Reason for procedure: (Effective Date: July 1, 2010)

This attachment is meant as a protocol reference for handling events related to insufficient supporting documentation and overdue reconciliation of purchasing cards. Proper maintenance of program documentation and timely reconciliation of purchasing cards are critical to ensure internal controls within the Finance and Administration department and give accurate budget data to account managers.

Reconciliation Deadline:

Reconciliation is due to the Procurement Department by the 13th of each month. When the 13th day of the month falls on a weekend, cardholder reconciliation is due by the next business day.

Procedures and Responsibilities:

1) Upon the first occurrence of a purchasing cardholder not completing or incompletely submitting the purchase card reconciliation, the card will be placed inactive. The card will remain inactive until the complete reconciliation is submitted. Notification that the card has been inactivated will be sent to the cardholder and immediate supervisor of the cardholder.*

2) Upon the second occurrence, the card will be placed inactive for 3 months. Notification that the card has been inactivated will be sent to the cardholder and immediate supervisor of the cardholder.*

3) Upon the third occurrence, the card will be placed inactive for 6 months. Notification that the card has been inactivated will be sent to the cardholder and immediate supervisor of the cardholder.* Upon completion of the 6 months inactivation period and before the card will be reactivated, the cardholder must attend a PCard training class and the cardholder and their supervisor must meet with the Assistant VP of Finance & Administration to discuss steps the department will take to prevent future violations.

4) Upon the fourth occurrence, the card will be cancelled and the applicant will lose privileges for one (1) year. Notification of the cancellation will be sent to the cardholder and immediate supervisor.* Upon completion of the cancellation period and before the card will be reactivated, the card holder must attend a PCard training class and the card holder and their supervisor must meet with the Assistant VP of Finance & Administration to discuss steps the department will take to prevent future violations.

Annual replacement of the cards will occur in the month of July (card year). Procurement will track individual violations throughout the card year. At the end of each card year, procurement will remove any violations from a cardholder’s account and the cardholder will begin the new card year with zero violations. If a card holder’s account has been rendered inactive or has been cancelled due to a violation and the new card year begins during such time, the cardholder will not receive a new card or have the card reactivated until term of the violation has lapsed.

* Cardholders are still responsible for the reconciliation of the account if the card is in an inactive state.
In the event a cardholder is restricted from using the university purchasing card, purchases must be made either through the use of another purchasing card within the department or a purchase requisition form through the Procurement Office.

For questions please contact Sonya Guerra (ext. 2031) or J.J. McQuade (ext. 2030) in the Procurement Office.

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