

IX. PROCUREMENT

9.1 REQUISITIONING GOOD/SERVICES

Employees are not authorized to make purchases which obligate the University without first obtaining a purchase order. Any commitments made for purchases without a purchase order will be considered, by the University, a personal liability of the employee making the commitment and acceptance of the merchandise by the University will be at the complete discretion of the University. An exception is granted to those account managers who have received an authorized Procurement Card. For emergency purchases, see the separate section entitled "Purchasing Procedures".

In order to obtain a purchase order, the department must complete a "Purchase Requisition" form FRS-250 (see *Exhibit A*) as follows:

Account Name:

Insert the name of the account as it appears on FRS.

Account Number:

Insert the FRS account number to be used for the purchase.

Department Contact And Extension:

Give the name and telephone number of the person most knowledgeable about this request.

Post Office Box:

Insert LU box number.

Vendor Information:

For items less than \$5,000, insert the name, contact, and address for the selected vendor. For items exceeding this amount, the Purchasing office will do the bid work. Departments should suggest at least one vendor for these purchases.

Item, Description, Quantity, Unit of Measure, Unit Price, and Extended Price:

This listing should be as detailed as possible. The computer system will attempt to match your descriptive data with that entered by Receiving and Accounts Payable, so vague wording should be avoided. If the computer cannot match the descriptions, vendor payment will be delayed. Both a generic and a specific technical description (i.e., part number) is required.

Totals:

Enter totals for current page, and for any attached pages. Insure that the "Total this Request" line summarizes all pages to be included in this requisition.

Hazardous Material:

If the purchase requisition is for hazardous material, check the blocks which apply. Otherwise, leave blank.

Prepared By and Date:

Signature of the person preparing the form, and the date signed.

Approved By and Date:

Signature of the "responsible person" on the account being charged, and the date signed.

After appropriate training and approval clearance, the department may use the FRS electronic requisition screens as an alternative to the FRS-250 paper form.

Disposition of The Form:

Any requisition for **computer hardware, software, or services** **must** be coordinated through Microcomputer Support and Services (MSS), Box 10123 for approval prior to Purchasing receiving requisitions. This enables the University to take advantage of any "bulk buying" which might offer savings by consolidating requests and to adhere to State requirements of H.B. 1895 and the Biennial Operating Plan. MSS provides support for a limited number of computers. If a department purchases a computer not on the MSS support list, the department will be responsible for the maintenance and repairs of the computer.

Also, any requisition for **telecommunication equipment or services** **must** be coordinated through Data, Voice, and Video Networking, Box 10118 for approval prior to Purchasing receiving requisitions. The University is required to monitor all network hardware and software, pager services, cellular telephone services, special circuit and telephone services, voice, data, and video wiring, wireless networking services, and video network equipment. In addition, the University must adhere to State requirements of H.B. 2128, the Biennial Operating Plan, and the Information Technology Strategic Plan.

For items exceeding University authority, allow additional time to obtain required approvals. Items between \$100,000 and \$250,000 must be approved by the Chancellor of the TSUS. Items in the amount of \$250,000 or more must be approved by the TSUS Board of Regents. These items must be submitted through the Vice President for Finance and Operations office. (*See Chapter VI. Contract and Grants for specific instructions.*)

Keep a copy of the "Purchase Requisition" in your department, and forward the signed original to the Purchasing office at Box 10003. Purchase orders will be issued within two (2) working days for routine items under \$5,000. Rush items should be clearly indicated as such, and should be hand-carried to the Purchasing office.

9.2 PURCHASING PROCEDURES

The President is authorized to approve purchases for budgeted items in an amount not to exceed \$100,000. The Chancellor of the TSUS must approve purchases for \$100,000 to \$250,000 and the TSUS Board of Regents must approve purchases of \$250,000 or more (*See VI. Contracts and Grants for specific instructions.*)

The President has delegated approval authority to the Director of Purchasing, the Director of Facilities Management (for Facilities Management items only), and the Director of the Library (for Library items only) for competitive bid procurement of goods and services and for issuance of purchase orders for items of less than \$5,000.

As a state agency, the University is required to follow the purchasing procedures prescribed by the Legislature and the Texas Building and Procurement Commission (TBPC). The Library is exempt from TBPC requirements for the purchase of:

- Serial and journal subscriptions
- Library materials, including books not available under a statewide contract and papers
- Library services, including binding services not available under a statewide binding contract
- Library equipment and supplies

In addition, industrial and federal grants in support of research and grant-in aid payments are exempt from TBPC requirements.

The Texas Constitution requires all printing to be competitively bid, irrespective of the dollar amount. Lamar University requires that all printing be done at the University Print Shop, unless the Print Shop cannot meet the printing requirements. All printing requisitions must be approved by the Director of Internal Services before being sent to Purchasing.

9.2.001 Routine Purchases

Departments must complete requisitions for all goods and services. The following guidelines will be used for determining the extent of the bid work which needs to be done for purchasing goods and services:

Item Amounts:

Up to \$5,000

The Purchasing Department is not required to bid items under \$5,000. Departments are responsible for evaluating and negotiating for these items to insure the University obtains the best value possible for these items. Departments are also responsible for using HUB vendors to the maximum extent possible for these purchases.

\$5,001.01 - 25,000

Informal Bids - The Purchasing Department will attempt to obtain three (3) bids for items in this category, two (2) of which will be HUB's

(one from a minority owned business and one from a woman-owned business). Departments should suggest at least one vendor to be contracted for bids.

\$25,001.01 - Greater **Formal Bids** - The Purchasing Department will solicit from at least three (3) vendors, two of which will be HUB's (one from a minority owned business and one from a woman-owned business).

9.2.002 Emergency Purchases

An emergency purchase is defined by the TBPC purchasing rules as "a purchase of goods or services so badly needed that an agency will suffer financial or operational damage unless they are secured immediately." Emergency situations which occur during business hours should be coordinated with the Director of Purchasing. Emergencies occurring during non-business hours will require substantiation by the divisional Vice President as follows:

An emergency purchase requires a letter of justification which will become part of the file. The letter should be signed by the divisional Vice President and must state:

1. the reason for the emergency purchase by explaining what the emergency is and/or what caused the emergency situation;
2. the financial or operational damage which will occur if needs are not satisfied immediately (do not just say there will be a loss or some damage); and
3. why the needs were not or could not be anticipated so that items could have been purchased following regular delegated procurement procedures.

9.3 UTILIZATION OF HISTORICALLY UNDER-UTILIZED BUSINESS

The University will:

1. Utilize the Texas Building and Procurement Commission HUB Directory as the primary reference list for HUB vendors and combine it with the University's bidder list. All employees participating in the purchase of goods and services will be held accountable for adhering to the outlined policy.
2. Utilize this HUB policy as the basis for obtaining the HUB participation goal.
3. Prepare, publicize, and distribute information on procurement procedures in a manner designed to encourage minority and women-owned businesses to participate in its acquisition of goods and services.
 - a. Special attention will be given to ensure that purchase orders and/or contract specifications are written to encourage HUB participation.

9.3.001 Historically Under-Utilized Business Subcontracting (HUB-SUB) Program

1. Contract documents above \$100,000 will contain a provision detailing objectives of the HUB participation program and shall incorporate subcontracting *"Good Faith Effort"* criteria.
2. The State of Texas strongly encourages prime contractors to put forth a *"Good Faith Effort"* in establishing contracts with HUB's as subcontractors, suppliers, or material providers. *"HUB subcontracting performance"* will be a criteria incorporated in the TBPC Vendor Performance rating system. Some examples of *Good Faith Effort* criteria include but are not limited to the following:

The General/Prime Contractor will:

- a. Deliver a written notice to all HUB subcontractors identified on the TBPC certified HUB directory or any other government agency listing. The notice will contain:
 - (1) Adequate information about the plans, specifications, and requirements of the contract and subcontract work.
 - (2) The name of a contact person within the prime contractor's office to answer questions.
- b. Provide documentation on the type of solicitations made for HUB participation: include records and evidence of correspondence/responses from HUB's. In accordance with normal industry practices, divide contract into small, economically feasible segments which could be performed by HUB's (include dollar amount offered to HUB's).
- c. Provide HUB's with information about the prime contractor's bonding requirements. Describe to LU the steps taken to assist HUB's in identifying financial, bonding, and technical assistance services.
- d. Provide a reason for rejection to any HUB whose bid is rejected, unless another HUB is accepted for the same work. The written rejection notice will include the reason for rejection if price competitiveness is not the reason. If price competitiveness is the reason, a meeting will be held (if requested) with the price-rejected HUB to discuss the rejection.
- e. Maintain their stated HUB participation goal regardless of reduced scope of services in the contract.
- f. Prepare and submit established forms within the time period designated on each form. This will assist agencies in documenting the HUB usage/monitoring of the prime contractor's *"Good Faith Effort"*.

3. Failure of the general/prime contractor to meet the "*Good Faith Effort*" requirements identified during the bidding process may be considered as a basis for a default in the awarded contract.
4. A vendor's past performance in meeting the contractual agreement outlined in the award may be a consideration in determining future awards of agency contacts.

9.3.002 Types of Purchases

1. The University will ensure that bids are obtained from businesses which normally sell the goods and services being purchased.
2. Catalog Purchasing for User Systems (computer and telecommunication) goods and services:

The University will solicit catalogs and evaluate pricing from approved HUB's in accordance with the catalog purchasing procedures. An approved HUB vendor will be used to the fullest extent possible.

3. Professional Services:

The services of some professionals do not require competitive bids. Examples include: certified public accountants, architects, optometrists, physicians, surgeons, land surveyors, and professional engineers.

9.3.003 Data Collection and Reporting

The Purchasing Agent will act as liaison between the agency and TBPC. The liaison will contact TBPC Small Business Programs for assistance when purchasing difficulties occur under this policy.

9.4 TEXAS BUILDING AND PROCUREMENT COMMISSION ETHICS

Per Commission Rule ITAC 111.4, agencies involved in purchasing under the TBPC delegated authority shall adhere to the following ethical standards:

An employee may not:

- Participate in work on a contract knowing that the employee, or a member of their immediate family, has an actual or potential financial interest in the contract, including prospective employment;
- Solicit or accept anything of value from an actual or potential vendor;
- Be employed by, or agree to work for, a vendor or potential vendor;
- Knowingly disclose confidential information for personal gain; or
- Be employed at a pay classification of Group 17, Step one or higher if the

spouse of an officer, manager, or paid consultant of a Texas trade association of businesses which contracts with the State.

A former employee who had a pay classification of Group 17, Step one or higher may not represent or receive compensation concerning any matter in which the former employee participated during his or her employment with the State:

- Offer, give, or agree to give an employee anything of value; or
- Retain another to secure a contract for a contingent fee except for bona fide employees or sales representatives

When an actual or potential violation of any of the above is discovered, the person involved shall promptly file a written statement concerning the matter with an appropriate supervisor. The person may also request written instructions and disposition of the matter.

If an actual violation occurs or is not disclosed and remedied, the employee involved may be either reprimanded, suspended, or dismissed. The vendor or potential vendor may be barred from receiving future contracts and an existing contract may be cancelled.

Procedure

In the context of the above, the appropriate supervisor to receive the report of actual or potential violations will be the divisional Vice President. The Vice President shall investigate the matter, and shall file a report indicating the disposition of the matter with the President within ten (10) working days of the original receipt of the report.

In order to ensure compliance with state policies and laws and to protect employees, each employee of the University affiliated with an organization which does business with the University **MUST** advise the office of the Vice President for Finance and Operations of that affiliation by means of the "Disclosure of Business Affiliation" form (see *Exhibit C*).

9.5 ALCOHOL PURCHASES

For those functions at which it is deemed by a senior officer to be appropriate and desirable to serve alcoholic beverages, said beverages may not be purchased with funds (e.g. 001 and 256) held in the State Treasury. Where not otherwise prohibited, certain gift funds, designated funds, auxiliary funds, or restricted funds may be properly applied for this purpose. The Vice President for Finance and Operations shall be responsible for determining the proper source and use of funds for such purpose before the expenditure is allowed.

Persons intending to purchase alcohol on a requisition must submit a completed "Request to Purchase Alcohol with University Funds" form (see *Exhibit D*) with the requisition. The Purchasing Department will forward the requisition to the Vice President for Finance and Operations for approval prior to processing. If approval is not obtained prior to the expense being incurred, the expenditure becomes the personal obligation of the individual making the purchase, and the University is under no obligation to reimburse the employee.

Employees desiring to be reimbursed for alcohol purchases made as part of travel and entertainment activities must complete and obtain approval of the "Request to Purchase Alcohol with University Funds" form (see *Exhibit D*) prior to incurring the expense. If such approval is not obtained prior to the expense being incurred, the University is under no obligation to reimburse the employee.

9.6 CODING OF PURCHASES OF CAPITAL ASSETS

Capital Asset: Capital assets are defined as those assets which have a useful life exceeding one (1) year and cost more than \$5,000.

Capitalized Asset: The State requires that such assets be capitalized on our record system, and that inventory records be maintained on each individual asset. All capitalized assets shall be purchased using object codes in the 5400 pool. All other purchases of capital assets shall be made using object codes in the 3000 pool.

Certain assets must be inventoried regardless of dollar cost per State policy. The Purchasing Department has a list of such items (certain types of electronic equipment and firearms are examples), and will see that proper coding is done.

All capital assets are eligible for purchase with HEAF funds (Higher Education Assistance Funds) regardless of cost.

9.7 COMPUTER HARDWARE AND SOFTWARE PROCUREMENT

Computer hardware and software procurement represents a significant investment. This investment must be effectively planned, utilized, and managed. This acquisition procedure is a step toward proper management and control of this vital resource.

All University purchases of computer hardware and software **must** be reviewed with Microcomputer Support and Services (MSS) before a purchase commitment is made to ensure the items are compatible with University support and communication systems.

When a department is not familiar with computer equipment or is not aware of what is offered or how to configure what is needed, they must contact MSS for assistance. MSS will provide recommendations and advice, along with vendor comparisons, and will advise on network setup and installation. In order to avoid waste caused by duplication of facilities and effort, anyone considering computer related acquisitions should utilize this group for assistance in their planning and procurement.

Computer catalog purchases are not exempt from proper documentation of the decision making process. For example, HUB requirements still need to be documented.

9.8 TRANSACTIONS EXEMPT FROM PURCHASE ORDERS

With FRS, accounts can be encumbered immediately for most all types of transactions, including travel and utility charges. Generally, account managers will be required to requisition purchases through the purchasing department where the encumbrance will be recorded. However, certain types of transactions are not conducive to normal purchasing procedures.

The following are procedures for handling specific transactions for which purchase orders have been deemed inappropriate. Instructions for processing each transaction and a copy of the referenced form is included. Forms may be ordered from the supply center.

These procedures are not intended to allow account managers to circumvent regular purchasing procedures. All other purchases of goods or services must be routed through the Purchasing Department.

With the exception of Item 7 below, these are not transactions which will result in the issuance of an immediate check. The documents mentioned will be processed through normal cycles for check issue.

9.8.001 Use a “Request to Pay Vendor or Payee” form F4.7 (see Exhibit E), obtain required signatures and submit all documentation to the Accounts Payable Department for the following:

- 1) Business Related Meals And Entertainment
- 2) Postage
- 3) Reimbursements to Lamar
- 4) Commissions
- 5) Scholarships, Etc.
- 6) Review of Materials on Trial Basis
- 7) Small Item Purchases (Less Than \$50)

9.8.002 Travel

Use a “Request to Travel at University Expense” form F3.32 (*Exhibit F*), obtain all required signatures and submit all documentation to the Accounts Payable Department, Attention: Travel Clerk.

9.8.003 Lamar Service Centers (i.e., Print Shop, Quick Copy, Supply Center, Facilities Management, etc.)

Departments requisition services directly from the appropriate service center and payments are made by the Accounting Office via journal entries.

9.8.004 Shipping Costs

When shipping costs are itemized separately from order for goods/ services, the Purchasing office will be asked to change the purchase order to reflect the charges since freight should be included in terms of purchase.

Otherwise, costs for shipping only when goods are not included do not require a Purchase Order.

9.8.005 Utilities

A monthly bill is sent to Accounts Payable by Facilities Management with a journal entry which records interdepartmental charges. Instructions for entering voucher on screen 104 will be attached.

9.8.006 Inter-Library Loan Charges - Entered by the Library using screen 104.

Use a "Request to Pay Vendor or Payee" form F4.7 (*see Exhibit E*), obtain all required signatures and submit all documentation to the Accounts Payable Department.

9.8.007 Repayments - Use ONLY when a vendor will not grant credit and a true emergency situation exists requiring an immediate check.

Use a "Request to Pay Vendor or Payee" form F4.7 (*see Exhibit E*) obtain all required signatures and submit all documentation to the Accounts Payable Department. The person picking up the check must return a receipt to Accounts Payable immediately after the goods/ services are received.

9.9 RECEIVING REPORTS

Each purchase order copy will be coded with instructions for handling receiving documentation when purchases are delivered. These instructions will contain one of the following:

- a. A receiving report will be required for pick-up items and should be forwarded to Facilities Management by the department (i.e., a DC type order)
- b. Goods will be received by Facilities Management and receipted there (i.e., RO type orders).
- c. No receiving report will be required beyond the invoice itself (i.e., two-way match).

For purchases below \$1,000, a two-way match type of purchase order will be issued whether for goods or services. If it is for purchases of tangible goods, the merchandise may still be received through Facilities Management, allowing for payment when received.

Compensating control accounts payable procedures require:

1. A copy of the invoice be mailed to the department before payment.
2. Payment to be delayed five (5) days to allow the department time to communicate back to Accounts Payable should payment be further delayed.

9.10 PROCUREMENT CARD PROGRAM

9.10.001 Introduction

Lamar University offers all departments a MasterCard Procurement card (ProCard) program for ordering supplies or business services. The program is a fast, flexible alternative for processing low dollar value purchases from vendors that accept the MasterCard credit card. The card is available for use with state and local accounts except those in the Restricted Funds.

The Procurement Card Program is authorized by the State of Texas Building and Procurement Commission (TBPC) contract with Bank One. With the ProCard you, the end user, will be able to purchase non-restricted commodities of less than \$250 for E&G (State) or less than \$500 for local funds, directly from vendors without issuing a purchase order or entering an accounting transaction. It will also significantly reduce the time and effort required to make payments for your purchases.

9.10.002 How The ProCard Works

- 1) You make a purchase by charging it on the ProCard
- 2) Bank One, the ProCard supplier, pays the vendor the next day
- 3) Bank One bills the University monthly
- 4) The University makes payments to Bank One electronically.

9.10.003 What Can Be Purchased With The ProCard

The card may be used for the purchase of goods and services under \$250 for E&G (State) accounts or under \$500 for local funds accounts. Purchases which exceed these limits (including freight) **must** be made using the normal purchasing procedures. The ProCard is to be used for the purchase of operating supplies and services. The ProCard is **not** to be used for travel, capital items, and services provided by individuals who would receive a W-2 or 1099 from the University. Food or restaurant expenditures are specifically disallowed. Any questions about the appropriateness of an item should be directed to the Purchasing Department. As explained later in this procedure guide, cardholders are strictly prohibited from using the card to purchase items for personal consumption.

Examples of appropriate items:

Office Supplies
Equipment repairs
Conference registration fees

Examples of inappropriate items:

Airline tickets
Hotel accommodations
Fuel for travel
Rental Cars
Food
Personal recognitions such as flowers/plants for employees or family members
Business Luncheons for Employees
Computer Hardware/Software/Services
Network and Telecommunications Equipment and Services

The purchase of airline tickets, meals, lodging, gasoline, and vehicle rentals are to be paid with the Bank One Commercial Travel Card issued by the University, not the ProCard.

9.10.004 Who Can Obtain A ProCard

Any University account manager, and in certain circumstances with the approval of the Program Administrator, designees of the account manager.

9.10.005 Guidelines

A. General Policies

1. The ProCard is to be used for University purchases only. Because the obligations incurred through use of the card are liabilities of the State of Texas, use of the card for purchase of personal items will be considered misappropriation of State funds, which could carry criminal penalties. All purchases must comply with all state and federal guidelines applicable to the account being charged with the purchase.
2. The ProCard is intended to complement the existing University purchasing process.
3. Each ProCard is issued to a specific individual rather than to an office/site. Only the individual whose name is on the card or those given a "red card" authorization by that individual may use the card.
4. Specifications limiting individual and cumulative purchase amounts are registered with the ProCard provider. Purchases exceeding those limits will not be honored.
 - Single Purchase Limit, \$250 E&G (state) accounts, \$500 local accounts.
 - Generally, the monthly spending Limit per card will be one-twelfth of the M&O budget for the account.

When an item exceeds the limit of the ProCard, splitting the invoice is not permitted. No item should have more than one invoice/receipt. This includes splitting invoices between departments. Splitting of purchases which exceed the single purchase limits so that the card may be used may result in loss of card privileges.

5. The billing cycle is monthly.
6. Monthly activity reports are provided, and will be distributed to the account managers of the accounts involved on a monthly basis.
7. The University is financially liable for the card. In the event a card is lost or stolen and subsequently used, the University

may be liable for up to \$500 for such uses unless the provider is notified of the loss or theft. Therefore, lost or stolen cards must be reported immediately to the Purchasing Department and to Bank One so that proper notification can be made. Names and telephone numbers are listed in "B" below.

8. Because funds in a fiscal year may not be used to pay obligations from a prior year, a calculation of Pro Card obligations at the end of the fiscal year will be made and the amount accrued as a liability in the accounts of cardholders.
9. The ProCard is a very useful tool for the responsible account manager. However, it is also a tool which may be easily abused. To insure that the availability of the card to the University is not threatened by misuse, monitoring of activity will be regular and firm steps will be taken to deal with those who do not follow proper procedures. Loss of card privileges will result if account managers does not use the ProCard responsibly.

9.10.006 Phone Numbers and Contacts

1. Lamar University Pro Card administrators:

Jack Tenner Primary Administrator (409)880-1783 Director of Purchasing/ Program Administrator	David Stanley Secondary administrator (409)880-8379 Purchasing Agent/ Site Administrator
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2. Bank One Customer Support:

Phone #'s: 1-800-890-0669

3. For Lost or Stolen Cards:

Bank One	1-800-890-0669
Lamar University	(409)880-1783

4. Card Activation:

Bank One	1-800-890-0746
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5. For Disputed Charges:

Bank One	1-847-488-2699
Write to:	Bank One Commercial Card Service P.O.Box 2266 Austin, TX 78780

6. To report fraudulent use or misapplication of the card, notify a program administrator and the Internal Audit department.

Jack Tenner -(409) 880-1783 Primary Administrator	Twila Baker - (409) 880-8933 Director of Internal Audit
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9.10.007 Policies, Procedures, and Rules

The purpose of the program is to provide state agencies a more efficient method of making small dollar purchases. The ProCard system should result in an increase in savings and provide other cost reductions to this agency by eliminating many of the necessary steps and paperwork now required to make such purchases. The following policies and procedures are to be adhered to when utilizing the ProCard.

1. Obtaining a ProCard

Prospective Cardholder: Contact the Director of Purchasing to determine how you will fit into the hierarchy/organizational structure of the credit card program.

Department Head: Request in writing to the Purchasing Agent - employee name, employee social security number, and budget account number.

All Cardholders: Register for and attend training class on Pro Card use which will be taught by the program administrators. A card will not be issued until training has been completed.

2. Program Administrator Duties and Responsibilities

- A. Disseminating Information - The Primary Program Administrator is responsible for disseminating card information and financial/billing reports to all cardholders.
- B. Training - The Primary Program Administrator is responsible for training all cardholders in the proper use and care of the credit card after receipt.
- C. Credit Card Retrieval - In the event a cardholder resigns or terminates from the agency, the Primary Program Administrator is responsible for providing and assisting the cardholder with the completion of the proper forms for returning the credit card to the Purchasing Department.
- D. Fraudulent Use or Misapplication of the Credit Card - In the event a cardholder has used the card fraudulently, the Department head is responsible for notifying the Primary Administrator who will take necessary steps to act on the report. The Department head must also notify the Internal Audit Department.
- E. Payments - The Secondary Program Administrator will review and approve payments and serves as a backup to the Primary Program Administrator.

3. Cardholder Duties and Responsibilities Include

- A. Maintain Cards in Secured Location - Cardholders are responsible for ensuring cards are maintained on Lamar

University property and kept in a secure (locked) area when not in use.

- B. Fraudulent use or misapplication of the Card - Cardholders are responsible for reporting immediately to the Primary Administrator and Internal Audit Department any fraudulent use or misapplication of the card.
- C. Credit Card Dispute Resolution - Cardholders are responsible for immediately investigating any disputed charges. Contact the Primary Administrator for specific instructions.
- D. Lost or Stolen Credit Cards - Cardholders are responsible for immediately notifying the Primary Administrator and Bank One if a card is lost or stolen.
- E. Purchase Limits - Cardholders are responsible and accountable for adherence to the established per purchase and per billing cycle limits set for their card.
- F. Authorized Use - Cardholders are responsible for ensuring the appropriate person signs for credit card purchases. Only the individual whose name is on the card may use the card unless the cardholder has granted their permission to another person by completing the red authorization card.
- G. Receipt of Merchandise - Cardholders are accountable for the physical receipt of the merchandise.
- H. Return of Merchandise - In case of returns, cardholders are responsible for coordinating returns directly with the supplier.
- I. Change of Employment Status - Cardholders are responsible for immediately notifying the Program Administrator if their employment status changes in any way.
- J. Purchase Documentation - Cardholders are responsible for retaining sales slips (that show the description of items purchased) for three (3) years to satisfy records retention requirements. It is imperative that documentation be maintained for ProCard activity. Failure to maintain accurate and complete documentation may result in loss of card privileges. If it is not evident from the receipt that the purchase was for business purposes, then a written explanation of the business purpose should be attached to the receipt.
- K. Sales Tax - The cardholder is responsible to see that no sales taxes are charged on purchases made with the Pro Card.
- L. Transaction Log - Transaction logs are to be maintained by each cardholder. A standard form for the log is available from the Program Administrator. Cardholders will file with the Pro-

gram Administrator a copy of the transaction log each month. Occasionally, Cardholders will be requested to submit with the transaction log a copy of all receipts which support the items on the log. The receipts will be reviewed and exceptions will be examined and appropriate administrative action will be taken. The monthly transaction log will be reviewed by the Program Administrator for compliance with policy and to reconcile the log with the monthly billing statement.

Exhibits

- A Purchase Requisition - FRS250*
- B Bid Requirements For Delegated Purchases*
- C Disclosure of Business Affiliation*
- D Request to Purchase Alcohol with University Funds*
- E Request to Pay Vendor or Payee - F4.7*
- F Request to Travel at University Expense F3.32*