

	<b>PURCHASING DEPARTMENT</b>	<b>GUIDELINE NO:</b> 605
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		ORIGINAL: January 2003 LAST REVISED: December 2023 <b>REVISION DATE: May 2025</b>
<b>TITLE: Procurement Card Guidelines</b>		

## Purpose

The purpose of this guideline is to define a procedure for the use of a state issued procurement card (P-Card).

## Scope

Agencies are required to use a P-Card to purchase goods and services less than \$500 when a vendor accepts the P-Card for payment. This facilitates a cost-effective method of procurement.

In addition, for all single purchases of \$10,000 or more, agencies must use a Purchase Order (PO) in conjunction with the purchase, consistent with the requirements in Chapter XI-Section A3 Purchase Orders of the “Guide to Financial Operations”. In addition, all purchases from an agency contract require the use of a PO regardless of the dollar value of the contract.

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 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.

## 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.

## 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.
- Use of the procurement card for a transaction must be approved by the cardholder's supervisor.

### **Payment or Account Reconciliation**

- The Purchasing Department will notify cardholders by email when it is time to reconcile purchases for that monthly billing cycle.
- The cardholder **MUST** review the JP Morgan Chase statement for accuracy, print the statement, and reconcile electronically via the SUNY Finance & Management System (FMS) within five (5) business days of notification from the Purchasing Department. A Procurement Card receipt document and the certification form must be signed by the cardholder and their supervisor and included with the reconciliation records.

### Cardholder Responsibilities

**Sales Tax** - The University is tax exempt. It is the cardholder's responsibility to ensure 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.

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

### EXAMPLES OF AUTHORIZED PURCHASES:

- |   |                              |
|---|------------------------------|
| - Repairs of Equipment                          | - Books                      |
| - Film Processing                               | - Printing                   |
| - Registration for conferences and seminars     | - Subscriptions, memberships |
| - Shipping Charges (UPS, FedEx, Airborne, etc.) |                              |

## Liability

New York State will be initially liable for all charges to the P-Card except for fraudulent use of the card by a vendor and/or an employee, charges in excess of the single per-transaction limits, and any other limits imposed by participating state agencies.

While New York State will be responsible to JP Morgan Chase for all employee charges associated with the p-card, the cardholders themselves will be responsible to reimburse the State of New York for any charges incurred as a result of misuse or fraudulent use of the p-card.

New York State *will not be liable* for any charges incurred by non-employees. Therefore, it is important to immediately report any lost or stolen procurement cards to JP Morgan Chase. Failure to comply with this notification process may result in the cardholder becoming personally liable for the fraudulent use of the p-card.

## Source

Office of the New York State Comptroller “Guide to Financial Operations”

XI-A.4 Procurement Card Use (Revised 01/10/2019)

Website Link: <https://www.osc.ny.gov/state-agencies/gfo/chapter-xia/xi-a4-procurement-card-use>