

Procurement Card

Quick Facts Check list

I. Purpose of the Procurement Card

- a. The following is a User's Guide for the Mississippi Valley State University Procurement Card. The Mississippi Valley State Procurement Card is designed to provide a convenient and efficient method of purchasing small dollar (\$5,000 and below) orders of goods and services.
- b. This User's Guide will provide the User with the Policies and Procedures necessary to remain in compliance with University policy as well as State Purchasing Law.

II. Obtaining your Procurement Card

- a. In order to obtain a Procurement Card, an employee must complete the Cardholder Application/Agreement with the Procurement Department. The application must be filled out completely and signed by the Cardholder as well as the Department Head. In the event of the Department Head requesting a Procurement Card, the application must be signed by the Department Head as well as the respective Vice-President.
- b. Upon completion, please forward the application to the Procurement Card Manager or the Procurement Card Specialist located on the second floor College Hall II. Procurement and Contracts will apply for the card and notify the Cardholder upon its arrival. The Cardholder will then pick the card up at Procurement and Contracts.
- c. For first-time Cardholders, a mandatory training session is required for activation of the card. Procurement and Contracts will work with the Cardholder to set up a training session that will fit their schedule.

III. Credit Limits

- a. The Cardholder may request an initial Monthly Credit Limit of \$5,000, \$10,000, \$15,000, \$20,000 or \$30,000 based on the Department's monthly spending needs. Please contact Procurement and Contracts for an initial spending limit different from the suggested amounts.
- b. There is a single transaction limit of \$5,000 depending on which MVSU Procurement Cards is issued. Any single purchase over \$5,000 must be approved by Procurement and Contracts prior to the purchase. The requests will be only if item (s) are on the State Contract List or formal quotes and/or bids have been received in the Procurement Office prior to transaction.

IV. Food Charges on the Procurement Card

- a. We have expanded the program to allow food purchases provided the following requirements are met:

- i. *The purchase of the food must serve a legitimate business purpose.
 - ii. *More than one person must be present for the purchase of food.
 - 1. No one individual usage.
 - 2. No recreational usages.
 - iii. *No alcohol may be purchased.
 - iv. *Any gratuity over 20% requires written justification.
- b. Food may be purchased in restaurants, grocery stores or any location that food may be purchased. The food may be purchased for pick-up, delivery or dine-in

V. Hotels Charges on the Procurement Card

- a. The MVSU Procurement Card may be used for payment of hotel charges for visitors of the University. This may include guests, speakers, visitors and potential job applicants. This charge is only allowable when the guest is visiting a campus of MVSU.
- b. The Procurement Card may **NOT** be used to pay for Hotel charges of MVSU employees. MVSU employees must make arrangements to pay their hotel charges through the MVSU Travel Department. Please do not give the Procurement Card number to a hotel to reserve a room for an MVSU employee. It has been our experience that many times the hotel will go ahead and charge the room to the card. If this happens, the Procurement Card Account must be reimbursed by the cardholder.
- c. The Procurement Card may also be used for Team Travel
- d. A Hotel Charges Form must be completed with two signatures and attached to the receipt for each Hotel charge.

VI. Contractual Services

- a. The Procurement Card may be used for the payment of Contractual Services with one exception. A business must be incorporated for use of the Procurement Card when paying for Contractual Services. The Procurement Card is not set up to be 1099-reportable to an individual, partnership and certain types of LLC's.
- b. It will be the responsibility of the Cardholder to determine the business structure when paying for a service. If the business structure is not specified on the receipt, please attach a document to the receipt identifying the business structure.

VII. State Sales Taxes

- a. The University is Tax Exempted; No Mississippi Taxes should be charged to this card however, the cardholder must inform the participating vendor if they will honor the State Procurement Card.
- b. Occupancy, Gratuity, and or Room taxes are allow under this law.

VIII. Handling of Receipts

- a. Copy receipt (s) for your record

- b. Reconcile Receipts with Bank statement and Purchase Order Balance
- c. Turn all original copies receipts into the Accounts Payable Office
- d. Hand written receipt (s) not acceptable
- e. No state taxes
- f. NOTE: All Receipts **MUST** be turn in to accounts Payables upon return
 - i. If it's a small receipt attach to an 8 ½ sheet of paper.
 - ii. Write purchase order number on paper.

IX. **Declined Transactions**

- a. In the event that your transaction is declined, please pull up your card bank statement for an explanation of the denial. The most common reasons for the card to be declined include
 - Monthly spending limit exceeded
 - Incorrect expiration date
 - Incorrect card number
 - Restricted vendor
 - Single transaction limit exceeded
 - Incorrect CVC Code
- b. If you are unable to determine the cause of the card being declined, contact the Procurement Card Manager or the Procurement Card Specialist and we will work with you to determine the problem.

X. **Prohibited Purchases**

The following purchases are prohibited with the Procurement Card:

- Contractual Services to an Individual, Sole Proprietor, Partnership or LLC.
- Gasoline unless purchased in bulk with prior approval from Procurement and Contracts.
- Individual Travel related expenses
- Purchases over \$5,000 without prior Procurement & Contracts approval
- Cash Advances
- Radioactive, Explosive or other Hazardous material
- Items for personal use
- Alcoholic beverages
- Gifts
- Items on back order
- State Contract items without prior Procurement & Contracts approval
- Equipment unless using an Equipment Procurement Card