

An abstract graphic on the right side of the page, consisting of several overlapping, rounded shapes in various shades of blue and purple, creating a modern, flowing design.

Cost Center Managers and Managers

Purchasing Card Guide

AGENDA

- Responsibilities*
- Pre-Approval*
- Allowable & Unacceptable Purchases*
- Approval Process*
- Corrective Action & Reimbursement*
- Reporting Suspected Acts of Wrongdoing*
- Record Retention*



Cost Center Managers & Supervisors

Overall responsibility for ensuring the cardholder expenses are authorized, comply with policies and procedures, and serve a legitimate business purpose.

By approving the transactions, the cost center manager and supervisor are certifying that to the best of their knowledge all transactions are necessary, reasonable, and compliant.

Cost Center Manager

Allowed to approve reports for up to a total of seven(7) combined corporate and purchasing cardholders.

Primary budget manager for assigned cost center with access to cost center spend financial reporting.

Approval authority for financial transactions in Workday

Ensure that all transactions are within acceptable use limits and offer overall support of the College's mission

Prior to approval, managers should review transactions, item descriptions, budget allocations and required P-card documents such as P-card receipts.

Manager/Supervisor

Approval authority for purchasing card transactions in Workday

Ensure compliance with P-card policies and verify cardholders are maintain adequate records.



Cardholder would like to make a purchase



PRE- APPROVAL - REQUIRED



The cost center manager should provide approval prior to the purchase being made. This pre-approval can be provided either verbally or in writing, depending on the unit's departmental controls.



Purchasing card transactions are not encumbered. Cost centers managers need to ensure that the P-card expenditure does not exceed budget limits.

Frequent Types of Purchases

Purchase	Is it allowable?	Examples	Ordering Procedures
Computer Hardware	Prohibited P-card Purchase	Computers, Tablets, Printers, Scanners	Complete an IT hardware or software request form. Questions contact itresource.management@montgomerycollege.edu 240-567-3210
Computer Software	Prohibited P-card Purchase	Cloud Application	
Furniture	Prohibited P-card Purchase	Chairs, Desks, Tables, Disability Requests	Ordering procedures are on the Procurement website.
Gift Cards	Prohibited P-card Purchase unless approved by the Senior VP of AFS – P&P#63001	Gift Cards, Gift Certificates, cash cards	
Grant-Funded Purchases	Prohibited unless prior approval from Office of Procurement		
Hotels/Travel	Prohibited P-card Purchase	Hotel/motel, car rentals, parking fees	Ordering procedures are on the Procurement website.
Non-College Address	Prohibited p-card purchase	Home Address	Purchases placed on the card must always be shipped to a College address
Catering/Food	Allowable -All catering events held on College property must be fulfilled by current contractor	*If Metz cannot (must be documented) fulfill a catering need, outside service providers can be utilized.	Current food, vending, and beverage service contractor is Metz Culinary Management.
Office Supplies	Allowable - Must be purchased from the College's office supply contractor	Ink cartridges, paper, pens	Current office supply contractor is Rudolph Supply.



Allowable Purchases

- ❖ Office supplies (**excluding furniture and computer related items**). Must be purchases from the College's office supply contractor **Rudolph Supply**.
- ❖ Tools and hardware (tools, parts and supplies that can be purchased at hardware stores like Home Depot, Lowe's, etc.).
- ❖ Dues and certain subscriptions (**software subscriptions are not permitted**).
- ❖ Books
- ❖ Catering services for College-related business events (**up to \$4,999**). All catering requests related to events held on College property, need to be fulfilled by **Metz Culinary Management**. If Metz cannot (must be documented) fulfill an on-campus catering need, outside service providers can be utilized.
- ❖ Memberships (professional organizations only)
- ❖ Promotional items
- ❖ Printing and copying services
- ❖ Grocery store items and refreshments
- ❖ Shipping charges (US Postal Service, Fed Ex, UPS, etc.)
- ❖ Application fees for professional tests, licenses, permits, except where EAP funds are utilized
- ❖ Online professional training, classes and workshops, except where EAP funds are utilized
- ❖ Registration for professional conferences and seminars, except where EAP funds are utilized, or if registration is in conjunction with hotel stay (card will be rejected at hotels)
- ❖ General products and supplies

PROHIBITED PURCHASES



Refreshment/Food

- Alcoholic Beverages
- Water Services and Delivery where a contract is required (Stand Alone Coolers)
- Restaurants (Unless approved prior to purchase)



Gifts/ Non-College Related Business

- Gifts of sentiment or employee-related events
- Gift cards
- Gift certificates, cash cards
- Gifts or giveaways for students and staff



Travel/Entertainment

- Gasoline
- Travel and entertainment expenses
- Traveler's checks

Services

- Annual Maintenance Contracts
- Capital Projects for Construction and Building Roads
- Consulting Services
- Items that require installation or assembly
- Service transactions
- Utilities
- Equipment and space rentals

PROHIBITED PURCHASES



Personal Uses

- Cash Advances
- Tuition Reimbursement
- Items/services for non-College related purposes



Technology

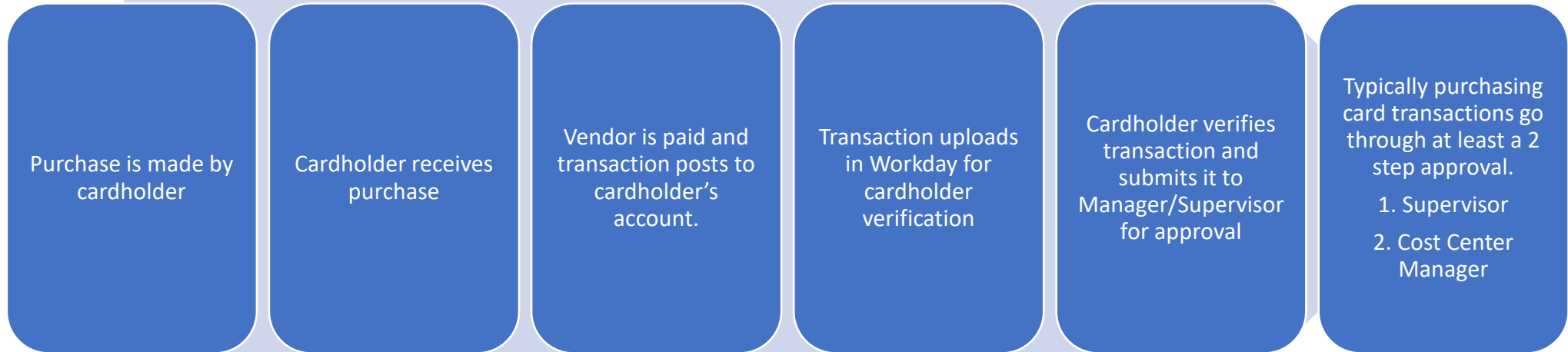
- Cell Phones and/or service
- Cell phone enabled devices
- Computer hardware, software and related components



Additional Prohibited Purchases

- Capital Equipment
- Furniture
- Sponsorships
- Radioactive material
- Grant-funded purchases
- Purchases delivered to non-College addresses
- Purchases not related to College business
- Splitting of purchases to avoid or circumvent the \$4,999 transaction limit

Simplified P-card Process



Authorization

Did you authorize this purchase?

Sales Tax

Did they pay sales tax? If so, is the sales tax paid being reimbursed?

Business Purpose

Is the purchase business-related? Is this an acceptable, legitimate purchase? Is this essential to our operations?

Receipt

Is there an itemized receipt attached for the transaction? Does the receipt match the posted transaction?

Budget Allocation

Is the transaction being charged to the correct budget? Do we have enough money in the budget?



Cost Center Managers & Managers – Reviewing Transactions in Workday

➤ Awaiting Your Action



Itemized receipt required for each transaction.

Receipt must be clear, legible, complete and must include:

Vendor information (Name, Location, Etc.)

Date of purchase and/or date of goods received

Description of each item purchased

Unit Cost of each item purchased

Total Cost of the purchase charged to the card

*Workday Substitute Receipt Form should be attached if original receipt is lost/misplaced.



Awaiting Your Action

	*Cost Center	*Fund
	<input type="text" value="Search"/>	<input type="text"/>

Budget Allocation

Spend Category (Required)

Cost Center (Required)

Fund (Required)

Program (Required)

Grant (Required if the purchase will be charged to a grant account)

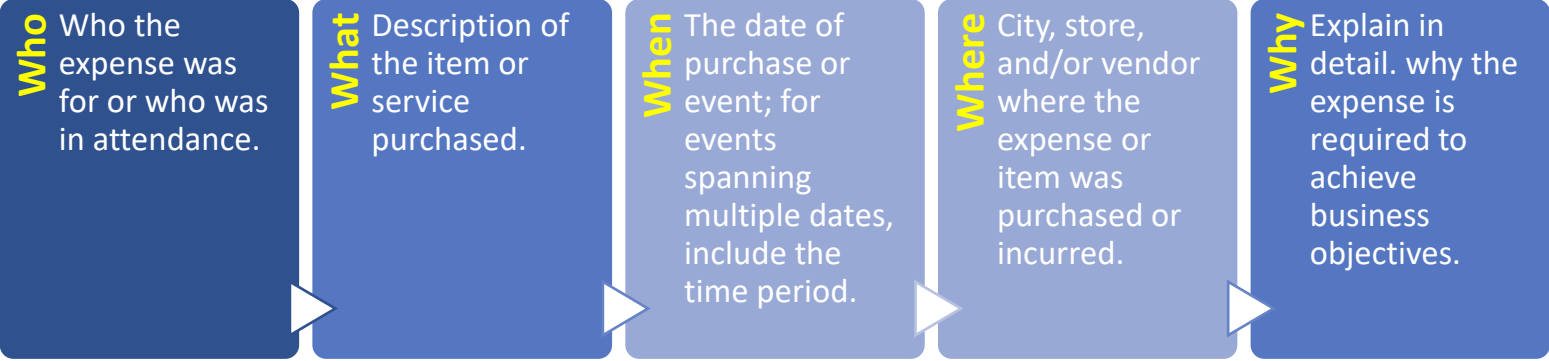
Additional Worktags- (Use this field for Activity Code, Discipline Code and Campus Location if necessary)

Transaction Details 1 item

Item and Category	Grant	*Cost Center	*Fund	*Program	Additional Worktags
Item <input type="text"/>	<input type="text"/>	<input type="text" value="Search"/>	<input type="text"/>	<input type="text" value="Search"/>	<input type="text"/>

Well Written Business Purpose

A clear business purpose is required for every transaction verified in Workday. The College-related business purpose including item description should be entered in the line item description field for every transaction. A well-written business purpose should answer the following questions to relate the expense to the College’s objectives.



Business Purpose Examples

Expense Type	Insufficient Business Purpose Description	Sufficient Business Purpose Description
Meals	Business Meal	Dinner at Clyde’s on 8/3/22 with prospective Donors. Attendees: Mr. John, senior analyst and Mrs. Smith, CFO to discuss new programs at the College.
Conference	Registration Fee	5/25/22 International Chemistry Association conference registration fee for Dr. Smith. Pre-approval from manager attached with invoice.
Travel	Baggage Fee	Baggage fees for Dr. Smith’s travel to and from Boston, MA to attend International Chemical conference 12/10/21 – 12/12/21.
Supplies	Office Supplies	Office stationery to keep up employee and participant relations (e.g., thank you cards).

➤ Awaiting Action



Approve

Approves the proposed task and moves the process forward.

Send Back

Returns the step to the cardholder for correction and pauses the business process.

(Comment required)

Ex. Receipt not attached

Ex. Budget allocation needs to be edited

Deny

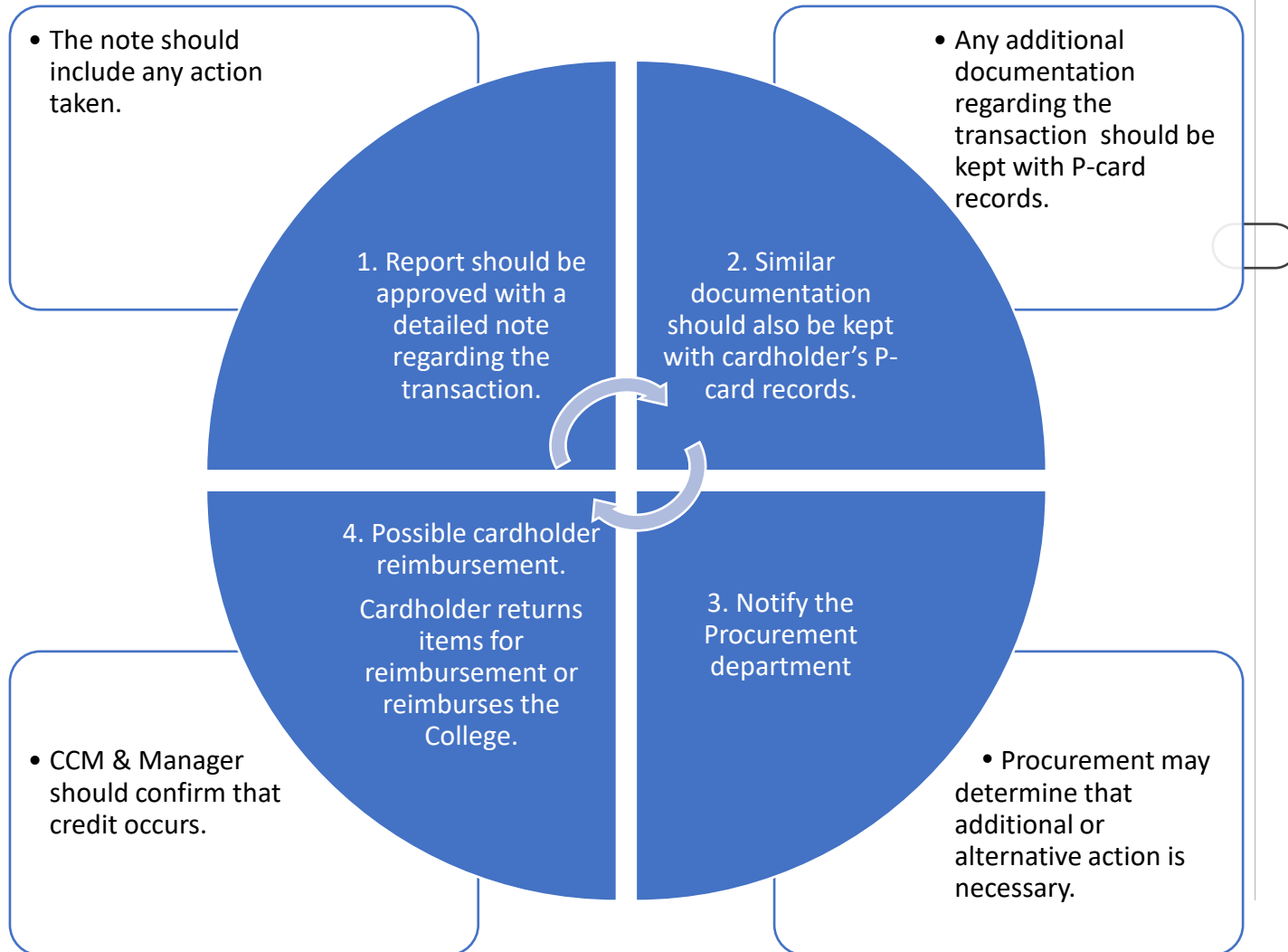
Denies the report and cancels the entire business process. Transactions return to the cardholder to verify again.

Deny does not cancel the transaction. At this point the transaction has already posted and the vendor has been paid.

Cancel

Exits the task but it remains in your inbox.

Unauthorized Purchases, Unacceptable Purchases, Personal Purchases Corrective Action



Accidental Personal Purchase or Tax reimbursement Instructions



Cardholder should send a note of explanation by email to the purchasing coordinator and cc their supervisor and approver.

Reimbursement should be deposited to the nearest College Cashier's Office into the same College budget account that will be used on the P-card verification report.

The original receipt should be kept with cardholder P-card records. Copy of cashier receipt along with vendor receipt should be sent to purchasing coordinator.

When verifying transactions, cardholder should upload vendor receipt and cashier receipt along with a detailed note in the description section.



Policy & Procedures 68008

Reporting Suspected Acts of Wrongdoing

➤ All individuals are expected to report suspected fraud, waste, abuse, financial irregularities, unethical business activities, and concerns about athletic programs and activities.

Office of Compliance, Risk, and Ethics

Online Reporting: www.montgomerycollege.ethicspoint.com

Toll-free Reporting Line: 1-844-572-2198

*All reports are confidential, to the extent permitted by law. Submit concerns anonymously.

➤ This procedure does not preclude an employee from reporting to other appropriate persons such as: ♦ Supervisor ♦ College administrator with compliance oversight of the issue ♦ HRSTM Office of Employee Relations ♦ General Counsel ♦ Law enforcement or other government agencies with enforcement authority

Authorizing or receiving compensation for goods not received or services not performed.

Misappropriation or theft of funds, goods and services, or other College assets.

Examples

Fraudulent activity relating to grants, contracts, agency funds, or other fiduciary obligations.

Purposely reporting inaccurate financial information.

Meet The Team



P-card Transactions

Procurement Escalation Process

- 1. First Offense (Depending on the Offense)**
– Written warning
- 2. Second Offense (Depending on the Offense)** – Written Warning
- 3. Third Offense (Depending on the Offense)**
– Escalation to Director of Procurement for review and possible card suspension/termination.

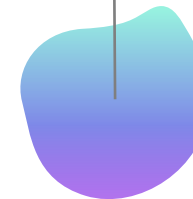
P-card misuse and abuse can be considered a misappropriation of College funds and can result in card suspension, card cancellation or disciplinary action as mentioned in P&P #34002.



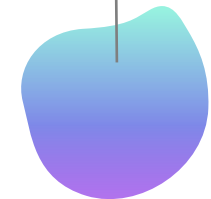
Cost
Center
Managers



Supervisors



Procurement
Office



Auditors

Additional Information

Record-keeping – Required Documents – 5 year record retention requirement

- ✓ *Copy of the monthly bank statement with the Cost Center Manager's signature, or approved verification report*
- ✓ *All original receipts, packing slips, sales order slips, etc. associated with a statement*
- ✓ *Disputed transaction documentation (where applicable)*
- ✓ *Debarment status check results (grant-funded purchases only)*
- ✓ *Any relevant supporting documentation*

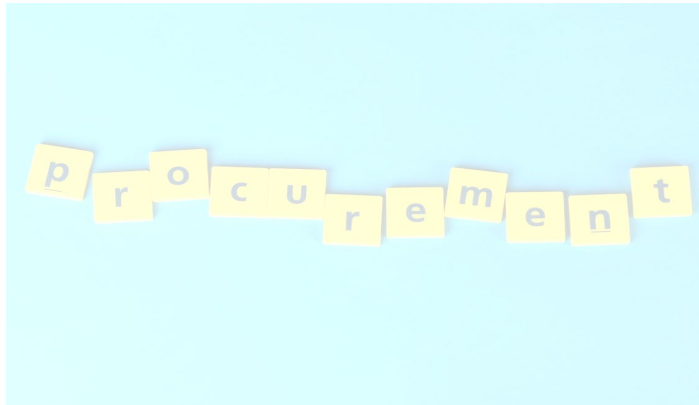


Approved P-card Verifications Due



The 10th of the month for the previous month's transactions.





Questions

procure@montgomerycollege.edu

240-567-5292