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I. Purpose

The purpose of this policy is to define a procedure for the use of a procurement card.

II. Scope

This program was designed to empower the cardholder to purchase the products that are needed with as little effort as possible. The process of using purchase orders is expensive and cumbersome. Studies have shown that a purchase order costs approximately \$110 each to process from requisition to payment while a procurement card transaction costs approximately \$10. Two big advantages of using a procurement card instead of purchase orders are: orders will be received in less time and you will have direct contact with the supplier. The result of this process is more convenient ordering and delivery schedules.

The procurement card is a credit card. Although the cardholder's name appears on the card, the charges are paid by SUNY Fredonia. This card is a privilege granted to the cardholder by SUNY Fredonia. It is expected that the cardholder will follow the guidelines stipulated through the cardholder manual.


Prior to receiving a procurement card, the employee, along with their supervisor, are required to attend a training program.

Starting July 1, 2011, it is mandatory for all purchases under \$1000 to be placed using a procurement card. When a vendor does not accept a procurement card, the department may submit a requisition to the Purchasing Department with written justification.

III. Procedure

WHO SHOULD HAVE A PROCUREMENT CARD

Departments will identify the employees who are to receive a Procurement Card. **Cards are issued to individuals, not departments.** Each cardholder is responsible for the safeguarding of their card and verifying all charges associated with their department's specific account number. Departments are not limited in the number of procurement cards that they can have.

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PURCHASING WITH THE CARD

Required Purchasing Practices

- ✓ Funds **must** be available at the time of purchase.
- ✓ Cardholder must establish reasonableness of price.
- ✓ Procurement cards are not for personal charges.
- ✓ All purchases **must** be in compliance with existing State rules and regulations.

Payment or Account Reconciliation

- ✓ Citibank will email you a notice that your statement is ready for your review online for expenses incurred during that particular billing cycle. The Purchasing Department will notify you by email when the charges have been transferred into the Albany system and you are able to reconcile.
- ✓ The cardholder **MUST** review the Citibank statement for accuracy, print the statement, and reconcile electronically via the Albany system within five (5) business days of notification from the Purchasing Department.


QUESTIONED ITEMS & RETURNS

Cardholder Responsibilities

Sales Tax - The University is tax exempt. It is the cardholder’s responsibility to insure that taxes are not charged on their purchase. If a charge for sales tax appears on the statement, the cardholder should contact the supplier directly to arrange to have this charge reversed and fill out the appropriate documentation.

Returns and Credits - All credits and returns are the responsibility of the cardholder and should be documented. To make a return, contact the supplier directly to determine the proper return procedures. Any credits issued will appear on the present or a subsequent statement.

Items Not Received - If a charge appears on the statement for an item ordered but not received, contact the supplier to resolve the matter. Suppliers should not submit charges until goods have been shipped.

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Please keep in mind, with the convenience of the Procurement Card comes responsibility, not just for ordering and reconciliation but fiscal responsibility.

EXAMPLES OF AUTHORIZED PURCHASES (up to \$2500):

- repairs of equipment
- books
- equipment (**under \$1500.00 only. No computers, software, or peripherals may be ordered.**)
- film processing
- printing
- registration for conferences and seminars
- subscriptions, memberships
- shipping charges (UPS, Federal Express, Airborne, etc.)