Loyola University Maryland
Procurement Card Policy & Procedure
Revised October 17, 2011

Policy Statement

Procurement Cards are issued by name to individual employees and cannot be transferred to, assigned to, or used by anyone other than the designated employee. As the liability for the Procurement Card resides with the University and not the cardholder, use for personal purchases is strictly prohibited. In addition, the Procurement Card cannot be used for certain restricted items as indicated in the Card Restrictions section of this document. Fraudulent and/or misuse of the card are grounds for cancellation of Procurement Card privileges and may lead to disciplinary action, up to and including termination of employment. The Accounts Payable office will closely audit all Procurement Card transactions.

Program Purpose

The Loyola University Maryland Procurement Card Program has been established to provide a fast and efficient way to make small dollar purchases or to pay for travel related expenses while reducing the time and costs associated with initiating and processing payments for those purchases. The program is designed to replace a variety of processes including petty cash withdrawals, cash advances, local check writing and small dollar purchase orders. All cards are issued at the request of the account administrator of the budget to which transactions are to be charged. Card usage will be audited by the Accounts Payable office and may be rescinded at any time.

The Procurement Card is a charge card that can be used for purchases from any merchant that accepts Visa as a form of payment. In order to reduce the amount of time spent processing individual payments for small dollar items, the Procurement Card is to be used as the primary payment method for such purchases and for all travel related expenses. An exception to this would be charges of office supplies using our current office supply vendor, Chesapeake Office Supply. These items will continue to be billed to a blanket purchase order issued to Chesapeake Office Supply.

Please note that the Procurement Card is a Corporate Liability Card and as such will not reflect on your personal credit history.

Program Management

The Accounts Payable Supervisor is responsible for overall management of the program, while each Academic or Administrative department is responsible for managing its individual cardholder accounts.

To Request a Procurement Card

Complete the application available online at https://inside.loyola.edu/financialservices/accountspayable/forms.html. The form should be completed by the prospective cardholder and approved by their immediate supervisor / budget administrator. Return the form to the Accounts Payable office for processing. You must be a regular University employee to obtain a procurement card.

Once the new card is available for pick up, the cardholder will be notified by the Accounts Payable Office. It takes between 5-7 business days from the application submission for the card to be received.

To Make a Purchase with the Procurement Card

The Procurement Card may be used in person, by mail, telephone, fax, or a secure Internet link. Follow these procedures when using the Procurement Card:

1. Verify that the supplier or vendor accepts Visa.

2. Advise the supplier or vendor that Loyola University Maryland is exempt from Maryland sales and use tax as indicated by the exemption number listed on the procurement card.

3. Order the desired goods and confirm that the total cost, including shipping and handling does not exceed the transaction limit on your card.

4. Cardholders are responsible for obtaining all documentation necessary to support the business purpose for the purchase. Retain this documentation for reconciliation with your monthly Procurement Card statement. Each statement is subject to an audit by the Accounts Payable office, the IRS and/or granting agencies. Documentation must support the propriety of the transaction and contain the following information:

Vendor name
Detail listing of goods purchased, including item description, quantity and price
Transaction date
Total dollar amount of purchase

Examples of acceptable supporting documentation include, but are not limited to:

Original sales receipt or invoice
Original packing slip, including price
Original cash register receipt
Original copy of order form or application

When using the Internet, please retain the Internet confirmation that you received when placing your order which would include the item description and price. As noted above, **original documents are required, not photocopies**. In addition, business meal transactions must include the names of attendees and the business purpose of the meal in order to comply with IRS regulations. If there are a large number of attendees, listing the type of group is acceptable.

Please note that the Procurement Card is subject to an electronic approval process at the point of sale. Electronic approval will not be given if established dollar limits are exceeded or restricted items are involved in the purchase.

Using the Procurement Card for Travel Expenses

When the Procurement Card is used for travel expenses, the cardholder is responsible for keeping the receipts needed for the monthly reconciliation of their statement. Acceptable travel receipts generally include airline tickets, E-ticket confirmations, itemized hotel bills, car rental and other ground transportation receipts, itemized meal receipts that include the tip if applicable and other miscellaneous receipts that list what was purchased.

Receipts must be provided for all transactions including meals and miscellaneous expenses regardless of the dollar amount. **If you use the Procurement Card during a trip, you must itemize meals – you cannot claim per diem when using the Procurement Card.** The University does not approve the use of the procurement card for the purchase of gas for a personal vehicle. The employee should purchase the gas and submit a mileage reimbursement request for the amount of miles they traveled by submitting a Travel Reimbursement Form to Accounts Payable. The employee can also obtain reimbursement for incidental expenses such as tips and other miscellaneous expenses that were not charged to the Procurement Card using the same Travel Reimbursement Form. **Note: Charges made to the Procurement Card should not be included with the Travel Reimbursement Form.**

Travelers should attempt to pay for incidental personal expenses (such as in-room movies) separately from the amount charged to the Procurement Card. Most hotels do accommodate such requests. If such expenses cannot be paid separately, travelers must reimburse the University for their personal expenses with a check payable to Loyola University Maryland and submitted with the Procurement Card statement to the Accounts Payable office.

While travelers are encouraged to use the Procurement Card there is no requirement to do so. Two of the objectives of the Procurement Card are to eliminate the need to carry cash and to reduce the number of reimbursement checks issued. Travelers who choose to pay for travel by personal cash or personal credit card must file for reimbursement using the Travel Reimbursement Form.

International Travel

In the event that international travel for University business is necessary, a cardholder in good standing will be given cash access privileges through the Procurement Card.

The cardholder should notify the Accounts Payable Office at least 2 weeks prior to the start of International travel so that card can be set up appropriately for International travel. If the cardholder is using the card for cash access for the first time, the cardholder should test the ATM access prior to leaving on the trip. Receipts should be obtained for all purchases made with the cash advances taken from the ATM's during the trip.

Upon the cardholder's return to the U.S., the cash access privileges will be removed from the card.

Record Retention and Reconciliation

You will receive an email notification when your new monthly statement is available. The statement is generally available online 2 days after the statement closing date. Log into the PNC website using the login name and password supplied to you by PNC. The link to the website is https://www.pncactivepay.com/.

After reconciliation is complete, submit the monthly statement with the transaction listing and receipts to your immediate supervisor for signature approval. This signature approval indicates that the cardholder was authorized to make purchases and those purchases were made in accordance with University policy. Forward the approved Procurement Card Statement, transaction listing and original receipts to the Accounts Payable office for processing. Please note that you are not allowed to approve your own Procurement Card purchases. The statement documentation must be received by the Accounts Payable office no later than the 15th of the month following the statement end date.

Please note that all transactions will be charged to the Default Budget number indicated on your Procurement Card Agreement Form unless you change the default budget number directly on the PNC website prior to the 5th of the following month. All budget numbers changed online after the 5th of the following month will not be accepted and the default budget number will be charged.

Missing or incomplete documentation or recurrent late submission of the statement to the Accounts Payable office is considered to be misuse of the card and may result in suspension or cancellation of your card privileges.

Disputed Transaction Process

In the event of a disputed transaction, you should attempt to resolve the matter directly with the vendor. If you are unable to reach an acceptable solution with the vendor, the Accounts Payable office will provide you with the form used to dispute transactions. Return the completed form to PNC for processing. Please note that there is a very small time frame for disputing an item. Any disputed item should be addressed as soon as possible.

Restricted Purchases

The Procurement Card may not be used to purchase the following items:

Items for personal use
Items for Non-University purposes
Items prohibited or regulated by other University policy
Payment for services rendered by entities other than corporations
Gift cards or gift certificates

When using the Procurement Card for a grant or contract purchase, the cardholder is responsible for ensuring that all transactions meet the requirements and regulations of the specific contract or grant.

Lost or Stolen Procurement Cards

It is the responsibility of the cardholder to **immediately** report a lost or stolen Procurement Card to PNC Customer Service at **(800)685-4039** and Karen Pratt at (410) 617-1357 or Michael Mansfield at (410) 617-2044. Please note that the University may be liable for all unauthorized purchases made unless the card is promptly reported lost or stolen.

Termination of Employment/Change of Job Status

Procurement Cards are the property of Loyola University Maryland and must be immediately returned to the Accounts Payable office for cancellation in the event that the employee leaves the University or changes departments. It is the responsibility of the Account Administrator and the cardholder to promptly notify the Accounts Payable office of any changes in an employee's status.

Additional information

If you require additional information concerning the Procurement Card contact Karen Pratt at (410) 617-1357 or Michael Mansfield at (410) 617-2044.