



CORPORATE PROCUREMENT CARD

POLICIES AND PROCEDURES

Revised June 28, 2010

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CORPORATE PURCHASING CARD OVERVIEW

Excerpt from State Manual

BACKGROUND

The Comptroller of Maryland's General Accounting Division provides central management and administration for the State Corporate Purchasing Card Program. State agencies must comply with policies, procedures, and instructions contained in this manual for use of the purchasing card. Failure to comply will result in the suspension and/or termination of cards.

A Statewide Corporate Purchasing Card Steering Committee provides oversight for the review and approval of all policies and procedures. Additionally, the steering committee monitors card activity reports to make improvements in the state's procurement systems.

The Corporate Purchasing Card Program saves the state time and money. By allowing the bank and the merchants to process most of the paperwork, the state eliminates the need to issue purchase orders and reduces the number of invoices and checks utilized in the purchasing/procurement process. It helps agencies obtain small dollar value items in a more efficient and cost effective manner. Vendors also benefit by eliminating invoices and receiving payments normally within two days of the purchases.

While it is the intent of the program to improve the efficiency and effectiveness of the agency's small dollar procurements, nothing in this policy and/or procedures is intended to replace current policy and/or procedures defined in the Finance and Procurement Article or in COMAR Title 21, or included in your agency's internal policies and procedures. The guidelines in this manual are to act as the minimum standards for the operation of the Corporate Purchasing Card Program. Agencies may establish supplemental procedures that are more stringent than the rules established in this manual.

Corporate purchasing cards and card services are contracted by the state. The General Accounting Division is responsible for the management of the statewide corporate purchasing card contract. The contact information for the contracted card provider is contained in the Contact Information section of this manual.

BENEFITS

The corporate purchasing card system benefits the State of Maryland by reducing paperwork, cost, and processing of accounts payable for small dollar purchases. Vendors who accept corporate purchasing cards are paid much faster.

LIMITATIONS

Due to limitations in the current bank information systems, vendors subject to 1099 reporting may NOT be paid with the corporate purchasing card. These vendors are unincorporated service providers that require special reporting to the Internal Revenue Service.

MBE/WBE/SBR REPORTING

The Comptroller of Maryland's General Accounting Division has developed a program that matches a state certified MBE/WBE/SBR list to the corporate purchasing card transaction data. The results of the program match can be viewed in R*STARS's VIEWDIRECT report A30CPC11. Since the card vendor's data uses unedited taxpayer identification numbers provided by the merchant, you may need to make manual corrections to the report based on your review of the statistics reported for each taxpayer identification number and name combination reported. Small Business Reserve Reporting is also available as A30CPC12.

CONTROLS

The State of Maryland Corporate Purchasing Card Program uses both internal management controls, as well as features and reports from the card vendor's system, to manage and review the process to ensure that procedures are followed.

Participating agencies and cardholders are required to adhere to all guidelines outlined in the CPC Manual. Failure to comply may result in the suspension and/or termination of cards.

You are strongly encouraged to review the State of Maryland's [Corporate Purchasing Card Program Policy & Procedures Manual](#) (revised 10/1/2010) in its entirety, including [Exhibits A-H](#) under "Appendices" located on the Comptroller of Maryland's Web site.

PROCUREMENT CARD POLICIES AND PROCEDURES

PURPOSE

The procurement card is the most efficient way to make small dollar purchases. As a public institution, Towson University is required to adhere to the policies established by the Maryland Board of Public Works (BPW). BPW Advisory No. P-001-98, Corporate Purchasing Card (CPC) Mandatory Use, requires us to use the CPC or procurement card for delegated purchases of \$5,000 or less. The only allowable exception is when the supplier does not accept the CPC. You may view the advisory in its entirety at:

http://www.bpw.state.md.us/static_files/advisories/1998-1.pdf

Reminder: The procurement card is not to be used for personal purchases under any circumstances.

OBTAINING A CARD

Cards are available to University employees after completion of the Procurement Card Application and attendance at a new cardholders' training session by the cardholder and training for their designated reviewer-of-record. Refresher training for cardholders and reviewers may be scheduled as needed, or as found necessary by the University's PCPA.

The application is enclosed as [Appendix A](#) and is also available from the Procurement Department's web page at:

<http://www.towson.edu/adminfinance/fiscalplanning/procurement/infodept.asp>. The requestor and the reviewer-of-record may register for the required training session from this same site.

Complete the application, have it signed by the reviewer-of-record and approved by the Department Head. Cardholders in Academic Departments must also obtain approval from their deans and Divisional Budget Officers. Submit completed applications to the Procurement Department for final approval, after which the account will be opened through Bank of America. Procurement will notify the cardholder when his/her card arrives, and may pick up the card, after training, by showing two forms of identification and signing for the new card. As a final step, each cardholder activates the card by calling the Bank at the 1-888 number printed on the back of the card.

BENEFITS

The procurement card is the most efficient way for university employees to purchase and receive supplies and/or equipment valued at less than **\$5,000**.

Benefits for the University:

- Allows employees to obtain many goods and services faster and more easily
- Significantly reduces paperwork and processing time for the using department, Accounts Payable and Procurement
- Provides cost savings through consolidated payment

Benefits for the merchant:

- Receives payments in two business days
- Eliminates invoicing and collection
- Requires no additional paperwork

THE CREDIT CARD COMPANY

Towson University's Procurement Card Program (PCP) is offered through a State of Maryland Contract with Bank of America, using the VISA card. The program is governed by the terms and conditions of a Master Agreement between the State of Maryland and Bank of America. In most situations, individual cardholders and departments will deal with the University's Procurement Card Program Administrator (PCPA). Lost/stolen cards are reported directly to Bank of America **and** to the PCPA.

CONTACT INFORMATION: Where to Get Help

Bank of America

To report a **lost/stolen card**, call Bank of America @1-888-449-2273 immediately. Help is available 24-hours a day. Call the University's PCPA on the first available business day at **410-704-3492** or email ziaradenmark@towson.edu. Your card will be automatically suspended and a new card will be sent to the Procurement Department within 24 hours. If a card is lost or stolen from a campus location, the University Police should be notified and a report filed. The bank will also assist cardholders with identification or other specific information concerning transactions posted to their account. Call Bank of America's customer service number, 1-888-449-2273.

TU Procurement Department

Procurement Card Program Administrator (PCPA):

Lorraine Ziara-Denmark

Administration Building

7720 York Road, Fourth floor

Towson, MD 21252-0001

Email: ziaradenmark@towson.edu

Phone: 410-704-3492 Fax: 410-704-8233

The PCPA is responsible for the overall administration of the PCP, including assisting the departments in determining how to use the procurement card to fit their needs, planning and coordinating training, customer service, the internal reviews, and post-audit reviews.

Contact the PCPA with any questions, concerns, problems, or suggestions regarding the PCP or for assistance with determining how to use the PCP to suit the department's needs. For changes to a cardholder's procurement card account, the cardholder's reviewer-of-record should contact the PCPA.

TU Financial Services

PeopleSoft Financials and Procurement card Web assistance is available by contacting: Al Lagos, Business Systems Coordinator at ext. 43494 or alagos@towson.edu or Vera Swearingen, PS Financials System Coordinator at ext. 45275 or vswearingen@towson.edu. PS Financials Helpline, ext. 42188 Contact Financial Services for statement reconciliation or PS Financials reallocation assistance.

GUIDELINES FOR USE

- The procurement card is only to be used for University business, not for gifts or items of sentiment. (<https://inside.towson.edu/generalcampus/tupolicies/documents/08-03.03%20Procurement%20Restricted%20Purchases.doc>).
- It may be used to purchase goods and services valued at \$5,000 or less at any merchant that accepts VISA.
- Gift cards may not be purchased under any circumstances.
- Reward programs should be avoided, if rewards are received for any purchase with the procurement card, the rewards are property of the University.
- The purchase may be made in person, over the telephone, by fax or via the Internet.
- All procurement card purchases not carried by the cardholder must be delivered to the campus address, 8000 York Road.
- All VISA merchants are required to offer the same pricing for VISA purchases as by any other means.
- Cardholders should ask for educational or government agency discounts.
- If a vendor from whom you frequently purchase does not accept VISA, please notify the PCPA so that the vendor may be offered the opportunity to do so.
- Cardholders are encouraged to use Minority Business Enterprises (MBE). A listing of these firms is available from the procurement web page: <http://wwwnew.towson.edu/adminfinance/fiscalplanning/procurement/MBEInformation.asp>
- Computer purchases of \$5,000 or less are allowable with the procurement card. Cardholders are encouraged to contact the Office of Technology Services (OTS) prior to making their purchase. This will ensure compatibility with the University's network and contract pricing.

Procurement Card Security

The cardholder must control the account at all times. Every effort should be made to secure all procurement card information, including reports, statements, packing slips and receipts. Each cardholder is responsible for the security of their procurement card and account information. Notify the PCPA if you are on leave for an extended period of time to suspend your account, protecting the cardholder and the University.

The cardholder is the only person authorized to make purchases using his/her procurement card. Giving the card or card number to another person to make a purchase, using someone else's card, or making unauthorized purchases may result in disciplinary action (including, but not limited to, revocation of your account and/or termination of employment). The cardholder is liable to the University and the State of Maryland for the proper use of the card.

Cardholders may make purchases for other departmental personnel. All department employees that are required to make purchases may have a procurement card; there is no limit to the number of cards for a Dept I.D.

Neither the bank nor the procurement department will contact the cardholder for account information. Never provide this information either by email or telephone. Use only secure websites and do not to send the account number through email.

Surrender of the Card

Cards remain the property of the bank and must be surrendered immediately upon termination of employment, transfer of the cardholder to another department, abolishment of the default Department ID, or upon request by the cardholder's supervisor. Notify the PCPA via email ziaradenmark@towson.edu and return your cut-up card to the procurement department.

Sales Tax Exemption

University purchases are exempt from Maryland state sales tax. The tax exemption number is printed on the front of the procurement card. Some merchants require a copy of the actual exemption certificate; it is included in this manual as Appendix B. Always check your receipt to ensure that you have not been charged Maryland state sales tax.

If you are charged sales tax, contact the vendor to receive the credit. Verify that the credit is posted to your account and keep a paper trail on your transaction logs.

Card Renewal

The procurement card is active until the last day of the expiration month. The bank will automatically send renewal cards. If the Procurement Department does not notify you that your renewal card has arrived by the 15th of the month in which your card expires, please contact the PCPA.

Single Transaction Limit

The maximum single transaction limit is \$5,000, including all costs such as shipping and installation. Department Heads may establish a lower limit at the time that the application is submitted or via email to the PCPA after issuance of the card. Any purchase that exceeds \$5,000 should be sent to the procurement department via purchase requisition. "Splitting" or "stringing" purchases to meet this limit is prohibited.

Monthly Credit Limit

Each cardholder will have a monthly dollar-spending limit of up to \$15,000. Department Heads may reduce this limit, or otherwise regulate transactions, based upon program need. Once the application has been processed, requests for monthly limit changes must be submitted via email or in writing by the Department Head or reviewer-of-record to the PCPA with a justification to support the request. Such requests will be considered on a case-by-case basis. The department's dean and the University budget officer must approve all requests for academic departments prior to sending the request to the PCPA.

Limitations on all Procurement Cards

Each merchant is assigned a Merchant Category Code (MCC) by their financial institution. This code identifies the merchant's type of business. The State and the University restrict procurement card usage for certain MCCs. Transactions from these MCCs will automatically be declined at the time of purchase authorization. These MCCs include the following:

- Cash Advances & Money Orders
- Airlines and all transportation services (car rentals, railroads, buses, etc.)
- Amusement and Entertainment (movie theatres, amusement parks, golf courses, etc.)
- Lodging (Hotels, Motels, Camp Grounds, etc.)
- Liquor Stores
- Restaurants and Fast Food Establishments
- Service Providers (Timeshares, Financial Institutions, etc.)
- Personal Service Providers (Shoe Repair, Beauty & Barber Shops, Dating Services, etc.)
- Contracted Services (Unincorporated 1099 Service Providers)

Procurement Policies and Procedures

All purchases must be made in accordance with applicable policies and procedures, including, but not limited to the University System of Maryland (USM) and Towson University Procurement Policies and Procedures. You may view both of these policies, as well as view available contracts and get the latest Procurement news, from the Procurement Web Page:

<http://www.towson.edu/adminfinance/fiscalplanning/procurement/>

Towson University Policies Web Site identifies additional restrictions and requirements. You may view these policies at: <https://inside.towson.edu/generalcampus/tupolicies/documents/08-03.03%20Procurement%20Restricted%20Purchases.doc>.

University department representatives may not sign vendor contracts. If a vendor has a contract/agreement form to be signed on behalf of the University, forward the document to the procurement department for review, prior to completing the vendor document.

Payments for approved contracts may be made via the procurement card, if a purchase order encumbering funds has not been issued. All payments against a purchase order that encumbers funds must be processed by Accounts Payable.

The State Legislature requires that furniture be purchased through Maryland Correctional Enterprises (MCE). Begin all furniture purchases by contacting MCE. If MCE cannot meet your requirements, a waiver will be issued. Include this waiver with your transaction documentation. The complete procedure for purchasing furniture may be viewed at:

<http://wwwnew.towson.edu/adminfinance/fiscalplanning/procurement/ProcedureforPurchasingFurniture.asp>

Property Records

Towson University is required by law to regulate and control all property in its possession. Property with an acquisition value of \$500 or greater must be identified with the plain, TU logo label as Towson University property. Departments are responsible for keeping records of all sensitive equipment (equipment easily converted to personal use and with a cost/ value of \$2,500 or greater). Property Records centrally maintains the inventory of all firearms and computers regardless of cost, and of equipment and furniture valued at \$5,000.01 or greater. To protect the University's resources, it is important that equipment procured with the VISA card be included, when required, in the inventory. If you purchase or receive property meeting the aforementioned criteria, and it does not have the appropriate identifying label, contact the Property Records Office. For more information and complete details on the University's asset records policies, refer to Property Records at:

<http://wwwnew.towson.edu/adminfinance/facilities/mm/PoliciesandProceduresforPropertyRecords.asp> contact John Propst at jpropst@towson.edu or on extension 4-2175.

Returns and Credits

If purchased items must be returned, or money refunded, the cardholder should work directly with the merchant/vendor. If the merchant charges Maryland state sales tax, the cardholder must secure a credit for this inappropriate charge. Some tips to secure proper credits:

- Retain boxes, containers, special packaging, etc. until you are certain that you will keep the goods. Some items may not be returned without the original packaging
- Read all enclosed instructions carefully
- Many merchants require an authorization number before accepting a return; follow return instructions

- Sometimes a restocking fee is charged; acknowledge this with your transaction documentation
- Record credits as well as charges on your monthly transaction log
- Request documentation for credits from the merchant (credit memo)
- Verify that correct credits have been issued and posted to you account on both the statement and the Procurement card Web
- Document attempts to secure credits, including sales tax credits
- If a credit is not issued and posted to your account, file the Purchasing Cardholder Dispute Form (Appendix D, see Disputing a Charge)

DOCUMENTATION AND RECONCILIATION

Cardholders **must** maintain a monthly log and reconcile their statements. A receipt is **required** for every transaction listed on the monthly bank statement (purchases and credits). Monthly logs should be completed by the 15th of the following month. After approved, they should be filed in a central location within the department and retained for five years. If the procurement card account is associated with a grant, records must be retained for a minimum of five years, or longer as required by the terms of the grant.

Monthly Bank Statement

A statement of all transactions will be mailed directly to the cardholder each month that there is procurement card activity (sample Appendix E). The billing cycle runs from the 26th of each month through the 25th, except when these days are weekends or holidays. If the cardholder has activity and does not receive a statement by the 5th of the following month, they should contact the PCPA. The exact content of the monthly statement is available on the Procurement Card Web within a few days of the transaction(s). The cardholder does not have to wait to receive the statement to view or reconcile their account.

The cardholder **must** reconcile the statement with the receipts, credit memos and monthly log. If amounts do not match or merchant not recognized, the cardholder must contact the merchant and document any discrepancies. If the merchant does not issue a credit for any discrepancies, the cardholder must file a dispute and verify that the proper credits are issued in ensuing months. The bank statement must be signed by the cardholder to certify that it was reconciled, and the reviewer-of-record must approve the reconciliation with their signature on the statement.

Monthly Log

Every transaction must be recorded and reconciled against the monthly bank statement on the Monthly Cardholder Activity Log. It is required that the log contains the following information for each transaction (purchase and credit):

- transaction date
- merchant name
- merchant address
- description of item(s) purchased
- price per item
- total transaction price

Using the Procurement Card Web for reconciliation is the easiest way for cardholders to maintain their monthly log. You may access your monthly log from the following web page: <http://wwwnew.towson.edu/adminfinance/fiscalplanning/financialservices/ProcardSystem-Welcome.asp>

The cardholder should verify that the charge is the same as the receipt, enter the description (remember that only 30 letters or numbers may be entered as the description or in the comments section, no special characters), and click that the transaction is reconciled. (The cardholder may choose the reconciliation date or allow the system to enter the date.) If the amount charged is different than the receipt or if Maryland State Sales Tax has been charged, the cardholder must contact the merchant and notate the actions. A Sample of the Monthly Log, *Transactions Reconciliation*, is attached as Appendix F.

After the billing cycle closes and all transactions are posted to the Procurement Card Web, and after the cardholder reconciles every transaction, the Transaction Reconciliation is printed and becomes the Monthly Activity Log. The cardholder then attaches all documentation and the monthly bank statement to the log. The cardholder signifies that all charges are accurate and in accordance with the requirements of the program by signing the log. The log with all of the required documentation is then passed to the cardholder's reviewer-of-record for approval.

When completing the log, the cardholder should remember to provide enough information to explain the transactions. People unfamiliar with the nature of the department's business may not recognize acronyms.

The transactions listed on the transaction reconciliation are posted to the Dept. I.D. assigned to the procurement card account. These transactions should be reviewed against the reconciled Bank of America statement and any discrepancies resolved with Financial Services. Transactions that are to be posted against a different Dept. I.D. or account number than those associated with the procurement card account are to be reallocated before the 5th of the following month.

Monthly Log Approval

When the cardholder applies for a procurement card, their immediate supervisor, or someone with greater fiscal responsibility for the department's budget, signs as the cardholder's reviewer-of-record. It is the reviewer-of-record's **duty** to ensure that the cardholder is in compliance with **all** of the PCP's policies, all Towson University policies, and that the transactions are appropriate expenditures of the budget's fund. The reviewer-of-record's approval certifies that:

- The cardholder completed a valid reconciliation
- The purchases were within the guidelines established for the PCP
- The amount charged is fair and reasonable
- Appropriate supporting documentation is included for every transaction
- The amount charged to the departmental account per the Procurement Card Website agrees to the reconciled statement
- No transactions appear in PeopleSoft for the months that the cardholder claims to have no activity

It is the reviewer-of-record's responsibility to bring any unsupported or improper purchases to the attention of the cardholder for follow-up. When the reviewer-of-record has completed the review procedures and is satisfied with the follow-up actions taken by the cardholder, he/she is required to sign and date the cardholder's monthly activity log to certify that the transactions are in total compliance with the program's requirements and that the expenditures are approved.

If any transaction is not in compliance with all of the PCP's requirements, the reviewer-of-record is required to notify the PCPA by the 25th of the subsequent month. The reviewer-of-record should comply with the University's Policy 08-07.10 – Procedures on Reporting Suspected or Known Fiscal Irregularities. Original signatures and dates are required, certifying that the monthly log has been reviewed and approved.

Disputing a Charge

An incorrect charge that appears on a bank statement must be disputed within **60-days** of the transaction date. The dispute may result from a merchant's refusal to take back an item, the amount charged differs from the receipt, the amount is a duplicate charge, or the merchant is not recognized.

The cardholder should first attempt to resolve the problem with the merchant. If this attempt is not satisfactory, the cardholder should complete the Purchasing Cardholder Dispute Form (Appendix D) and email it to the bank. A copy of the form should then be emailed to the PCPA. PCPA email address is zizaradenmark@towson.edu.

The cardholder's monthly log should document all disputed transactions. The bank will issue a credit to the cardholder's account for the disputed amount, pending dispute resolution. The cardholder should verify that the credit appears on the next monthly bank statement.

The bank will notify the cardholder of the resolution after investigation. If the cardholder is not satisfied with the bank's resolution, they should immediately contact the PCPA.

REVIEWS AND AUDITS

The Financial Services Review Team will conduct periodic unannounced reviews of each cardholder's monthly logs. Other reviews and audits may be performed by Towson University's Internal Audit Department, the General Accounting Division of the State Comptroller's Office (GAD), USM auditors, and the State Legislative Auditors.

The Procurement Card Compliance Review Program is the University's first defense to ensure that the PCP remains in good standing. The summary of this program is attached as Appendix G. You may view the program's requirements in their entirety at:

<http://wwwnew.towson.edu/adminfinance/fiscalplanning/procurement/ComplianceReviewProgram.asp>

Additionally, the TU Procurement Card Administrator will be reviewing the account activity reports for indications of the possible need for a campus contract, increases/decreases to monthly spending limits, or for abuse or fraud. Should use of the card be abused, the University will seek restitution for any inappropriate charges made by the cardholder or others. Fraudulent or intentional misuse of the card will result in immediate revocation of the card and/or other appropriate action, including legal action and/or additional action under USM or TU Fiscal Irregularities:

Note: University Policy 08-07.10 – Procedures on Reporting Suspected or Known Fiscal Irregularities. <https://inside.towson.edu/generalcampus/tupolicies/documents/08-07.10%20Fiscal%20Irregularities%20policy.doc>



APPENDIX A

VISA Purchasing Card Application

Cardholder Name: _____

PeopleSoft Dept. ID: _____ 5 digit Dept. I.D. number PeopleSoft Account: _____ 6 digit account number

Department Name: _____

Department Campus Address: _____ (Building, Room Number)

Department Campus Address: _____ (City, State, Zip code)

Cardholder Telephone Number: _____

Cardholder E-Mail Address: _____

*Single Transaction Limit (Indicate One): _____ \$2,500.00 _____ \$5,000.00(max.) _____ Other

*Monthly Credit Limit: _____ (To a maximum of \$15,000)

*Once the monthly credit limit is reached, cardholder will not be allowed to make additional purchases. Transaction and Monthly Credit Limits may be increased only once a year.

Reviewer(s)—Cardholder’s immediate supervisor or Budget Manager required to approve all Purchasing Card Transaction Logs.

Reviewer(s): I certify that I will review the purchasing card transactions monthly to ensure that receipts for all transactions are filed, the VISA statements have been reconciled, all transactions have been accurately recorded, and are allowable, appropriate and authorized charges. I also understand and will perform the duties of reviewer as stated in Towson’s Corporate Procurement Card Policy and Procedures, a copy of which was given to me during training.

Reviewer’s Name: _____ Telephone: _____ (printed or typed)

Email Address: _____ Signature: _____

Reviewer’s Name: _____ Telephone: _____ (printed or typed)

Email Address: _____ Signature: _____

No Cash Advances

No Travel or Entertainment

No Gift Cards

No Gifts

I, _____, hereby request a Corporate Purchasing Card. As a cardholder, I agree to comply with the following terms and conditions related to the use of the card:

- 1 I understand that I am being delegated the authority to purchase supplies and services on behalf of **TOWSON UNIVERSITY**, and that cash advances are strictly prohibited.
- 2 I agree that this card will be used for approved purchases only and, further, that I will not charge any personal purchases to this card. All purchases must be made in accordance with applicable laws and regulations, including, but not limited to, the Procurement Policies and Procedures of the University System of Maryland, the State of Maryland Corporate Purchasing Card Policy, and Towson University's Corporate Procurement Card Policies and Procedures. I understand that my failure to follow established procedures may result in disciplinary actions against me, including loss of leave time, suspension and/or termination of employment, fine, and/or criminal prosecution.
- 3 I agree to return the card immediately upon suspension and/or termination (including retirement) or upon reassignment to another Towson University Department or cost center. Also, I agree to return the card immediately upon request of my supervisor and that disciplinary actions referred to in paragraph two (2) would also apply for failure to do so.
- 4 If the card is lost or stolen, I agree to immediately notify Bank of America and the Purchasing Card Program Administrator.

STATEMENT OF COMPLIANCE

I certify that I shall purchase supplies or services in accordance with applicable USM Procurement Policies and Procedures, State of Maryland Corporate Procurement Card Policy and Procedures and Towson University Corporate Procurement Card Policy and Procedures. I certify that, to the best of my knowledge and belief, all of my statements are true, correct, complete, and made in good faith, and subject to all applicable laws and regulations.

I further acknowledge and certify that I shall be personally responsible for any unauthorized Corporate Procurement Card purchase, including any erroneously charged and paid Maryland State Sales Tax. I hereby authorize the State to deduct from my payroll check and from any other payments to me the amount of such unauthorized purchases made on the Corporate Purchasing Card issued to me. Approved by:

Cardholder Signature/Date

Department Head or Chair/Title (printed)

Cardholder TU I.D. Number

Department Head or Chair Signature/Date

Department

_____ Dean/Date
_____ Divisional Budget Officer/Date
Academic Cardholder's Only

_____ TU Fiscal Officer Signature/Date
_____ TU PCPA Signature/Date
Do not complete shaded area.

Please complete both pages and send to Procurement, 4th Floor, 7720 York Road.

Notice to exempt organizations holding Previously-issued exemption certificates

The Maryland Revenue Administration Division is re-issuing sales tax exemption certificates to all organizations which continue to qualify. Your organization's new certificate is attached and is valid effective immediately. Previously issued exemption certificates become invalid on October 1, 1997. Vendors are required to charge tax on sales made on or after October 1, 1997, to any organization which does not present a new certificate at the time of sale.

If your organization deals regularly with certain vendors, we suggest that you contact them before October 1, 1997, so that they can verify that your organization has been issued a new certificate.

The re-issuance of these certificates does not change current procedures for claiming resale exclusions by exempt organizations engaged in purchasing tangible personal property for sale. The sales and use tax registration numbers of licensed vendors have not been changed and the validity of blanket resale certificates bearing these numbers is unaffected.

Additional copies of the exemption certificate may be obtained by organizations with more than one location or chapter, or for other demonstrated cause, by contacting the Legal Section by mail at Revenue Administration Center, Annapolis, Maryland 21411-0001.

**State of Maryland
Comptroller of the Treasury
Revenue Administration Division
301 W. Preston Street
Baltimore, Maryland 21201-2383**

The attached card is your new exemption certificate which is valid upon receipt. Effective October 1, 1997, exemption certificates issued to governmental entities no longer have an expiration date, thus eliminating the need to renew the certificate. Please read the enclosed Tax Tip and the instructions on the back of the card for the proper use of the exemption certificate. If you have any questions regarding the use of this card, please call the Taxpayer Service Section at (410) 767-1300 in Baltimore, toll free 1-800-492-1751 from elsewhere in Maryland, or e-mail at taxhelp@comp.state.md.us.

**State of Maryland Comptroller of the Treasury
Sales and Use Tax Exemption Certificate**

Account Number 30002563

Name

**Towson University
Office of the Comptroller
Towson, MD 21252**

PLEASE LAMINATE THIS CARD TO EXTEND ITS LIFE

COMMERCIAL CARD CLAIMS STATEMENT OF DISPUTED ITEM

Instructions: Your company should first make good-faith efforts to settle a claim for purchases directly with the merchant. If assistance from Bank of America account is required, please complete this form, and e-mail with required enclosures within 60 days from the billing close date to:

EMAIL COMPLETED FORM TO:

Bank of America – Commercial Card Services Operations
Commercial_Card_Claims@bankofamerica.com
 cc: lziaradenmark@towson.edu

Company Name: _____

Account Number: _____

Cardholder Name: _____

This Charge appeared on my statement, billing close date: _____

Transaction Date: _____

Reference Number: _____

Merchant Name/Location: _____

Posted Amount: _____ Disputed Amount: _____

(Cardholder Signature)

(Authorized Participant Signature)

(Date)

(Phone Number)

Please Check Only One

1. _____ **Unauthorized Transaction:** I did not authorize, nor did I authorize anyone else to engage in this transaction. No goods or services represented by the above charge were received by me or anyone I authorized. My Bank of America card was in my possession at the time of the transaction.
2. _____ **Charge Amount Does Not Agree With Order Authorizing the Charge:** The amount entered on the sales slip was increased from \$ _____ to \$ _____. I have enclosed a copy of the unaltered sales slip.
3. _____ **Merchandise or Services Not Received:** I have not received the merchandise or services represented by the above transaction. The expected date of delivery of services was _____. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.)
4. _____ **Defective or Wrong Merchandise:** I returned the merchandise on _____ because it was (check one):
 _____ defective; _____ wrong size; _____ wrong color; _____ wrong quantity.
 (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them, their response and proof of the return of merchandise. Please provide a detailed description of the wrong or defective nature of the merchandise.)
5. _____ **Recurring Charges After Cancellation:** On _____ (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America card account has been charged _____ time(s). (Please enclose a copy of the merchant's confirmation of your cancellation request.)
6. _____ **Recurring Charges Already Paid by Other Means:** I already paid for the goods and/or services represented by the above charge by means other than my Bank of America card account. (Please provide a copy of the front and back on the cancelled check, money order, cash receipt, credit card statement, or other documentation as proof of purchase/payment. Describe your efforts to resolve this matter directly with the merchant, the date(s) you contacted them, and their response.)
7. _____ **Credit Appears as a Charge:** The enclosed Credit Voucher appeared as a charge on my Bank of America Commercial Card account.
8. _____ **Credit From Merchant Not Received:** I did not receive credit for the enclosed Credit Voucher within 30 calendar days from the date it was issued to me by the merchant shown above. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response. Provide a detailed statement explaining your reason(s) for disputing this charge.)
9. _____ **Hotel Reservation Cancelled:** I made a reservation with the above hotel which I later cancelled on _____ (date) at _____ (time). I received a cancellation number which is _____. (Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant.
 _____ I was not given a cancellation number.
 _____ I was not told at the time that I made the reservation that my account would be charged for a "No Show".
 _____ I was not informed of the cancellation policy.
10. _____ **Double or Multiple Charges:** My Bank of America Commercial Card account has been double charged. The valid charge appeared on _____ (date). The duplicate charge(s) appeared on _____.
11. _____ **Do Not Recall the Transaction:** The statement has an inadequate description of the charge. Please supply supporting documentation.
12. _____ **Other; Above Descriptions Do Not Apply:** Please attach a detailed letter explaining the reason for your dispute and your attempts to resolve this issue with the merchant.



**Bank of America
Corporate Purchasing Card
Cardholder Activity**

Statement Date	05-25-07	This is Not a Bill
Credit Limit	\$5,000	Do Not Pay
Cash Limit	\$0	
Days in Billing Cycle	30	Total Activity \$25.00

TOWSON UNIV
Card Account Number:

Corporate Purchasing Card News

Important Notice: You have a new credit card payment address as reflected on the attached payment coupon. If you make your payment through an online bill pay service, please include the new address to ensure that payment is received by the due date.

We may furnish to your employer information concerning your use of your account. To read more about our information disclosure, please visit www.bankofamerica.com/corporatecarddisclosure or call the customer service number listed on your statement to request a copy.

CARDHOLDER ACTIVITY						
Post Date	Tran Date	Reference Number	Transactions	MCC	Charge	Credit
05-09	05-08	24492157128820132159642	MARYLAND PUBLIC PUR 301-837-2046 MD	8398	25.00	

Customer Service
1.888.449.2273, 24 hours

Outside the U.S.
1.509.353.6656, 24 hours

For Lost or Stolen Card:
1.888.449.2273, 24 hours

Send Billing Inquiries to:
BANK OF AMERICA
PO BOX 15184
WILMINGTON DE 19850-5184

Account Summary

Previous Balance	\$0.00
Credits	\$0.00
Cash	\$0.00
Purchases	\$25.00
Other Debits	\$0.00
Overlimit Fees	\$0.00
Cash Fees	\$0.00
Other Fees	\$0.00
Total Activity	\$25.00

Please see the reverse side for information about your account.

Corporate Purchasing Card



Account No.

Total Activity \$25.00

[Handwritten Signature] 6/1/07
Cardholder Signature Date
[Handwritten Signature] 6/1/07
Manager Signature Date

**N0004393

TOWSON UNIV 155085
PROCUREMENT
8000 YORK ROAD
TOWSON MD 21252-0001

0000000000000000

Towson University
Corporate Procurement Card
Policies and Procedures

APPENDIX E

Transaction Reconciliation

Speedtype:

Procurement

Post Date	Trans Date	Merchant	Amount	Description: Quantity/Model Number	Reconciled?	Reconciled Date	Comments
07/03/2009	07/02/2009	MARYLAND PUBLIC PURCHASI	\$25.00	LLS registration	Yes	08/06/2009	
07/06/2009	07/02/2009	AJ STATIONERS OF D.C., IN	\$102.96	office supplies	Yes	08/06/2009	
07/08/2009	07/07/2009	MARYLAND PUBLIC PURCHASI	\$25.00	LZD registration	Yes	08/06/2009	
07/15/2009	07/14/2009	CR CONSUMER REPORTS	\$26.00	subscription	Yes	08/06/2009	
07/15/2009	07/14/2009	CR CONSUMER REPORTS	\$6.00	subscription extension	Yes	08/06/2009	

TOTALS	
Transactions for Card: XXXXXXXXXXXXXXXXXXXX	Transactions: 5 You spent: \$184.96
	Amt Reconciled: \$184.96

Cardholder Signature: _____

Date: _____

Immediate Supervisor: _____

Date: _____



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APPENDIX F

Summary of Procurement Card Compliance Review Program

Purpose: To ensure that Towson University's procurement card program remains in good standing.

Description: A risk-management approach where representatives from Financial Services conduct unscheduled reviews of procurement card records. The cardholders will be found to be: (1) in compliance or (2) not in compliance. Reports will be submitted to the Procurement Card Program Administrator (PCPA) for further action in accordance with established policies of this program, including mandatory training for those found non-compliant. In most instances, the cardholder will receive a written warning, followed by suspension of card privileges and finally, revocation of the pro-card.

Justification: Despite training, announcements, and reminders, many cardholders are not complying with the policies and procedures of the program. The following areas are of particular concern:

- cards and/or card numbers are being loaned or shared with others representing an increased risk of fraud;
- logs are not being maintained;
- logs are not being reviewed by supervisors;
- purchases are being split to circumvent procurement policies

Program provides:

- additional guidelines to the campus for procurement card use;
- a mandate to the Procurement Department to efficiently administer the program;
- a mandate to Financial Services to conduct unscheduled reviews of procurement card records;
- assurances that procurement card spending practices will remain in compliance with the State's policies and, therefore, reduce risk of poor audit findings; and
- a means by which we can discover fraudulent use or misuse of the procurement card in a timely manner, preventing financial loss.

TOWSON UNIVERSITY Procurement Card Program



Cardholder Orientation & Training

Today's Agenda

The Procurement Card Program is managed by two departments.

- I. Procurement Card Program Overview by *Lorraine Ziara-Denmark, Procurement (4-3492)*
 - a) Procedures and Card Use
 - b) Monthly Reconciliation
 - c.) Recap and Reminders
- II. ProCard System Web by *Ella Watts, Financial Services (4-4482)*
- III. ProCard Review Program by *Karen Eaton, Financial Services Review Team (4-5110)*

Facts About the Procurement Card Program

- Program was initiated in 1997
- USM accounts for 60% of all State Procurement Card transactions
- Over 500 cards issued across campus
- An average of 2,500 transactions at \$400.00 are completed each month
- Over \$11,000,000 a year spent campus-wide
- The primary tool for small dollar purchases

The Procurement Department does not process requisitions for purchases under \$4999.00

What's In It for Me?

- Fastest way to purchase and pay for items that cost \$4,999 or less
- Streamlines the purchasing process for vendors, cardholders, and Accounts Payable - no invoice to pay! Vendor gets paid within three business days!

Purchases to Still Send to Procurement

Purchases that:

- Equal or exceed \$4999.00
- Involve Signatures of Lease Agreements, Licenses and Contracts (example: copier, fax, off-campus food service, etc.)
- Require disposal of Radioactive Materials
- Are to be delivered to an off-campus address
- Modify buildings, mechanical or safety systems

Visa Procurement Bank Card Administration

Bank of America is the official financial institution for the University Procurement Card Program.

Customer Service number

1-888-449-2273

Available 24 hours a day, 7 days a week.

The bank does not have your email address and will not ask for your account information if they call you.

Definition: Cardholder

TU Employee who's name appears on the Visa Card

1. The only person that may purchase with the account.
2. Ensures that every charge is in compliance with the program policies
3. Maintains a Monthly Log
4. Ensures that transactions are reconciled against monthly Statement
5. Responsible for charges posted in the ProCard Web System
6. Returns the card to the PCPA when leaves department or University

Purchasing Guidelines

- Do not accept gifts or gratuities
- Avoid perception of conflict of interest
- Vendors must not charge higher prices for using the procurement card (*violates their agreement with VISA*)
- Ask for Educational/Government Discount

Things to Remember

Follow State & University Procurement Regulations

- Avoid “**Splitting**” purchases to circumvent the single transaction limit (up to \$4,999.00)
- The MBE (Minority Business Enterprises) Goal is 25%; Small Business Reserve is 10%
- State Legislature requires using Maryland Correctional Enterprises (MCE) and Blind Industries
- University purchases are exempt from Maryland State Sales Tax
- Property tagging—John Propst (x4-2175)
- Adhere to the University's Policies: <https://inside.towson.edu/generalcampus/tupolicies/index.cfm>

VISA Restrictions

The State or University restricts or “blocks” certain MCC codes for use with the Visa Card. These categories include (but are not limited to) the following

- **Alcoholic Beverages**
- **Travel Related Expenses - Air, Hotel, and Car Rental** (traveler should get a Diners Club card application from –Cyndi Zile– Working Fund x4-2622)
- **Personal & Miscellaneous Services** (shoe repair, beauty shops, massage parlors and vendors using incorrect coding)
- **Restaurants** (caterers are authorized, however many caterers have incorrect coding assigned by their bank)
- **Entertainment & Amusements** (Golf, Theatres, etc.)
- **Service Providers** (Timeshares, Financial Institutions, Brokers, Insurance Companies, etc.)

Prohibited Uses of the Card

- **Personal Use**
 - **Gift Cards**
 - **Food for departmental meetings/social functions**
 - **Flowers for a sick co-worker**
 - **Award or Gift for a faculty or staff member**
 - **Bottled Water for personal consumption**
 - **Payment of fines or penalties**
 - **Speakers' Fees/unincorporated service providers**
- See TU Policy 03-3.03 for a complete listing
<https://inside.towson.edu/generalcampus/tupolicies/index.cfm>

Visa Card Declines:

“My Card was declined by the vendor - Why?”

Two possible reasons:

- (1) **Credit:** The purchase exceeds either the cardholder’s single purchase limit or monthly spending limit.
- (2) **MCC:** Merchant Category Code - A four digit code that identifies the type of business the merchant is engaged in and the kind of goods and services provided.

Definition: Reviewer of Record

The Immediate Supervisor/Manager of the Cardholder:

- (1) Reviews and approves purchases made by the Cardholder
- (2) Signs off on the Cardholder's monthly transaction log and the monthly statement
- (3) Notifies the PCPA of fiscal irregularity or policy not followed
- (4) Authorized to request changes to the cardholder's account, including increases to the single and monthly purchase limits

A cardholder cannot serve as their own reviewer!

VISA Statement

- Issued at closing – about the **1st** of every month
- Mailed directly to Cardholder's Address (not a bill)
- Should be reviewed by cardholder, reconciled against the transaction log, and signed to certify accuracy
- Reviewer of records reviews and signs
- State pays a single bill to **Bank of America** and passes charges back to the University
- Financial Services posts charges back to department FRS Accounts posted from CPC Web
- Attached with all receipts to the monthly log

The Cardholder **MUST** make sure the Visa statement accurately reflects their transaction log.

Maintaining a Successful Transaction Log

A Successful Visa Transaction Log should include:

- (1) The **Transaction Reconciliation**, a receipt for each transaction, and the **signed Statement**
- (2) Enough detail to answer the following: **who, where, what, when, why and how much?**
- (3) All related documentation such as receipts, packing slips, credits, emails, and other important notes
- (4) The signature from both the **Cardholder** and the **Reviewer** to acknowledge purchases made and approved - **this is a must!**

*Transaction logs are subject to review and audit—you should be prepared for visits by keeping monthly documentation that is accurate, orderly, signed and kept in a central department location for five years.

Vendor Problem Resolution

Identify disputed item using **VISA** statement or ProCard Web.

- ◆ **Step 1:** Contact the vendor yourself and attempt to resolve the problem . (If needed, a procurement buyer can intercede on your behalf.)
- ◆ **Step 2:** If unable to resolve yourself, or the credit is not received as promised within three days, prepare a Disputed Item Form and email to **BOA and PCPA**. (At that point, the cardholder receives a credit for that purchase.) This should be done as soon as possible, but no later than 60 days from the transaction date.
- ◆ **Step 3:** Note the credit on your transaction log and look for it on the monthly **VISA** Statement (and in ProCard Web).

What if You Lose Your Card or it is Stolen?

- Immediately contact BOA at 888-449-2273
- Number is available 24 hours a day, 7 days a week
- Call the Procurement Card Program Administrator (ext. 43492)
- Contact TU Police, if incident occurred, or may have occurred, on campus
- No Personal Liability if Visa card is lost/stolen

Reviews and Audits



- **PROCUREMENT CARD RECORDS ARE PUBLIC DOCUMENTS**
- Logs are subject to review by Financial Services, Legislative Auditors, USM Auditors, GAD, and Internal Auditors
- Procurement Card Review Program

The 7 Cardholder Responsibilities: (A Recap)

- 1) Maintain Knowledge of Program Policies & Procedures
- 2) Keep the Visa Card and Account Number Secure
- 3) Maintain a Transaction Log every month
- 4) Retain All Receipts and Documentation
- 5) Receive the Visa Statement (**about the 1st of each month**) and reconcile with the transaction log – **cardholder and reviewer approve the log and the statement!**
- 6) Pass the Completed and Signed Transaction Log, **Visa Statement** and documentation to the **Reviewer** for signatures
- 7) Check Visa transactions in ProCard Web and re-allocate if necessary - prior to PS posting each month
*Call PCPA if unsure about any purchase

ProCard Fraud



Don't Let this Happen to You! - Remember to exercise **good judgement** when using your Procurement Card!

The Towson University Procurement Card

Thank You !!


