

## College of Science and Engineering Procurement Card Policy

### BACKGROUND

The University provides a procurement card program which allows authorized employees (on payroll) to make business-related purchases of goods and standard services. University policy establishes proper use of the procurement card, and this collegiate policy establishes further guidelines for College of Science and Engineering (CSE) departments and cardholders. Each department has a Departmental Card Administrator (DCA) who is responsible for ensuring compliance with all University procurement card policies as well as with this collegiate policy.

### POLICY

All cardholders are expected to follow University procurement card policies at all times. There will, however, be instances when inadvertent policy violations occur. After three inadvertent violations of University policy by a cardholder within a twelve-month period, the procurement card shall be immediately deactivated by the DCA. At the discretion of the CSE Dean's Office and upon the request of the Department Head, the card may be reactivated after a three-month deactivation period. Should the cardholder violate University policy three more times within a twelve-month period, the card will be revoked, and the individual will never again be allowed to hold a procurement card in CSE. There is zero-tolerance for willful misuse of a University procurement card.

It is the DCA or a designee's responsibility to monitor and record cardholder violations of University procurement card policy. It is also up to the DCA's judgment to determine what is and is not a violation of University procurement card policy. Below is a non-exhaustive list of examples:

Late Receipts	DCAs will determine what defines a "late" receipt for their units. Multiple late receipts during a single billing period only count as one violation. <b>ME deadline is the 5<sup>th</sup> of the month following the charges.</b>
Purchasing Unallowable Items or Paying Sales Tax Inappropriately	An unallowable purchase or failing to invoke the University's tax exemption is considered one violation.
Personal Transactions	Each personal transaction on the procurement card is considered one violation. Doing this intentionally will lead to immediate, permanent revocation of the procurement card, and possibly further disciplinary action.
Splitting Transactions to Avoid Procurement Card Limits	Splitting a transaction to avoid procurement card limits is considered one violation.
Inadequate Justifications and Missing Receipts	Inadequate justifications and missing receipts only count as one violation per billing period. (For example, five missing receipts and two inadequate justifications in one billing period = 1 violation.)
Seeking Reimbursement from the University of Minnesota for Procurement Card Purchases	Mistakenly seeking personal reimbursement from the University of Minnesota for a procurement card purchase is one violation. Doing this intentionally will lead to immediate, permanent revocation of the procurement card, and possibly further disciplinary action. It is advisable to turn in travel reimbursements and procurement card transactions made during a trip at the same time to minimize the

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	risk of violating this policy.
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For each violation, the DCA shall provide the cardholder in writing: 1) an explanation of the violation, 2) this policy, and 3) his or her cumulative number of violations in a twelve-month period. The Dean's Office shall be notified when a cardholder reaches three violations in a twelve-month period.

A cardholder should proactively bring unusual situations to the attention of the DCA when an exception to University procurement card policy may be appropriate. The DCA may recommend alternatives or consult with the Procurement Card Office to seek an exception to University policy. If an exception is granted in advance of the activity, it will not count as a violation for purposes of this policy.

Irrespective of this policy, in consultation with appropriate departmental personnel, DCAs have the authority to deactivate or revoke a procurement card at any time for any reason. Departmental personnel also have discretion over who may be issued a procurement card based on the department's practices and policies.