Counsel Reviewed (yes/no): No
Legal Reference(s):
Scope: College-wide

Reason for Procedure

The purpose of this procedure is to establish parameters about the utilization of Kirkwood-issued credit cards (P-Card). This procedure is supplemental to the Purchasing Procedure and is not meant to override or replace that procedure in any way.

The Purchasing Card Procedure will support a process that helps ensure use of College funds have been properly requested and approved, mitigate risk of card misuse or fraudulent activity and facilitate more efficient procurement for certain purchases.

The Procedure

General:

P-Cards will be utilized in accordance with the parameters set forth in the Purchasing Procedure and applicable state and federal laws. Purchases must be related to College business or activities. **PERSONAL TRANSACTIONS ARE NOT ALLOWED.** P-Cards may generally be used for emergency purposes, travel expenses and payment to vendors who do not accept a purchase order.

Responsibility:

Cardholders are responsible for knowing and adhering to the rules set forth in the Purchasing Procedure, Travel & Business Expense Procedure and this procedure. Cardholder is responsible for adhering to the terms and conditions of using a P-Card as well as safeguarding the P-Card to prevent lost or stolen cards.

Approvers of purchases are responsible for knowing, adhering to, and assisting with administration of the rules set forth in the Purchasing Procedure, Travel & Business Expense Procedure and this procedure. Approver is responsible for awareness of budget capacities and directing which operational unit(s) purchases should be expended from.

Finance personnel are responsible for knowing, adhering to, and administering the rules set forth in the Purchasing, Travel and Business Expense and this procedure. Finance personnel are responsible for

approving cardholder requests, assisting with system administration, managing document retention and monitoring the process as a whole.

Cardholder Requests:

Only Kirkwood employees may request a P-Card by completing the P-Card application. No P-Card will be issued to an independent contractor. All P-Card applications must be approved by a member of Cabinet. Finance personnel will approve or reject all applications based on completeness of information and appropriate approvals obtained. Rejected applications will be returned to the requestor along with an explanation of further action required. Approved applications will be sent to the bank for processing.

P-Cards will be sent from the bank to the Finance department for distribution. The cardholder must complete training regarding card usage, transaction review/reconciliation and acceptance of the terms and conditions of becoming a cardholder. P-Cards will be distributed only after a cardholder has completed the training. P-Cards will not be distributed via interoffice mail.

Card Usage:

P-Cards are issued in the cardholder's name as well as Kirkwood Community College. The cardholder will be the only person initiating transactions on the P-Card. P-Cards or card numbers will not be shared or distributed for use by others within the College, unless designee authorized by cardholder is conducting Kirkwood related business. Cardholder is responsible for adherence to procedure when a designee is allowed to utilize card.

For online purchases, card numbers should be entered only in secure credit card processing sites (i.e. <https://> vs <http://>). Card numbers can be given over the phone to authorized personnel. Under no circumstances will card numbers be recorded in email communications or transmitted via fax.

All purchases related to College business or activities are exempt from sales tax, with the exception of gas, hotel/motel, airline or meals while traveling. If a vendor is requesting additional documentation of sales tax exempt status, Kirkwood's sales tax exemption form can be found on KIN.

Transaction Review, Reconciliation and Approval:

The P-Card transaction review, reconciliation and approval process is administered through a web-based program. Each cardholder and approver will have an account login and password in order to perform necessary tasks.

Each cardholder is responsible for review of P-Card transactions, designating the appropriate general ledger code, entering a detailed description of the purchase and providing adequate documentation for the purchase. Adequate documentation includes a detailed receipt of the transaction - summary total receipts are not adequate documentation. Detailed receipts are required to ensure purchases are reasonable, allowable and in compliance with state and federal law.

Inability to produce adequate documentation could result in the cardholder bearing personal financial responsibility for the purchase in question.

Both the cardholder and approver are responsible for ensuring transaction review, reconciliation and approval processes are completed in a timely manner and in accordance with the processes as outlined by Finance personnel.

Lost/Stolen Cards or Unauthorized Transactions:

Cardholders are responsible for the security of his/her P-Card and any purchases made on the account. In cases of a lost or stolen P-Card or unauthorized use of a P-Card, it is imperative that the cardholder act promptly to prevent College liability for unauthorized transactions by calling the number on the back of the card. If a cardholder is negligent in reporting such activity, he/she could bear financial responsibility for some portion or all of the unauthorized charges.

Card Suspension/Cancellation:

Failure to adhere to College procedure could result in disciplinary action including but not limited to card suspension, card cancellation and termination.

References

- P-Card Terms & Conditions Agreement
- P-Card Training
- FAQs for Purchasing Card Procedure
- Purchasing Procedure
- Travel & Business Expense Procedure

Revision Log

Version Number	Date Approved	Approved by	Brief Description of Change
1	6/8/2011	Jim Choate, Vice President, Finance	
2			New template 9/1/2017
3		Cabinet	Procedure template 10/22/2019