

North Dakota State University Purchasing Card Manual

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Section I

Introduction:

North Dakota State University's Purchasing Card Program has been established to provide a convenient means with which to make purchases. At the same time, reduce the costs associated with initiating & paying for those purchases and eliminating the need for Vouchers to make purchases. The Purchasing Card will allow the cardholders to charge work-related expenses directly to the appropriate University account.

This manual contains the hands-on detail that North Dakota State University administrators, management, and cardholders need to know to make the program work efficiently. North Dakota State University's Purchasing Card Administrator will be responsible for administering the purchasing card program. **NDSU's Purchasing Card Administrator is Kimberly Howard-Brasel, 231-7462. Backup Purchasing card administrator is Stacey Winter, 231-8954.**

Three areas of responsibility have been defined within the organizational unit to assist in this management effort. They are: **Cardholder, Office Administrator, and University Administrator**. It is important to understand that these three areas of responsibility do not necessarily equate to three separate individuals within the organizational unit but one individual **cannot** perform all functions. It is permissible for one individual to be assigned one or more of these responsibilities as defined in these Policies & Procedures. The ultimate decision as to how each of these responsibilities is assigned will be made by the Office Administrator along with the University Administrator. In the instance where the Office Administrator is also a Card Holder, the Department Head should be the person to sign off on the Purchasing Card Record in the place designated as "Department Administrator Signature" stating that they have verified all charges are made for NDSU use.

Use of the Purchasing Card does not exempt NDSU or its employees from the Purchasing/Procurement requirements of the State of North Dakota and NDSU policy.

Section II

Key Contacts:

The following resource person is available to answer questions, train, solve purchasing card problems, or provide any other assistance needed with the NDSU Purchasing Card:

NDSU Purchasing Card Administrator:

Kimberly Howard-Brasel 701-231-7462 Cell # 701-429-8041

Kimberly.howard-brasel@ndsu.edu

Back-up:

Stacey Winter 701-231-8954

Stacey.Winter@NDSU.edu

Contact Kim for any of the following reasons:

- Apply for a purchasing card
- Questions concerning policies and procedures
- Replace damaged cards
- For billing information
- Report a lost or stolen card
- Help with monthly settlement reports

JP Morgan Fraud Hotline: 1-800-270-7760

Call if your card has been lost or stolen.

Section III

Obtaining a Purchasing Card:

Because the purchasing card allows the cardholders to place orders directly with the supplier, the greatest program benefits are achieved when the purchasing cards are issued to the end user. Therefore, in addition to the traditional buyers (purchasing staff), other staff that should be issued purchasing cards includes:

- Field staff and others in constant travel status, who may need emergency parts or supplies while on the road. **This card is not intended to pay for travel expenses (ex. Lodging, meals, etc.).**
- Staff who routinely buy books.
- Program staff who buy supplies.
- Conference/trade show planners who may need to purchase supplies in other locations.
- Physical plant/maintenance staff.
- Mechanics, engineers.

To acquire an application for an NDSU Purchasing Card, contact the University Administrator (Kimberly Howard-Brasel 231-7462; Kimberly.Howard-Brasel@ndsu.edu) and an application will be sent to you. Complete the application and have your department director and the department administrator sign the application as well. Send the application back to the University Administrator. In approx 7-10 days, you will receive the card. You, the card holder, will then need to call and activate the card prior to making any purchases.

The use of the Purchasing Card results in a liability to NDSU; not a personal liability for the cardholder. The cardholder's credit rating will not be affected. We have chosen to use the cardholder's Employee ID in place of their Social Security Number for verification purposes with JP Morgan. (When the card holder is asked by JP Morgan for their last 4 digits of their SS#, they should give the last 4 digits of their Employee ID). However, it is important to remember that the cardholder signs an agreement (the application) prior to receiving the Purchasing Card and, as such, is responsible for any misuse of the Purchasing Card as outlined in the Manual.

Section IV

Uses for a Purchasing Card:

The Purchasing Card enables personnel to perform more effectively and focus on the value-added aspects of their jobs by:

- Eliminating purchasing delays
- Reducing the number of Voucher Payments
- Reducing the number of invoicing problems
- Reducing the number of checks issued

Some of the items that are easily purchased with your Purchasing card are:

- Supplies and equipment
- Tools and hardware
- Dues
- Books
- Membership
- Shipping Charges (i.e. UPS, Fed Ex, etc.)
- Air transportation
- Conference registration

Section V

Functions of the Purchasing Card:

Cardholders are authorized to use the Purchasing Card to purchase merchandise or services required as a function of their duties at North Dakota State University, except as noted in the unauthorized card use section. Card holders should use the contract vendors whenever possible to take advantage of pricing.

Personal purchases may not be made with the card, even if your intent is to reimburse the University. Personal purchases made with the card subject the Cardholder to disciplinary action up to and including possible card cancellation, termination of employment at NDSU, and criminal prosecution.

The Purchasing Card is:

- Authority delegated by NDSU management to individual NDSU employees
- For official North Dakota State University use only
- Authorized purchases of up to \$5,000.00 (Unless otherwise authorized by a Request for Approval over \$5000.00)
- Authorized for use with only certain categories of merchants

The Purchasing Card is **NOT**:

- A means to avoid appropriate procurement or payment procedures
- A means to access cash or credit
- For use with interdepartmental billing (IDB)
- A right of employment
- For personal use

Section VI

Making a Purchase with the Purchasing Card:

The Purchasing card payment system is an individual bill/central payment system. The cardholder receives a monthly account statement for information and reconciliation purposes only. NDSU Purchasing obtains a consolidated electronic billing file and makes payment to JP Morgan on behalf of all cardholders. Expenditure transactions are processed and posted to the appropriate fund using the default account code string, unless changed by the department administrator on the JP Morgan website before the 8th of the month when the download begins.

Individual credit limits vary as determined by NDSU. When the initial Purchasing Card Application is filled out, the Department Head is the one to decide what they would like that individual's credit limit set at and they also sign off on the application prior to it being sent over for processing. If a credit limit increase is needed, the Department head will need to fill out, sign, and send over the Credit Limit Increase Request form. To assure the effectiveness of the program, the policy and procedures in this manual must be followed. Failure to use the Purchasing Card in accordance with applicable policies and procedures may result in revocation of the purchasing card and may involve appropriate disciplinary action, up to and including termination and possible criminal prosecution.

When making a purchase in person, the cardholder must sign the charge receipt and retain the customer copy. The cardholder must have an itemized original receipt to back up their purchases. The cardholder should verify that the charge receipt and the sales receipt comply with the requirements for supporting documentation.

Section VI

Making a Purchase with the Purchasing Card: (Cont.)

When making purchases via telephone, mail order, or the Internet, cardholders should give the merchant the account number embossed on their card and direct the merchant to mail/fax/email a detailed invoice saying “MASTER CARD PURCHASE/PAID IN FULL” or something showing a 0 balance and showing that it was paid for with the Purchasing card.

Regardless of who receives the shipment, the cardholder is responsible for obtaining all documentation related to the purchase and verifying that the documentation complies with the requirements for supporting documentation.

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Section VII

Tax Exempt:

North Dakota State University is State tax exempt (we have tax exempt status in the state of North Dakota; we are not Federally tax exempt). The tax identification number is printed on the front of your Purchasing card (*NDSU Sales/Use Tax Exempt Certificate #E-5411*). It is the cardholder's responsibility to ensure that sales tax is not charged. For easier, faster service when in a merchants shop, let the merchant know that your purchase will be tax exempt prior to ringing up the sale. Many times there are special counters, certain paper work, and certain authorization for those purchases. It is the responsibility of the cardholder, not the vendor, to make certain that the transactions are processed with the tax exempt status. Check over your receipt or order before you leave to make certain that tax was not charged.

If receipts/invoices are turned in with the Purchasing Card Record where tax was charged at a North Dakota merchant, in most cases, there will be a written warning. If a second unauthorized charge occurs, in most cases, a 30 day card suspension will occur. If a third unauthorized charge occurs, in most cases, the card will be canceled and the cardholder will no longer be eligible for an NDSU Purchasing Card. Exception to these rules may apply.

Section VIII

General Types of Purchasing Card Violations:

The general types of Purchasing Card violations include abuse, misuse, and fraud. Abuse, misuse, and negligence are violations for which no personal gain results. Fraudulent violations are those in which deception was deliberately practiced for unfair or unlawful gain.

Abuse/Misuse/Negligence Violations:

Examples include but are not limited to:

- Intentionally splitting a purchase to circumvent authority or transaction limits
- Failing to maintain receipts and other documentation
- Failure to obtain proper approval
- Failure to return the card when reassigned, terminated, or upon request
- Transferring assignment of the card to another individual
- Repeatedly allowing sales tax to be charged when the purchases are tax exempt
- Use of card for Unauthorized charges

Fraudulent Use of the Purchasing Card:

Use of the card for personal or non-University purchases may result in card termination and the cardholder may be subject to potential disciplinary action up to and including termination of employment and criminal prosecution. All reports of personal use of the Purchasing Card will be referred to the Director of Purchasing and Internal Audit to determine which circumstances warrant discussion with Human Resources and General Counsel.

In addition, a cardholder found to have fraudulently used a Purchasing Card is personally liable for any fraudulent charges and shall be required to reimburse the University for such charges **within 7 days of the request for repayment** by the University Administrator.

Section IX

Merchant Category Code Standards:

All vendors are assigned a Merchant Category Code (MCC) by the merchant. The MCC standard for the State is the State Merchant Category Code Exclusion Standard. Attempting to buy from merchants that are excluded will cause the transaction to be declined.

Occasionally, a merchant may have wrongly assigned a vendor's MCC. The department should notify the University Administrator of rejected transactions if they feel it is an appropriate purchase. The University Administrator will find the decline online and make the approval in real-time.

Prior to calling the University Administrator, make certain that you have the telephone number, address, and card number correct. Sometimes it is as simple as correcting an error that was written down or typed in wrong.

Section X

Card Security:

It is the cardholder's responsibility to safeguard the Purchasing Card and the Purchasing Card account number at all times. The Purchasing Card is to be treated with the same level of care that is afforded personal credit cards.

- Do NOT lend the Purchasing Card to anyone. The only person authorized to use the card is the person whose name appears on the front of the card and who has completed the Purchasing Card Application & Use Agreement form. (*Remember, the cardholder is responsible for ALL charges made to that card). This includes others in the office and students.
- Purchasing Cards are not issued in the name of the Department. They are only issued to individuals.
- Do not write or post the Purchasing Card number in any locations that is accessible to others.

Section XI

Audits:

Internal/External Auditors will conduct periodic audits of each cardholder's transaction file and monthly summary. The Director of Purchasing will look at the monthly statements to verify the charges. The State of North Dakota will conduct random audits as well. This is why it is extremely important to have all of the requested information SIGNED and sent over monthly.

Some of the things that are looked at in the audits are:

- Monthly statements are reconciled, approved, detailed receipts attached and signed by both the cardholder and the department administrator
- Check for multiple charges made to the same vendor to circumvent the Purchasing policies
- Personal Purchases
- Unauthorized Purchases
- The department and the cardholders are following the required procedures
- Proper internal control exists with regard to the program

Original receipts will be requested in the event of an audit. The original (original signatures on Purchasing Card Record by both cardholder and Department Administrator and original receipts/invoices) can either be held in your office and copies sent over monthly to the University Administrator or you can send the originals over to the University Administrator who is required to keep them on file for a minimum of 10 years. If your office does keep the originals, you will then also be required to keep them for that 10 year period and get authorization prior to any document destruction. Any original documentation must be able to be made available within a 24 hour period if requested.

Section XII

Records Retention:

The cardholder is responsible for obtaining purchase documentation from the merchant to support all purchases made with the Purchasing Card and verifying that the documentation complies with the requirements for supporting documentation. It is also their responsibility to fill out their own Purchasing Card Report by listing all of the transactions that appear on the JP Morgan statement with a brief description of the charge (i.e. Airline ticket to Dallas for ABC Conference) monthly and then hand it into the Department Administrator for them to check over and sign. This settlement record needs to be turned in the University Administrator **no later than the 28th of the following month**. (If the statement date is January 3rd-February 2nd, that settlement would need to be sent by the 28th of February)

-What constitutes a receipt?

Original, detailed receipts/invoices. The charge slip from the credit card system is not acceptable. It can be a store receipt, an online order confirmation (including the pricing and the acknowledgement that your NDSU Purchasing card was the card that was used), an E-mail order confirmation (including the pricing and the acknowledgement that your NDSU Purchasing card was the card that was used), or an invoice. A packing slip is not acceptable due to the fact that it typically does not have pricing on it or the payment method on it. If you purchase something online and are not sure of what type of documentation the vendor will provide, make a copy of the screen that indicates the purchase was paid with a credit card. The screen print should also show the types of items purchased and the dollar amount. Even if the purchase is an on-line purchase, the receipt needs to be detailed. Most on-line vendors will email a receipt or an acknowledgement, but this is a sure way to have the information that you are required to have.

It is the **Department Administrator's** responsibility to assure that all supporting documentation, corresponding cardholder statement (**JP Morgan**), and Purchasing Card records are together, verified, and signed then sent to the University Administrator **no later than the 28th of the following month**. (If the statement date is January 3rd-February 2nd, that settlement would need to be sent by the 28th of February).

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Section XIII

Unauthorized Card Use:

The Purchasing Card is to be used to purchase low dollar value items with the total amount of any purchase not to exceed \$5,000.00 (unless otherwise authorized by a signed Request for Approval over \$5000.00). Certain exceptions to the use of the card do apply with the proper PRIOR authorization. Examples of items that may not be purchased with the Purchasing card include:

- Alcoholic Beverages
- Ammunition/Weapons
- Cab Fare
- Car Rental
- Cash Advances (ATM or other)
- Employee Relocation Expenses
- Entertainment
- Flowers/Gifts
- Food ****See Below****
- Gasoline/Fuel
- Gift Cards/Gift Certificates
- Hospitality
- Hotel Stays ****See Below****
- Leases
- Legal Services
- Motor Vehicles
- Non-business/Personal Items
- Parking
- Postage Stamps
- Subscriptions
- Splitting charges to circumvent the \$5,000.00 limit on purchases

This is not an all-inclusive list!!!

Note: NDSU departments may request, from the University Administrator, a waiver of restrictions on the purchase of the preceding items PRIOR to making the purchase. The waiver or exception will be specific as to items(s).

Section XIII

Unauthorized Card Use: (Cont.)

If one of the unauthorized items needs to be purchased with your Purchasing Card, the Director of your department will need to send an e-mail PRIOR to making the purchase to the University Administrator telling them what the charge is for, the approximate amount, and when to expect to see the charge to go through. This e-mail will then stay in your file to correspond with that charge.

If unauthorized purchases are put on the Purchasing Card, in most cases, there will be a written warning. If a second unauthorized charge occurs, in most cases, a 30 day card suspension will occur. If a third unauthorized charge occurs, in most cases, the card will be canceled and the cardholder will no longer be eligible for an NDSU Purchasing Card. Exception to these rules may apply.

****Note:** Food and lodging FOR STUDENTS can be put on your Purchasing Card. Only students, no faculty or staff food or lodging. If faculty or staff is having lunch with a group of students, they must pay for their own meals with personal funds and be reimbursed through Accounting. A list of the students attending the meal or staying in the hotel room and a DETAILED receipt must accompany the Purchasing Card Record. The signed credit card slip will not suffice; it must be a DETAILED receipt. If a detailed receipt is not turned in, the cardholder will be responsible for reimbursing NDSU. They can then attempt to be reimbursed through the Accounting office, but they too require a detailed receipt for reimbursement.

Section XIV

Transferring:

Transferring within the department:

Cardholders who transfer to a new position within the same department and require the use of the Purchasing Card as part of their new duties may continue to use the same card. Make certain that the Department Administrator is still the same one. If you will have a new Department Administrator, please let both of them know that you will be switching and have them contact the University Administrator. Also, if you need to set a new default funding string to your account, let your new Department Administrator know what that default should be and have them contact the University Administrator with that information.

Transferring within the University:

Cardholders who transfer within the University to another department must surrender their Purchasing Card and all of the supporting documentation to the Department Administrator who then should immediately contact the University Administrator to close that account. If the cardholder will require the use of a Purchasing Card in their new position, they must speak with the Director of the new department for authorization then have the new Department Administrator get the application for you to fill out.

Separation from the University:

Prior to separation from the University, cardholders must surrender their Purchasing Card and all corresponding support documentation to their Department Administrator. It is the department's Purchasing Card Administrators responsibility to assure the return of the Purchasing Card(s) during or before their exit interview and to notify the University Administrator to immediately cancel the card(s).

Section XV

Preauthorized Charges:

If arrangements have been made for preauthorized charges, such as a weekly shipment or monthly charge, have been made and the cardholder leaves the department or the University, the vendor must be notified immediately that the account has been closed down and all preauthorized charges should stop being charged on that card. Another cardholder can use their card as long as they understand what the charges are for and are willing to take on responsibility of the charges.

If a cardholder reports a card lost/stolen and has preauthorized charges, the cardholder should contact the merchant and provide them with the new replacement card information so there is no interruption of service.

It is not acceptable to continue to use a Purchasing Card of an employee that has been terminated or resigned. That is considered theft as the actual cardholder is not there to authorize those charges. If that cardholder leaves, the card must be destroyed immediately and canceled with the University Administrator. If one cardholder is leaving, then whoever is taking over that position or another person in the office would need to get another Purchasing Card.

JP Morgan Fraud Hotline: 1-800-270-7760

Section XVI

Card Cancellation:

If a cardholder's employment is terminated, the cardholder resigns, or the cardholder moves to a different department, it is the responsibility not only of the cardholder to surrender the card and all supporting documents but also of the department to make certain that this information is turned over during or before the exit interview. Upon receiving the exiting cardholders Purchasing Card, the Department Administrator should immediately contact the University Administrator so that the Purchasing Card can be canceled. The Department Administrator should cut the card in half and send it to the University Administrator. **Returned Purchasing Cards are not to be reissued to other employees.**

If a card is to be canceled due to fraud or theft, the **CARDHOLDER** and only the cardholder should call the fraud hotline and tell them that the card has been lost/stolen and tell them to immediately cancel the card and have a new card reissued. The cardholder must tell his/her Department Administrator that the card was lost/stolen and a new one was ordered. The Department Administrator must then let the University Administrator know.

JP Morgan Fraud Hotline: 1-800-270-7760

Section XVII

Replacement Cards/New Cards:

When the cardholder receives their new card or replacement card, they need to call and activate the card. This can only be done by the cardholder. If you do not call and activate the new card, it will get declined when you try to make a purchase.

All of the Purchasing Cards at NDSU have the same expiration date. The credit card company will automatically send new cards when it is time for them to expire. They typically send the new cards the month that the others will expire. If, toward the end of the month, you do not receive a new card, please have the Department Administrator contact the University Administrator and a new card will be requested.

If you have a name change, a new card will need to be issued. It will typically be the same card number, but just the cardholders updated name on it. Contact the Department Administrator to have the University Administrator order the updated card.

If your department moves and has a new address or a new telephone number, email the University Administrator with the updated information so that it can be changed with the credit card company. Failure to do this may result in declines due to non-correspondence in the addresses/telephone numbers when the vendor is verifying their information.

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Section XVIII

Travel:

The Purchasing Card is not designed to assist with University travel expenses. Any travel would need to be approved through your Department head and a Travel voucher would need to be filled out for reimbursement through the Accounting office. (See Travel Policies Section 515).

The NDSU Purchasing Card can be used for the following Travel purposes:

- Airline Ticket
- Bus Ticket
- Train Ticket
- Travel Agency fees for **Airfare and agency fees only**. (If you book a rental car or hotel with the travel agent, you cannot put that on your Purchasing Card). This goes for local travel agencies and also online package deals.
- Seminar/Conference Registration
- Baggage Fees
- Student hotel rooms and meals ****See Below****

****Note:** Food and lodging FOR STUDENTS can be put on your Purchasing Card. Only students, no faculty or staff food or lodging. If faculty or staff is having lunch with or staying in the same hotel as a group of students, they must pay for their own meals & hotels with personal funds and be reimbursed through Accounting. A list of the students attending the meal or staying in the hotel room and a DETAILED receipt must accompany the Purchasing Card Record. The signed credit card slip will not suffice; it must be a DETAILED receipt. If a detailed receipt is not turned in, the cardholder will be responsible for reimbursing NDSU. They can then attempt to be reimbursed through the Accounting office, but they too require a detailed receipt for reimbursement.

Section XIX

Merchandise Credit/Exchange>Returns/Disputes:

The cardholder is responsible for contacting the merchant when the merchandise purchased with the Purchasing Card is not acceptable (incorrect, damaged, defective, etc.) and arrange for a return credit, exchange, or return.

Credit: If merchandise is returned for credit, the Cardholder is responsible for obtaining a credit receipt from the merchant and retaining that receipt with the supporting documentation for that purchase. **Receiving cash or check to resolve a credit is prohibited. The vendor must credit your Purchasing Card account.**

Exchange: If merchandise is to be exchanged, the cardholder is responsible for returning the merchandise to the merchant and obtaining a replacement as soon as possible. Documentation showing the proper resolution of the exchange is to be retained with the supporting documentation for that purchase.

Return: The vendor should issue credit for any item that has been approved for return. The credit should appear on a subsequent statement. Any items purchased with the Purchasing Card that is returned must be returned for credit. **Receiving cash or check to resolve a return is prohibited. The vendor must credit your Purchasing Card account.**

Disputed Items: If the cardholder has a problem with a purchased item or a billing resulting from the use of the Purchasing Card, they should first try to reach a resolution with the vendor that provided them with the item. In most cases, disputes can be resolved directly between the cardholder and the vendor. If you cannot reach a resolution with the vendor, contact **JP Morgan Customer Service 1-800-270-7760.**

The cardholder has the responsibility for following up with the vendor or bank (JP Morgan) on any erroneous charges, disputed items, or returns as soon as possible. Disputed billings can result from failure to receive goods charged, defective merchandise, incorrect amounts, duplicated charges, credit not processed, as well as fraud and misuse.

Section XX

Cardholder Verification of Charges:

Cardholders are accountable and responsible for all charges made with their Purchasing Card and are responsible for checking all transactions against the corresponding supporting documentation (**JP Morgan** Statement) to verify their accuracy and propriety. This check should be monthly.

A monthly **JP Morgan** account statement will be sent directly to the individual cardholder. NDSU Purchasing obtains an electronic billing file for payment processing. **Your statement dates are from the 3rd-2nd of each month.**

The cardholder is responsible for reconciling the monthly **JP Morgan** account statement with the Purchasing Card Record form. Either the original or a copy of the **JP Morgan** statement and either original or copies of the corresponding receipts should be attached with the Purchasing Card Record listing all of the transactions that appear on the **JP Morgan** statement with a brief description of the charge (i.e. Airline ticket to Dallas for ABC Conference), signed, and turned into the Department Administrator. This all needs to be turned into the Department Administrator in plenty of time for them to have this sent to the University Administrator by the 28th of the month.

If you have charges that you have made in that months' billing cycle but they do not appear on your **JP Morgan** statement, **DO NOT** send over the documentation for these transactions. The merchant may not have billed the cardholder yet do to a back order, shortage, or other reasons. The cardholder should retain those receipts until the charge actually posts to your account. After time has passed and the charge never shows up on the Purchasing Card, the cardholder should then contact the merchant to find out why the charge has never been processed.

Section XXI

Cardholders Responsibilities:

Each cardholder is responsible for the following activities:

- Safeguard the Purchasing Card
- Sign the Purchasing Card immediately upon receipt then activate it
- Record each purchase on the Purchasing Card Record Form by listing all of the transactions that appear on the JP Morgan statement with a brief description of the charge (i.e. Airline ticket to Dallas for ABC Conference)
- Keep original receipts with the original Purchasing Card Record signed by both the cardholder and Department Administrator together. Originals can either be kept in your office and copies sent to the university Administrator or sent the originals to the University Administrator who is required to keep them on file for a minimum of 10 years. If your office does keep the originals, you will then also be required to keep them for that 10 year period and get authorization prior to any document destruction. Any original documentation must be able to be made available within a 24 hour period if requested.
- Receive the cardholders statement from the Purchasing Card company (**JP Morgan**)
- Reconcile the cardholder statement with the Purchasing Card Record form and receipts
- Sign the Purchasing Card Record form to attest all purchases are for NDSU business and in compliance with all applicable rules and regulations
- Forward signed completed Purchasing Card Record form, receipts, and the **JP Morgan** statement to your Department Administrator. If you are a Cardholder and Department Administrator, forward your completed Record to your Department Head for signature.
- Notify your Department Administrator and **JP Morgan** immediately in the event of a lost or stolen Purchasing Card
- Destroy and discard an expired Purchasing Card
- Turn in your Purchasing Card to the Department Administrator if employment is terminated
- Resolve disputes in a timely manner. The Department Administrator should be notified of any disputed items that the cardholder has not been able to resolve

Section XXII

Department Administrator Responsibilities:

The Department Administrator is typically the Administrative Assistant/Secretary of your office/department. It should be the person in your office/department that typically handles all of the billing, accounts receivable, and accounts payable. The person that your Department Head chooses to be the Department Administrator is typically the person that has a finger on the pulse of the entire office. The Department Head/Director/Supervisor will be in charge of signing off on the card holders' initial application, and should have some knowledge of the usage of the cards that are in their department. In the instance where the Office Administrator is also a Card Holder, the Department Head should be the person to sign off on the Purchasing Card Record in the place designated as "Department Administrator Signature" stating that they have verified all charges are made for NDSU use. But the Department Administrator will work hand in hand with the cardholders.

As the Department Administrator, you will be in charge of making certain that the cardholders in your department turn in the proper statements, receipts, and reports. Along with following up with that and signing off on those, you will also need to go into the JP Morgan online systems via the Internet. That is where you can actually do a number of things but most importantly, check to make certain that the funding is allocated properly for all charges.

The cardholders will receive a statement of account from **JP Morgan** each month at the end of the billing cycle (3rd-2nd of each month). **DO NOT** pay this bill. The NDSU Purchasing department receives an electronic billing file for payment processing. You, as Department Administrator, will need to go into the **JP Morgan** online system before the 8th of each month and change/verify the funding for each of your cardholders charges for that statement period. The funding can be changed anytime during that statement period, but it must be done by the 8th.

The download of the charges starts on the 8th of each month; all changes of funding need to be made by then. The Purchasing Card Report needs to be sent over to Purchasing soon after. It is required to be sent to Purchasing by the 28th of the following month (ex. January 3rd-February 2nd should be sent before February 28th).

Section XXII

Department Administrator Responsibilities: (Cont.)

The Department Administrator must also keep track of who in the department has a card. If a card has been reported lost or stolen, you must report that to the University Administrator. If one of the cardholders has a problem with a decline or may need a certain privilege on their card, the Department Administrator is responsible for contacting the University Administrator. The Department Administrator should be aware of the things that are going on with the Purchasing Cards due to the fact that if there are any questions or problems, the University Administrator will come to them first for explanations.

The department administrator is in charge of making certain that all of the charges are:

#1) Properly coded in the JP Morgan online system. Even if you don't think that there are any charges for that month, check the site anyway. There may be some charges that you didn't know about or you may catch a fraudulent charge. It only takes a minute to check. All of the charges for all of your card holders will come up with a default funding string that you provided when the application for a card was originally turned in. But the point of having the card and the JP Morgan online system is to make it easier on the administrator when it comes to proper billing. You can make changes and even split the charges into different funding strings in a matter of seconds. All of this needs to be done before the 8th of the month. That is when the download of the cards begins and no changes can be made after that. If you miss changing the funding string before the download, you would just have to do the usual IDB.

Section XXII

Department Administrator Responsibilities: (Cont.)

#2) Check over all of the charges and make certain you have corresponding receipts for all cardholders. A Purchasing Card Report needs to be filled out by each cardholder monthly if there are charges on the account by listing all of the transactions that appear on the **JP Morgan** statement with a brief description of the charge (i.e. Airline ticket to Dallas for ABC Conference). The cardholder will list all of the transactions on there and then both you and the cardholder need to sign this. In the instance where the Office Administrator is also a Card Holder, the Department Head should be the person to sign off on the Purchasing Card Record in the place designated as “Department Administrator Signature” stating that they have verified all charges are made for NDSU use. Along with the Purchasing Card Report, you need to send the receipts (either a copy of the original) for all transactions and the **JP Morgan** statement that the cardholder receives in the mail from the credit card company (either a copy or the original). You can also retrieve that statement online from the **JP Morgan** online system. Originals can either be kept in your office and copies sent to the University Administrator or sent the originals to the University Administrator who is required to keep them on file for a minimum of 10 years. If your office does keep the originals, you will then also be required to keep them for that 10 year period and get authorization prior to any document destruction. Any original documentation must be able to be made available within a 24 hour period if requested. We ask that you have your settlement reports in to us by the 28th of the month. You will send this over to the Purchasing Department in Old Main Room #17. If there are any reports that are not signed or do not have the correlating receipts, they will be sent back to the department administrator and they must obtain the proper information in the timeliest manner possible.

Section XXII

Department Administrator Responsibilities: (Cont.)

Department Administrators responsibilities include, but are not limited to the following:

- Review the information submitted by the cardholders. Before you send it over to the University Administrator, the Department Administrator should check to make sure that no tax is charged on transactions from ND vendors, check that there are no unauthorized charges, make sure all receipts are included, and verify all charges are made for the purposes of NDSU business.
- Verify the charges and allocated funding on the JP Morgan online system monthly.
- Verify the purchases are for NDSU use.
- Verify, sign, and forward the Purchasing Card Record to the Purchasing department on or before the 28th of the month.
- Return any terminated employee's cards to the University Administrator.
- Report any trouble or problems with any of the cardholders to the University Administrator. The cardholders are responsible for adhering to the NDSU Purchasing Card Policies and Procedure Manual. If they are in any way hindering your responsibilities or if you have knowledge of any unlawful usage of the NDSU Purchasing Card, it is your responsibility to contact either your Department Director or the University Administrator.

Section XXIII

General Instructions for Purchasing Card Use:

If item(s) purchased are greater than \$5,000.00 (including shipping & handling, and other charges), use the traditional purchasing procedures and follow NDSU's established policies and procedures or complete the Request for Approval over \$5000.00 and submit that for approval **PRIOR** to making the purchase. (Refer to Purchasing Policies Section 400).

If item(s) purchased are \$5,000.00 or less (including shipping & handling, and other charges), and the item(s) are not a contract item, use best judgment and determine an appropriate vendor for the material desired. Give the vendor your Purchasing Card number and expiration date or present the card at the point of sale. Tell the vendor that NDSU is tax exempt from sales tax. **NOTE: The North Dakota State University's tax exempt number is on the front of each Purchasing Card.** Also, don't be afraid to ask the vendor for Educational Discounts.

If there is a purchase that is to be made over \$5,000.00, the "Request for Approval over \$5000.00" form will need to be filled out. This form is to take the place of a Purchase Requisition for credit card purchases. It is located on the NDSU Purchasing Page under Purchasing Cards.

http://www.ndsu.nodak.edu/purchasing/purch_card.html If you wouldn't normally issue out a Purchase Requisition, you won't need to issue the RFA over \$5000.00. Fill the form out exactly as you would a Purchase Requisition, acquire your quotes (or have the Purchasing Department acquire them) or your sole source. At the bottom of the form is a spot for department head/chair/supervisor to request a credit increase for the card holder for this purchase. When it is completed, send it to the Director of Purchasing for authorizations. Once it is approved, it will be sent back. It is the departments' responsibility to hold onto all of the paperwork. When the charge posts to the credit card, send a copy of this form along with the invoice, Purchasing Card Records, and statement over to the University Administrator.

If the material is to be shipped or delivered, request that the vendor enclose, mail, fax, or email a copy of the invoice/receipt with each shipment. Have the vendor mark it "Credit Card Order-Paid" to avoid duplicate payment. If the material is picked up, obtain the itemized receipt indicating the purchase price.

NDSU

Section XXIII

General Instructions for Purchasing Card Use:

Maintain a record of the purchase on the Purchasing Card Record.

Retain the original, detailed receipts/invoices for reconciliation purposes. The charge slip for the credit card company is not acceptable!

Forward the monthly Purchasing Card Record form to the appropriate reviewer.