

Credit Card Procedure – Purchasing

Merchant Credit Cards

All merchant credit cards are maintained in the Purchasing Department of Southwest Tennessee Community College (College). All purchases must adhere to the College's Purchasing Policies and Procedures. Upon requesting credit card purchases, departments must submit a requisition or electronic Payment Request Form (located in STCC Document Library) with the appropriate Department Chair/Director approval. No single card purchase can exceed \$4,999.99, unless approved by the CFO. Once the request for purchase has been approved, the requestor must sign the Credit Card Log located in the Purchasing Department before the card is released. A tax exemption certificate with the vendor's name is given to the requestor along with the credit card to ensure tax exempt purchase. Upon returning the credit card, the requestor signs Log, submits a copy of the receipt to Purchasing, and indicates purchase order (PO) number, if PO was required for purchase. The Purchaser immediately submits the receipt to the Accounts Payable Department for payment of the credit card.

Major Credit Cards

There are three (3) Visa cards controlled by the Purchasing Department. These cards are locked and usage requires an approved Payment Request Form or requisition. These cards are used when a vendor will not accept a purchase order or a College check, travel, on-line purchases or in situations deemed an emergency. Travel related expenditures require that an approved Travel Authorization form be on file in the Purchasing Department. Upon requesting credit card purchases, departments must submit a requisition or Payment Request Form with the appropriate Department Chair/Director approval. No single card purchase can exceed \$4,999.99, unless approved by the CFO. Once the request for purchase has been approved, the requestor must sign the Credit Card Log located in the Purchasing Department before the card is released. A tax exemption certificate with the vendor's name is given to the requestor along with the credit card to ensure tax exempt purchase. Upon returning the credit card, the requestor signs Log, submits receipt to Purchasing and indicates purchase order (PO) number, if PO was required for purchase. Once the statement is received, it is reviewed by the Purchasing Staff against the approval purchases for accuracy.

If there is a dispute in a charge, Purchasing must resolve the dispute prior to sending the bill to Accounts Payable for final payment.

Upon approval by the Director of Purchasing & Auxiliary Services, copies are made of the statement and all documentation. Original statement and documentation is submitted to a Senior Accountants for final review, and then submitted to Accounts Payable for payment.

Employment Changes

In the event of employment termination, the cardholder listed by name on the card must return the Credit Card to the Purchasing Director or Purchasing Staff.

A review will be conducted by the Institution's Purchasing Director prior to the employee's departure or final compensation.

Accounts Payable

Upon receipt of Credit Card Statement and Payment Request Forms/Purchase Orders, Accounts Payable reviews and reconciles receipts to statement. Once reconciled, Accounts Payable enters invoices into financial management system for payment. Accounts Payable management reviews and approves all vendor payments, prior to check printing and distribution.

Lost/Stolen Cards

If a credit card is lost or stolen the individual must immediately notify the Purchasing Staff. Purchasing shall immediately notify the merchant or the Bank of the incident for assistance on cancellation of the card. If the card was lost and then found the card shall be destroyed by shredding the card.

Non-Compliance

Instances of Non-Consequences are handled as follows:

1. Temporary Suspension
 - School Credit Card privileges may be temporarily suspended for any cardholder and/or department who does not comply with all policies and regulations pertaining to the use of Credit Cards.
 - The decision to suspend privileges and the duration of suspension will be determined based upon the severity of the violation(s), the number of offenses, and the department's ability to take corrective action.
2. Other Corrective Action
 - a. Intentional use of a School Credit Card for any purposes other than school business will result in disciplinary action, up to and including termination from employment or criminal prosecution.

Reporting Fraud, Fiscal Misconduct, or Violation of TBR Financial Polices

School employees who know or suspect that other employees are engaged in theft, fraud embezzlement, fiscal misconduct or violation of Institution or TBR policies and guidelines have a responsibility to report its concerns in accordance with State Law. (TBR Policy 4:01:05:50, Preventing and Reporting Fraud Waste and Abuse)

Distribution

Director – Purchasing & Auxiliary Services
Purchasing Staff

Ownership

The Director – Purchasing & Auxiliary Services [msaddler@southwest.tn.edu] is responsible for ensuring this document is necessary and that it reflects actual practice and supports Southwest Tennessee Community College's policy.