# Kennesaw State University Purchasing Card Program

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Kennesaw State University Purchasing Card Program Overview

The State of Georgia Purchasing Card program streamlines payments for goods and services for State business use by eliminating the administrative burdens and costs associated with traditional methods of payment.

The P-Card may be used as the method of payment for unplanned/unexpected, non-routine, or urgent point-of-sale purchases under $1,000 and for purchases under $5,000 that are planned, routine, or non-urgent. Regardless of the amount, all planned, routine or non-urgent purchases must be pre-approved; and approvals must be obtained prior to completing the purchase. (Point-of-sale transactions include purchases made at a physical store, in person, online, or over the phone.)

The P-Card Program is the only charge card program authorized for use by State Agencies, units of the University System of Georgia (USG), and technical colleges within the Technical College System of Georgia.

The State Programs Director approves all participation in the program. This university, like all other state and local government entities, is responsible for implementing P-Card procedures and ensuring compliance with set procedures.

The Kennesaw State University (KSU) Purchasing Card Procedures Manual incorporates the Statewide Purchasing Card Policy, Board of Regents (BOR) Purchasing Card Policy and the KSU Purchasing Card Policy:

DOAS Purchasing Card Policy: 
http://doas.ga.gov/State-purchasing/statewide-card-programs/purchasing-cards

BOR Purchasing Card Policy: 
http://www.usg.edu/business_procedures_manual/section3/C1127

KSU Purchasing Card Policy: 
https://policy.kennesaw.edu/content/purchasing-card-policy
I. Issuance and Control of the Purchasing Card

A. Eligibility Requirements

Cardholders are limited to one active Purchasing Card. Cardholders must be permanent full-time or part-time State employees whose jobs require the use of a Purchasing Card. There will be no exceptions to the following:

1. Full-time or part-time (49% FTE 19 hours or more) permanent or “continuous” employees who:
   a) pass a credit check and background check (O.C.G.A. §50-5-83) to qualify for a card (See Legal Issues - Section VII.B.) and
   b) are required, as part of their regular duties, to purchase services and/or supplies under current small dollar purchase guidelines.

2. New Cardholders, as well as renewal cards, require both credit and background checks.

3. Cards will not be issued to student employees, temporary workers (e.g. hired from a temporary staffing agency) or contractors (e.g. person hired for a predetermined period of time for a specific project).

4. Cards will not be issued in the name of a Department or work unit to be shared by multiple employees.

5. Cards will not be issued to employees of foundations associated with the University; including Kennesaw State University Foundation, Inc., Kennesaw State Research & Service Foundation, and/or Kennesaw State University Athletic Association, Inc. (O.C.G.A. §50-5-83)

6. At a minimum, the employee’s supervisor/approving official, KSU’s Purchasing Card Administrator, and KSU’s CBO must approve a cardholder’s application for a Purchasing Card.

7. Prospective cardholders, supervisors/approving officials, and CBO must meet all training requirements (classroom or online training) covering KSU Purchasing Card Procedures. Approvers (Cardholder's supervisor/approving official) and cardholders must complete P-Card training prior to receiving the P-Card, access to an account number, or obtaining access to WORKS®.
B. Application Processing

1. The employee must complete an online Purchasing Card Request and Change Form through KSU Connect. (See Job Aid PC01 – Purchasing Card and/or Works® Access and Change Requests.)

2. A prospective cardholder’s supervisor/approving official, department head, business manager (if applicable), KSU’s P-Card Program Administrator, and KSU’s Chief Business Officer (CBO) must approve the Purchasing Card Request via the electronic approval process after determining the following:
   a) The prospective cardholder understands established KSU policies and procedures pertaining to the purchasing card.
   b) The manner in which the department will use the Purchasing Card and request a monthly Cycle Limit (CL) and Single Transaction Limit (STL) profile.
   c) Cardholders up for renewal of their cards will be notified by P-Card Administration. The cardholder must complete an online Purchasing Card Request and Change Form through KSU Connect. Renewals of existing accounts will require approval from the cardholder’s supervisor/approving official, department head, business manager (if applicable), KSU’s Card Program Administrator, and KSU’s Chief Business Officer (CBO).

3. The Purchasing Card Administrator will review the request and submit the employee’s name to Human Resources for the credit and criminal background checks.

4. Human Resources will notify the Purchasing Card Administrator of credit and criminal background check status.

5. Prospective cardholders, supervisors/approving officials, and CBO must meet all training requirements (classroom or online training) covering KSU Purchasing Card Procedures. Approvers (Cardholder’s supervisor) and cardholders must complete P-Card training prior to receiving the P-Card, access to an account number, or obtaining access to WORKS®.

6. The Purchasing Card Administrator will request the employee’s Purchasing Card from Bank of America Merrill Lynch® and set up the new cardholder’s monthly CL and STL profile.

7. A Cardholder’s supervisor/approving official is required to obtain Works® access prior to issuance of the purchasing card. Supervisors may obtain Works® access by completing the online Purchasing Card Request and Change Form.
through KSU Connect. See Job Aid PC01 – Purchasing Card and/or Works® Access and Change Requests.

8. The cardholder and their supervisor will be notified, by email, when the Purchasing Card is available for pick up. Employee will present a photo ID and sign the Kennesaw State University Cardholder Purchasing Card Agreement (Appendix A) when picking up the card.

9. The employee must sign the card on the back as soon as it is received to prevent unauthorized use. Employees are instructed to keep the card in a secure place at all times.

10. Upon receipt of the card, the cardholder will need to call the toll-free number provided on the face of the card to activate the account. Once the cardholder acknowledges receipt of the card with Bank of America Merrill Lynch®, the account will be activated for immediate use.

C. Cardholder and Supervisor Responsibilities

1. General Responsibilities

Cardholders and Supervisors/Approving officials, including Fiscal Approvers must meet the following segregation of duties minimum requirements:

a. Segregation of duties between making transactions (cardholders)

b. Approval of transactions for payment (direct supervisors)

i. No cardholder shall be his or her own reviewer/approver. Sufficient internal controls must be established and implemented to ensure that the cardholder’s direct supervisor reviews the Monthly Statement Detail Report. Supervisors must review all receipts and reconciliation documents in a timely manner during regularly scheduled billing cycles for approval. The direct supervisor must also sign off on the cardholder’s transactions in Works®.

c. Purchasing cards are issued in an individual’s name, not in the name of Kennesaw State University (KSU) or a KSU department. The cardholder is accountable for all purchases made with the assigned card. The card is the property of Kennesaw State University and is to be used only for State business on behalf of KSU, as defined in this manual.

d. Cardholder and Supervisor name changes or other profile changes may be made by submitting an online Purchasing Card Request and Change Form through KSU Connect. See Job Aid PC01 – Purchasing Card and/or Works® Access and Change Requests.
e. Annual recertification of Cardholders, supervisors, and fiscal approvers is required to maintain Purchasing Card account and access to the Works® Payment Manager. (Any Business Manager with access to Works® Payment Manager must also recertify annually.)

f. Adhere to established KSU Purchasing Card Policies and Procedures.

2. Cardholder Responsibilities

a. Cardholders must strictly observe their assigned monthly Cycle Limit (CL) and Single Transaction Limit (STL) profile. (See Section I.E. – Card Limits).

b. Only the employee whose name appears on the face of the Purchasing Card is authorized to initiate transactions with the card, even if the purchase is for legitimate university business. Personal purchases are strictly prohibited and will result in disciplinary action, up to and including termination of employment and criminal prosecution. All purchases made with the Purchasing Card must be for official State/University business. (See Section VII.A. – Personal Purchases - Prohibited)

c. Sharing of login information or passwords is strictly forbidden.

d. Ensure that no other persons have access to any card information (i.e. card account number, expiration date, security code).

e. Ensure that all purchases comply with State and University policies.

3. Supervisor/Approving Official Responsibilities

a. All approving officials are required to complete a Card Approver Agreement/Acknowledgement Form as required in Section E of the Statewide Purchasing Card Policy (DOAS).

b. Cardholder’s supervisor/approving official must notify the Purchasing Card Administrator immediately upon change in cardholder’s employment status, which can include:
   - Change of department
   - Change of position, role, or title
   - Leaves of Absence
   - Termination, Resignation or Retirement
   (Supervisor/approving official must notify the Purchasing Card Administrator immediately so the card can be deactivated promptly.)
The card must be destroyed (cut in half) and returned to Purchasing Card Administration (MD9121) for cancellation.

**Note:** If an employee is being terminated for disciplinary reasons, it is incumbent on the supervisor to ensure that the Purchasing Card Administrator is notified as soon as this action is taken.

c. Supervisors/approving officials are responsible for reviewing transactions and must have a thorough knowledge of the cardholders’ job responsibilities in order to determine if purchases are job-related or otherwise authorized.

d. Ensure that passwords are not shared or delegated for others to use in order to review and approve transactions.

e. Delegation of approval duties is **unallowable** to individuals who are not trained P-Card Approvers. Should an approver be on leave or otherwise unavailable to approve transactions, another trained approver (already designated with approver responsibilities) may assume those duties temporarily.

All cardholders and supervisors/approving officials are acting as purchasing agents for the State of Georgia and their individual State Entities. They must have a minimum understanding of State procurement laws and the requirements of the Georgia Procurement Manual (GPM).


**D. Purchasing Card Training**

The cardholder, the direct supervisor/approving official of a cardholder, fiscal approver/business manager, must complete purchasing Card Fundamentals Training annually. This training is offered as an online or classroom course. Failure to complete the annual training may result in suspension of the Purchasing Card or access to Works®.

a. Classroom training is offered on a quarterly basis and registration may be completed at the following link:

[http://ofm.kennesaw.edu/ofmquicklinks/training.php](http://ofm.kennesaw.edu/ofmquicklinks/training.php)

b. Online training is available throughout the year:

[http://ofm.kennesaw.edu/ofmquicklinks/training.php](http://ofm.kennesaw.edu/ofmquicklinks/training.php)
E. Card Limits

1. Each purchasing card transaction, regardless of the number of items ordered, will be limited to a $999.99 STL, unless the cardholder has an approved DOAS/OPB waiver granting a higher STL; or the purchase is deemed to be an exempt item based on NIGP (*National Institute of Governmental Purchasing*) code.

2. If a cardholder needs a temporary increase in STL, a Special Approval Request Form must be submitted to the P-Card Administrator for DOAS/OPB approval. If the one-time temporary increase is granted, the transaction must be posted within five (5) days of the increase as the cardholder’s profile will be automatically reset to the original STL.

3. Purchasing Card Administrator will analyze cardholder activity annually to determine whether spending limits are consistent with usage. Inactive accounts (those with little or no activity) may be deactivated to meet DOAS guidelines. However, the P-Card Administrator may conduct spend analysis throughout the fiscal year to review the department’s actual purchasing needs.

   It is the responsibility of the Purchasing Card Administrator to establish appropriate card limits for each cardholder based on the established KSU Purchasing Card limits, the needs and annual spending pattern of the department, and the Approved P-Card Plan.

4. Temporary increases in Cycle Limits and/or Single Transaction Limits from the approved P-Card Plan must be approved by DOAS and OPB. To request an increase in cycle or single transaction limit, the cardholder must complete the P-Card DOAS Special Approval Form (*SPD-Special Approval Request Form - Appendix C*) electronically, saved in Word format only, and forward by email to the Purchasing Card Administrator.

5. The State Purchasing Card Program Administrator is responsible for reviewing and approving all requests for exceptions to policy on a case-by-case basis. Requests for an exception to policy, such as an increase in the Single Transaction Limit (STL) greater than $999.99 to accommodate a purchase on Statewide or University contract or a statutory/mandatory source, must be sent to the Purchasing Card Administrator (see Appendix C). The Purchasing Card Administrator will forward the request to the State Program Manager for approval, pursuant to Open Market purchases rules stated below in Section II A.4.

6. Any expenditure with one supplier, or multiple suppliers, for the same product or supplies that you anticipate will exceed $25,000 within a fiscal year should not be purchased using the KSU Purchasing Card. Please contact the Office of Procurement and Contracting for assistance.
This circumstance requires due diligence by KSU’s Office of Procurement and Contracting (OPC) as it relates to the State bid threshold limit, $25,000 and above. For more information, the KSU Competitive Solicitation Policy is located at: https://policy.kennesaw.edu/sites/web.kennesaw.edu.policy/files/competitivesolicitationpolicy_05192015.pdf

7. State of Georgia purchasing cardholders are designated as State purchasing agents, requiring strict adherence to the Official Code of Georgia, Annotated O.C.G.A. § 45-10-1, State employee code of ethics, and O.C.G.A. § 50-5-78, financial interest of department personnel in contracts; acceptance of benefits from contractors.

F. Lost, Stolen, or Misplaced Cards

In order to protect the University’s interest, lost or stolen purchasing cards must be reported immediately to Bank of America Merrill Lynch® (within 24 hours) by calling 1-888-449-2273, and then reported to the cardholder’s supervisor/approving official and the Purchasing Card Administrator. If you have misplaced your card, immediately contact the Purchasing Card Administrator at 470-578-3603 or pcard@kennesaw.edu, or call the Office of Procurement and Contracting at 470-578-4355 so the card can be suspended.

To report a fraudulent transaction on your purchasing card, contact Bank of America Merrill Lynch® Customer Service at 1-888-449-2273. The bank will request pertinent information regarding the transaction, cancel the current card, and order a new card for the cardholder. Once Bank of America Merrill Lynch® has been notified, the immediate supervisor should also be notified along with the Purchasing Card Administration. The cardholder will be notified as soon as the replacement card arrives.
II. Purchasing, Transaction Processing and Monthly Statement Reconciliation

A. Making a Purchase

To make a purchase using the Purchasing Card, do the following:

1. Make sure the transaction is consistent with the applicable rules for Purchasing Card usage. This includes obtaining two approvals (supervisor/approving official and fiscal approver) prior to initiating transaction(s) for all purchases, regardless of amount, that are planned, routine, and non-urgent using the P-Card Prior Approval Form [http://procurement.kennesaw.edu/docs/pcard-prior-approval.docx](http://procurement.kennesaw.edu/docs/pcard-prior-approval.docx).

2. The State requires a purchase from existing statewide or university contracts for products and services when they are available, rather than pursuing a purchase with a non-contracted supplier. The Order of Precedence for use of existing contracts is listed below. If the cardholder has any questions regarding the appropriate source for a purchase, email purchasing@kennesaw.edu. (See Appendix E - Order of Precedence)

   a) Mandatory Statewide Contracts – State entities, including state universities, must use these contracts unless State Purchasing Division (SPD) has granted a waiver.

   b) State Entity/University Contracts - i.e., an existing contract between the University (State entity) and a supplier.

   c) Statutory Mandatory Sources – There are two mandatory statutory sources for products designated as mandatory (not applicable to preferred products).

      1) Georgia Correctional Industries (GCI)
         GCI product list is accessible through: [http://www.gci-ga.com/](http://www.gci-ga.com/)

      2) Georgia Enterprises for Products Services (GEPS)
         GEPS approved product list: [www.georgiaenterprises.com](http://www.georgiaenterprises.com)

   d) Convenience Statewide Contracts – Any statewide contract not designated as mandatory (“preferred products”) and not available through GEPS.

3. For purchases from a statewide contract (SWC), university contract or mandatory source such as Georgia Correctional Industries (GCI) or Georgia Enterprises
from Products and Services (GEPS):

a) Changes to single transaction limits and monthly cycle limits may be made to accommodate these purchases at the discretion of the Purchasing Card Administrator.

b) Documentation must include reference to the statewide or university contract number.

4. Per KSU’s Competitive Solicitation Policy, in order for a cardholder to proceed with an open-market purchase (that is, pursue a purchase over $9,999.99 and less than $25,000.00 with a supplier who is not under contract with the State or with KSU), the following steps must be taken and documented in order to purchase using a Purchasing Card:

a. A request for Special Approval must be completed; and

b. Purchase has been competitively bid using eQuote, the Georgia Procurement Registry (GPR), or other electronic solicitation tools; and

c. Cardholders have prior, written approval from the Purchasing Card Administrator, their supervisor, and the State Cards Program Manager using the Purchasing Card Special Approval Request Form, to exceed the State Single Transaction Limit; and

d. Documentation must include a reference to the solicitation number.

Note: Please contact the Office of Procurement and Contracting at 470-578-4355 or purchasing@kennesaw.edu prior to this type of purchase.

5. Telephone, fax, or visit the supplier. Please note that some statewide contracts specify in-store purchase only or online ordering only. You can use the purchasing card to purchase items from any supplier who accepts Visa®. To receive all applicable discounts, be sure to inform the supplier that your purchase is for the State of Georgia. Notify the supplier that the purchase is exempt from Georgia State sales tax and provide the supplier with a copy of the Sales Tax Certificate of Exemption (see Appendix F). A copy of this form can be found on the KSU Intranet at: http://ofm.kennesaw.edu/ofmquicklinks/forms.php

Note: All ordered materials must be shipped by the supplier before they bill any costs to a KSU purchasing card. Billing for partial orders or back orders is not permitted. Additionally, instruct the supplier NOT to send a separate invoice or statement to KSU Accounts Payable.
6. Verify the total amount to be charged with the supplier. Prior to signing a charge slip or authorizing a purchase by telephone, be sure to have the supplier identify and list all charges related to the transaction. All shipping and handling charges must be listed as a separate line item on the receipt and must be clearly identified.

7. Make sure to give the supplier proper delivery and shipping instructions. Unless the transaction will occur at the point-of-sale, all shipping costs (UPS, FedEx, etc.) MUST be prepaid and charged with the corresponding purchase. The supplier should identify the exact amount of all shipping and handling charges that will be added to the transaction amount. The cardholder must retain receipts and other documentation for record-keeping and reconciliation purposes.

8. In an effort to minimize re-delivery of desk-top delivery items to campus and to ensure the quickest response, it is important to utilize the following options when placing orders:

   Use **your office address/shipping location** in the following format when using any delivery service, *(i.e. US Postal Service, Fed-Ex, UPS, DHL, etc.)*:

   Kennesaw State University  
   Building Name and Room #  
   Street Address  
   Kennesaw, GA 30144 or Marietta, GA 30066

   If suppliers request a **KSU Billing Address**, always use:

   Procurement Card Administrator  
   Kennesaw State University  
   3391 Town Point Drive, NW – Suite 3750  
   Kennesaw, GA 30144

   All receipts, proof of delivery, and other documentation supporting the purchase should be attached to the corresponding Purchasing Card Monthly Statement Detail Report.
B. Approving Transactions in Works® Payment Manager

Works® is a web-based technology that connects payment management automation with the global Visa® payment network.  
https://payment2.WORKS®.com/WORKS®/session

Transactions must be approved on-line as follows:

1. The cardholder will receive an e-mail notification when a transaction is pending approval. All transactions MUST be allocated and signed off by the established, published deadlines each month.

2. Each transaction should be opened and reviewed by both the cardholder and the supervisor/approving official. The review should consist of verifying the validity of the transaction and the chart string (General Ledger coding) which includes Fund, Department, Program, Class, Account, and Project/Grant (if applicable).  
(Speed Keys Report)  

Chart strings are manually added to Works®. If your chart string is unavailable for allocation in Works® email the chart string needed to pcard@kennesaw.edu.

3. Cardholders MUST document the business purpose for each transaction in Works® using the comment section outlining pertinent transaction details.

4. Each transaction must be verified and signed off in Works® by the cardholder and direct supervisor/approving official.

See Job Aid PC04 – Approver Sign-Off Instructions for Works® Transactions -  
http://procurement.kennesaw.edu/pcardresources.php

*Passwords are not to be shared or delegated for others to use in order to review and approved transactions.

5. Using the Purchasing Card Signature Stamp, the cardholder and supervisor/approving official must both manually sign the paper Monthly Statement Detail Report and print their name, add date, and phone extension. Signatures certify approval of all the transactions associated with that cardholder’s account.

Delegation of the supervisor duties is unallowable. Should a supervisor be on leave or otherwise unavailable to approve a purchase or transaction in Works® or sign the monthly paper statement, another trained supervisor, already assigned supervisor responsibility, may assume these duties temporarily. Rubber stamp signatures or copies are not allowed for any Approving Officials – Supervisors or Fiscal Approvers. (This includes the prior-approval forms.)
The monthly statement packet should be forwarded or delivered to the Purchasing Card Administrator by 4:00pm on the 10th day of the following month. (*i.e.: statement period ending 06/27/17, statement packets due 07/10/17.*) If the 10th falls on a weekend or holiday, then the packet will be due by 4:00pm on the previous business day.

6. Segregation of duties is important to the integrity of the process. Minimum requirements include:

   - Segregation of duties between making transactions (cardholders)

   - Approval of transactions for payment (direct supervisor/fiscal approver or any approving official)

   - Ordering cards (card program administration)

No cardholder shall be his or her own reviewer/approver. Sufficient internal controls must be established and implemented to ensure that the cardholder’s direct supervisor or approving official, Business Manager/Fiscal Approver reviews the Monthly Statement Detail Report. Approvers must review all receipts and reconciliation documents in a timely manner during regularly scheduled billing cycles for approval; and must also sign off the cardholder’s transactions in Works® in accordance with the published monthly deadlines.

For further information on segregation of duties between ordering cards (program administrators), making transactions (cardholders), and review or approval of transactions for payment (supervisor/approving official and fiscal officer), please refer to DOAS Statewide Purchasing Card Policy using the following link: [http://doas.ga.gov/state-purchasing/statewide-card-programs/purchasing-cards](http://doas.ga.gov/state-purchasing/statewide-card-programs/purchasing-cards)

C. Paying the Bill

KSU is responsible for making payments to **Bank of America Merrill Lynch®** which covers all card activity for all cardholders during the billing cycle at the onset of each new cycle. Under no circumstances should a cardholder or departmental representative send a payment to Bank of America Merrill Lynch®.
D. Record Keeping (Documentation)

To facilitate reconciliation and approval of your Monthly Statement Detail Report, it is MANDATORY that cardholders obtain and retain supplier documentation for purchases. Proof of purchase/receipt and proof of delivery, if applicable, are required. Original receipts/invoices are to be submitted unless receipt/invoice has been printed from the internet. All original receipts belong to KSU.

1) Proof of Purchase:

Cardholders must maintain documentation for all transactions, including an invoice or receipt. Invoices/receipts must meet the following minimum requirements:

- Supplier name and location;
- Line item details, including quantity, description, unit price, and total price;
- Invoice number and date;
- Discount, if applicable;
- Line showing no sales tax;
- Method of Payment

Acceptable receipts include original receipts and/or electronic receipts. Invoices and statements should include the following information in accordance with the DOAS Statewide Purchasing Card Policy. For all planned, routine and/or non-urgent purchases, prior-approval by the supervisor/approving official and fiscal approver is required.

In-Store Purchases
For in-store purchases, all receipts must be signed by both the cardholder and supervisor to indicate items purchased are for Kennesaw State University.

Missing Receipt
Cardholder is responsible to contact the supplier for a copy of the invoice/receipt. If a receipt cannot be obtained, the “Missing Receipt” form may be prepared with the above information and signed by the cardholder and supervisor/approving official. Use of the Missing Receipt form in excess of three (3) times in a fiscal year will result in an automatic suspension of the card privileges for two weeks. The Missing Receipt Form can be found at the following link http://ofm.kennesaw.edu/ofmquicklinks/forms.php.

Note: Credit receipts and/or credit memos are also required with the Monthly Statement Detail Report for any credit transactions.
2) Proof of Delivery:

A packing slip must be included with each purchase, if not an in-store transaction. If a packing slip is not available, note the delivery date on the invoice or purchase receipt. The cardholder and supervisor/approving official both must sign the purchase invoice/receipt if the packing slip is missing.

E. Reconciling Monthly Statement Detail Report

Completed Monthly Statement Detail Reports must be submitted to the Office of Procurement and Contracting (OPC) by 4:00pm on the 10th day of the month following the statement end date. If the 10th falls on a weekend or holiday, the statement will be due by 5PM on the previous business day. The Purchasing Card Administrator will send a reminder email with cycle date range and monthly deadline via email as well as post this information on the Works® home page as an “announcement.”

Ensure that all invoices and/or receipts meet minimum requirements for adequate documentation of transactions. *(See Section II.D.1)*

Sign off on all transactions in Works® as appropriate within the timeframe established by the Purchasing Card Program Administrator.

Monthly Purchasing Card Packet should consists of the following documents:

- Monthly Statement Detail Report with specified date range from Works®.
- Supporting documentation as defined in Section II.D, Record Keeping:
  - All smaller receipts must be taped (on all four sides) to an 8 ½ x 11 sheet of paper.
  - Mark out (redact) all instances of the full purchasing card number if listed on the invoice/receipt; last four (4) digits being visible are allowable.
- Additional purchase approval documentation that may be required by other departments as defined in Section III – University Required Prior Approval Purchases.
- Binder clip the Monthly Statement Detail Report and required documentation; due to scanning requirements please do not use staples.
- Using the Purchasing Card Signature Stamp, the cardholder and supervisor/approving official must both manually sign the paper Monthly Statement Detail Report and print their name, add date, and phone extension.
Signature certifies approval of the transactions.

- Monthly statements should be delivered to the Office of Fiscal Services located in Town Point-Suite 3700 or mailed to Mail Drop #9110. Follow departmental submission deadlines if earlier than those set by the Purchasing Card Administrator.

For additional guidance on how to allocate transactions and prepare the Monthly Statement Detail Report, please see:

- Job Aid PC02 ‘How to Allocate and Sign Off on a WORKS® Transaction’
  [http://procurement.kennesaw.edu/pcardresources.php](http://procurement.kennesaw.edu/pcardresources.php)
- Job Aid PC03 ‘Printing Monthly Statement Detail Report’
  [http://procurement.kennesaw.edu/pcardresources.php](http://procurement.kennesaw.edu/pcardresources.php)

All purchasing card records must be retained by KSU – The Office of Fiscal Services, Department of Procurement for seven (7) years.

It is recommended that each cardholder maintain a copy of the current fiscal year Monthly Statement Detail Reports for ease of reference.

**F. Resolving Errors and Disputes**

Problems with merchandise delivery or incorrect billing may occasionally arise; and is the cardholder’s responsibility to initiate action to resolve such issues.

1. Cardholders must contact the supplier **directly** when a billing problem or a problem with merchandise is first noted to attempt to resolve such problems. When appropriate, the cardholder should ask the supplier to provide a credit to the purchasing card account. Under no circumstance should there be a direct cash refund from suppliers for credit card transactions.

2. Make a note in Works® and keep a record of all communications with the supplier.

3. If a cardholder is unable to resolve the problem directly with the supplier, the cardholder should file a Bank of America Merrill Lynch® dispute form *(Appendix B).* [http://doas.ga.gov/state-purchasing/statewide-card-programs/purchasing-cards](http://doas.ga.gov/state-purchasing/statewide-card-programs/purchasing-cards)

**Note:** All Bank of America Merrill Lynch® disputes are to be filed within 60-days of the transaction date. Do not continue to use suppliers who have not resolved errors within 30-days of the cycle date following the error or dispute.
G. Lost or Misrouted Items

If a sufficient amount of time has elapsed without receiving the ordered product, the following steps should be taken:

1. Contact the supplier to determine the date product was shipped, carrier name (i.e., UPS, FedEx, US Mail, etc.), and destination address/location.

2. If there is no record of the shipment by the carrier, call the supplier and request a proof of delivery.

3. If the supplier cannot supply this documentation, the supplier should acknowledge that no product was actually delivered, and either the purchasing card account should receive a credit, or product reshipped.

4. If a satisfactory resolution cannot be reached with the supplier within a 30-day period, file and process a dispute with Bank of America Merrill Lynch®. As a reminder there are only 60 days from the date of the transaction for a dispute to be filed with Bank of America Merrill Lynch®.

H. Incorrect Quantity or Defective Items

The Cardholder must always check any incoming order as soon as received to ensure the product received matches what was ordered in terms of quantity, description, and quality. If there is a discrepancy (e.g., damage or defects), the cardholder should:

1. Contact the supplier to resolve the issue over the telephone. (This is usually sufficient to resolve most discrepancies.)

2. If satisfactory resolution cannot be reached with the supplier, file a dispute with Bank of America within 30 days and notify the Purchasing Card Administration.
I. Sales Tax Charged by a Supplier

As previously detailed in the “Making a Purchase” section of this guide, KSU is exempt from paying Georgia sales tax on purchases. (O.C.G.A. §48-8-3). Accordingly, sales tax should not be billed by Georgia based suppliers. Cardholders are responsible for ensuring that suppliers do not charge sales tax; and that suppliers provide a credit back to the purchasing card in the event of an erroneous charge.

In the event a supplier charges sales tax, the cardholder must take the following steps as soon as possible:

1. Contact the supplier and request that a credit be processed for the amount of the sales tax charged. Sales tax issues are not to be disputed with the Bank of America.

2. Credits are not to be obtained by any other method, including but not limited to, cash, gift cards, vouchers, store credit or gift certificates.

3. Maintain written records of communications with suppliers regarding credits for sales tax.

4. If the supplier refuses to issue a credit or does not issue a credit within the next billing cycle, please notify the Purchasing Card Administrator concerning attempts to obtain a credit for the sales tax billed. DO NOT place any further orders with the supplier. The P-Card Administrator will notify all other cardholders to refrain from doing business with the supplier.

Recovering charged sales tax requires time and effort that is not very productive for anyone. It is, therefore, essential that KSU departments make suppliers aware that KSU is exempt from sales tax.

O.C.G.A. 48-8-3 exempts purchases made by Agencies, Universities, Colleges, and technical schools from State Sales and Use Tax when payment is made with appropriated funds. Cardholders must present the Kennesaw State University Tax Exemption Form (See Appendix F) http://ofm.kennesaw.edu/ofmquicklinks/forms.php

The requirement for out-of-state suppliers to charge Sales and Use Tax on shipments to purchasers in the State of Georgia does not apply to tax-exempt State Entities. In order to avoid confusion, the cardholder must provide out-of-state suppliers with a copy of the Sales Tax Exemption Form (ST-5) prior to placing an order to be shipped into the State of Georgia. If the supplier refuses to remove taxes, the cardholder must make the purchase from a different supplier whenever possible.
J. Restocking Fees

When goods are returned through no fault of the supplier, the supplier may charge a restocking fee. If this occurs, reference the transaction number for the restocking fee to the transaction number of the original purchase in Works®.

K. Making Returns/Exchanges

Cardholders must usually prepare a shipping order for all returns or exchanges of merchandise purchased using a purchasing card. On the shipping order, be sure to indicate that this was a purchasing card purchase and state the amount of credit due for the returned item. In some instances, a supplier may supply a Return Authorization Number (RAN) which should be noted on the shipping order. If the supplier provides a material Return Authorization Number, be sure to include that number on the shipping order.

In these instances, the following actions should take place:

1. A copy of the shipping order should be attached to the Cardholder’s Monthly Statement Detail Report with details surrounding the return.

2. Return credits must be applied to the purchasing card account, and must not be taken in cash.

3. Note the shipping arrangements on the documentation (i.e., if the supplier or state paid for the freight).

Note: It is the cardholder’s responsibility to follow up and obtain a credit for any recoverable amounts.
L. Supplier Credit Card Processing Fees**

Many suppliers charge a “credit card processing fee” or “convenience fee” for accepting credit cards including the Purchasing Card. These types of fees are strictly regulated by Visa® and MasterCard®. Cardholders need to be aware of these types of charges and make decisions based on the following guidelines.

1. Surcharges

Surcharges are a percentage of the transaction amount charged by the merchant to cover the costs of processing credit card transactions. The maximum allowable surcharge is 4% and must be shown as a line item on the detailed invoice or receipt.

For any transaction where the supplier has charged a surcharge, a cardholder must obtain a copy of the acknowledgement letter sent to the supplier by VISA® authorizing the supplier to impose a surcharge. The cardholder must attach the acknowledgement letter to the invoice and submit with all other required documentation to the Monthly Statement Detail Report.

According to Visa®’s Card Acceptance and Chargeback Management Guidelines for Merchants (Merchants is synonymous with suppliers) available on Visa®’s website, credit card surcharges are allowed but cannot be more than the amount the supplier’s bank charges them for processing the transaction. Also, the supplier cannot charge both a surcharge and a convenience fee, explained below.

Whenever a supplier charges a surcharge, the following rules apply:

- The supplier must have provided Visa® and their merchant bank at least 30 days notification of their intent to impose surcharges.

- The fact that the supplier imposes these charges must be clearly posted on the door and at point-of-sale for physical locations and on web sites when sales are made via the internet and inform the customer of:

  A. The exact percent of the surcharge.
  B. That it is being assessed by the supplier and is only applicable on credit transactions.
  C. That it is not greater than what the supplier pays to Visa®.
2. **Convenience Fees**

A **Convenience Fee** is a flat amount, *(not a percentage)*, charged by a merchant when a credit card is not the normal method of accepting payment.

“**Convenience fees**” for certain transactions can be paid **if** they are charged in compliance with Visa® rules. (The State of Georgia P-Card and other accounts are Bank of America Merrill Lynch® Visa® accounts, so Visa® regulations apply.)

For merchants who offer an alternate payment channel *(i.e., mail, telephone, or e-commerce)* for customers to pay for goods or services, a convenience fee may be added to the transaction amount. If the merchant chooses to assess a **convenience fee** to its customers, the merchant must adhere to certain guidelines.

There are many ways a supplier’s actions can fall outside Visa®’s guidelines. As such, only suppliers in compliance with the guidelines shall be allowed to receive **convenience fees** via the P-Card and/or other accounts.

**Convenience fees** charged in accordance with the Visa® guidelines quoted above are permitted on the P-Card or other accounts.
III. University Required Prior Approval Purchases

The Purchasing Card may be used for the following purchases **ONLY** if prior approval has been secured from required areas.

Any prior approval documentation **must** be attached to the cardholder’s Monthly Statement Detail Report.

A. Audio Visual Services - Rentals, Purchases, and Related Services

This includes, but is not limited to, digital cameras, VCR’s, DVD players, camcorders, tripods, PA systems, recording hardware (including portable equipment), microphones, rental equipment, and/or specialized recordings.

For the most current Audio, Video, and Communications (AVS) policy on purchases, refer to the University Information Technology Service (UITS) link and secure prior approval from UITS for these purchases by completing the web form at: [http://uits.kennesaw.edu/support/formspurchases.php](http://uits.kennesaw.edu/support/formspurchases.php).

The system will direct your request to the proper department for approval.

B. Computer-Related Purchases

These types of purchases must always obtain UITS approval prior to purchase, including but not limited to software, iPad Accessories, keyboards, mouse, storage devices, PC Speakers, remote presenter tools, domain names, off-site storage and other miscellaneous computer equipment and accessories. For the most current UITS policy on purchases, refer to the University Information Technology Service (UITS) link and secure prior approval from UITS by completing the web form at: [http://uits.kennesaw.edu/support/formspurchases.php](http://uits.kennesaw.edu/support/formspurchases.php).

The system will direct your request to the proper department for approval.

C. Contracts and Service Agreements

Both the Office of Legal Affairs and the Office of Procurement and Contracting (OPC) must approve any contracts/service agreements that are not on university or statewide contracts. Requests for Legal Affairs review and approval should be submitted to contracts@kennesaw.edu or [http://www.kennesaw.edu/legal/contracts.shtml](http://www.kennesaw.edu/legal/contracts.shtml) and Procurement and Contracting at purchasing@kennesaw.edu.
D. Design Approval

The **KSU Brand and Visual Identity Program** requires prior approval to ensure the proper use of official KSU logos, official KSU colors, and the University name (this includes any text with "KSU" or "Kennesaw State University"). These guidelines must be used consistently across campus including but not limited to signage, presentations, job ads, electronic media (Facebook) and any publications. [http://www.kennesaw.edu/styleguide/guidelines.shtml](http://www.kennesaw.edu/styleguide/guidelines.shtml)

The **Office of Strategic Communications and Marketing** is responsible for producing and approving the use of college-specific and unit-specific logos. Requests for these types of logos should be submitted to logos@kennesaw.edu.

**Note:** An approved copy (proof) of all printed material using official logos, official colors or university name must be submitted with the cardholders Monthly Statement Detail Report.

E. Food Purchases for Students (e.g., Papa Johns, Wing Stop, Moe’s… regular delivery/pick-up, etc.)

**Officially Sanctioned Student Activities** – Any purchases of food for students must follow the guidelines for “food purchases” in the BOR Business Procedures Manual and must include all required supporting documentation.

If desiring to use a caterer other than KSU Catering (KSU’s preferred caterer), a Catering Exemption Request Form, must be completed and approved: [http://dining.kennesaw.edu/docs/Catering_Exemption_Form.pdf](http://dining.kennesaw.edu/docs/Catering_Exemption_Form.pdf)


Documentation to include with the Monthly Statement Detail Report must include:

a) Prior Food Approval is required for all food purchases regardless of the fund source used. [http://ofm.kennesaw.edu/docs/forms/foodpurchaseapprovalform.pdf](http://ofm.kennesaw.edu/docs/forms/foodpurchaseapprovalform.pdf)

b) Itemized receipt showing all meals purchased.

c) Roster of participants showing name and signature of each student (for activities not open to the entire campus – e.g. athletic teams, student clubs).

d) Copy of team schedule, agenda and other documentation showing that the meal was an authorized student activity.
e) Food and lodging are not allowed for faculty, staff, coaches, or other school employees, when on official school business (e.g. athletic team travel).

*The Prior Food Approval form is required to be submitted to, and reviewed by Reporting and Compliance in the Office of Fiscal Services.

F. Furniture
Due to the special nature of the mandatory statewide contracts for the purchasing of furniture (managed by the DOAS), purchasers must seek prior approval from the Office of Procurement and Contracting (OPC) at purchasing@kennesaw.edu.

For larger projects and/or renovations, or special ADA requirements, approval from Facility Design and Construction Services (FDCS) may also be required. For assistance see http://www.kennesaw.edu/fplanning/index.html

G. Hazardous Materials
Hazardous Materials may only be purchased with approval from of the Office of Environmental, Health & Safety (EHS). Types of purchases include, but are not limited to, propane tanks, helium tanks (with or without balloons), liquid air, asbestos removal, firearms and explosives, radioactive material, herbicides, fertilizers, paints/stains, etc.

EHS approval is required with the Monthly Statement Detail Report. For assistance contact EHS at ehs@kennesaw.edu or http://www.kennesaw.edu/ehs/contact-us.html

H. Memberships and Dues
HR approval may be required in some instances- See When Should You Use OwlPay?

I. Promotional Items
These type purchases are allowed with prior design approval from the Office of Strategic Communications and Marketing - KSU Visual Identity Program.

Contact the Office of Procurement and Contracting for assistance for proper use of agency contracts. Be aware that any purchase that includes services of $2,500.00 or above will require an E-Verify Affidavit. http://procurement.kennesaw.edu/faqs.php
J. Sponsorships
Sponsorships are generally not allowable as they imply donative intent. Approval is required from the Office of Fiscal Services’s (OFS’s) Reporting and Compliance team. Contact compliance@kennesaw.edu for approval to determine whether KSU is receiving a benefit of same kind.

Additionally, if approved by OFS, approval from the Office of Strategic Communications and Marketing may also be required, as these often involve the use of University marks, images, and logos.

Notes: Sponsorships must be compatible with KSU’s Mission.

K. Subscriptions – Database/Internet purchases
Prior approval from UITS is required via Technology Purchases Approval Form - See When Should You Use OwlPay?

L. Subscriptions – Other
Newsletters, Newspapers, Journals, Magazines and Professional Publications, etc.- See When Should You Use OwlPay?

IV. Prohibited Purchases
The following types of purchases are strictly prohibited either by Official Code of Georgia, Annotated (O.C.G.A.), or to meet reporting requirements of the State or specific State Entities.

In general, the purchasing card may be used for equipment under $3,000 (Small Value Property-SVP limits) and other goods and services costing less than $25,000 (including shipping) when not prohibited by Federal, State, and KSU guidelines. This applies to both planned and unplanned purchases.

All purchases must be made in accordance with established university policy and must be for expenses associated with official university business. Only the cardholder can charge the expense. Use of the purchasing card for unauthorized, inappropriate, or personal items may result in penalties as indicated in this manual (Section V – Review and Monitoring).
A. List of Prohibited Purchases

Beginning April 1, 2017, the state policy added the following restrictions to P-Card usage:

- All P-Card purchases require the approval of the cardholder’s supervisor/approving official and a fiscal approver prior to the transaction. The fiscal approver is the department’s business manager or any title acting in the role of a fiscal approver. If there is no fiscal approver in the department, the P-Card Administrator will sign as fiscal approver for the cardholder, but only with evidence of available funding from the cardholder or cardholder’s department.
- All unplanned, non-routine, and/or urgent transactions of less than $1,000 are permissible on the P-Card without prior approval with justification and supporting documentation.
- All planned, routine and/or non-urgent transactions valued at less than $5,000 are permissible on the P-Card once the required prior approvals are obtained.

In addition to the new restrictions, please reference the table below for examples of prohibited purchases:

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcoholic Beverages / Drugs / Tobacco</td>
<td>All types.</td>
</tr>
<tr>
<td>Products</td>
<td>All types. *Exception allowed for these type purchases within the College of Science and Math specifically intended for use in classroom, lab and/or instructional/research settings.</td>
</tr>
<tr>
<td>Animals (Live)</td>
<td>All types. LCD data projectors and screens. For the most current AVS policy on purchases, refer to <a href="http://www.kennesaw.edu/techpurchases">www.kennesaw.edu/techpurchases</a>.</td>
</tr>
<tr>
<td>Assets</td>
<td>Any tangible item that is valued at $3,000 or above. The total amount of the purchase includes shipping/freight fees and installation fees and is not limited to equipment, IT/AV hardware, fixtures/signs, and furniture.</td>
</tr>
<tr>
<td>Automatic Renewals / Recurring Charges</td>
<td>All, includes annually, monthly, etc.</td>
</tr>
<tr>
<td>Audio Visual Services (AVS) or multimedia</td>
<td>LCD data projectors and screens. For the most current AVS policy on purchases, refer to <a href="http://www.kennesaw.edu/techpurchases">www.kennesaw.edu/techpurchases</a>.</td>
</tr>
<tr>
<td>equipment of $3,000 and above. See Assets</td>
<td>Includes data plans, software, or applications (apps) for non-State Entity issued devices including but not limited to smart phones, laptop computers, and tablets.</td>
</tr>
<tr>
<td>Awards/Recognition (Employees)</td>
<td>All. Seek alternative funding source (e.g., Auxiliary, employee donation or collection, Foundation, etc.) “When Should You Use OwlPay?”</td>
</tr>
<tr>
<td>Awards/Recognition (Student/Non-Employee)</td>
<td>All – above $100.</td>
</tr>
<tr>
<td>Car Rentals</td>
<td>All. Regardless of the use of the rental to include use for student activities. This includes all expenses related to the car rental, i.e. gas. Car rentals must be from the Mandatory Statewide Contract.</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.kennesaw.edu/techpurchases">Travel Decision Matrix</a> <a href="http://www.kennesaw.edu/techpurchases">Concur TMS</a></td>
</tr>
<tr>
<td>CATEGORY</td>
<td>EXAMPLES</td>
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<tr>
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</tr>
<tr>
<td>Cash Advances</td>
<td>All cash advances including those received through teller machines, banks, or as “cash back” at the time of transaction.</td>
</tr>
<tr>
<td>Certifications and/or Certification Exams as associated with position requirements</td>
<td>All. See “When Should You Use OwlPay?”</td>
</tr>
<tr>
<td>Chamber of Commerce Memberships</td>
<td>Any Chamber of Commerce membership dues. See <a href="http://www.usg.edu/business_procedures_manual/section19/C1555">http://www.usg.edu/business_procedures_manual/section19/C1555</a></td>
</tr>
<tr>
<td>Computers and Computer Equipment</td>
<td>Computers, laptop computers, monitors, printers (including combo printer/scanner/copier/fax), scanners, servers. These type purchases are required to be placed via ePro requisitions. For current UITS procedures see: <a href="http://uits.kennesaw.edu/support/formspurchases.php">http://uits.kennesaw.edu/support/formspurchases.php</a></td>
</tr>
<tr>
<td>Conference Meals and Events</td>
<td>All. When attending a conference, meals, events, tours, etc. are prohibited unless all-inclusive with the registration fee.</td>
</tr>
<tr>
<td>Data Plans, Software or Applications (apps) for Non-State Entity issued devices</td>
<td>All. This includes personal smart phones, laptop computers, and tablets.</td>
</tr>
<tr>
<td>Drugs</td>
<td>All, including over-the-counter and prescription drugs. This includes First Aid Kits that contain any over-the-counter medicines.</td>
</tr>
<tr>
<td>Employee Travel Expenses</td>
<td>Airfare, hotel, car rentals, airport shuttles, taxis, meals, events, entertainment, parking, and other travel-related incidentals. See Concur TMS - <a href="https://www.concursolutions.com/">https://www.concursolutions.com/</a> Travel Decision Matrix. Concur TMS Note: Airfare is permitted for Athletic Department employees on team travel with students.</td>
</tr>
<tr>
<td>Entertainment Expense</td>
<td>All employee entertainment including but not limited to movie tickets, amusement park tickets, arcades, in-room movies for State employees traveling on business, etc. Exception for Officially Sanctioned Student Activities - See Section III.5.</td>
</tr>
<tr>
<td>Flowers (cut)</td>
<td>All. For office or personal work area. *Exception: artificial flowers for “common areas.”</td>
</tr>
<tr>
<td>Food Services – for Employees</td>
<td>See “When Should You Use OwlPay?” “Food Services” for Employees, Catering and/or Group Meals by KSU Catering. Employee Group Meals Employee Group Meals within an Institution</td>
</tr>
<tr>
<td>Food Services – Catering/Group Meals from KSU Catering</td>
<td>All. For information regarding KSU Catering and Group Meals - See “When Should You Use OwlPay?” Food Purchases Guidelines Prior Food Approval OwlPay Job Aid 9 – Intercompany Payments. *If desiring to use a caterer other than KSU Catering (KSU’s preferred caterer), an approved Catering Exemption Request Form, must be completed and approved.</td>
</tr>
<tr>
<td>CATEGORY</td>
<td>EXAMPLES</td>
</tr>
<tr>
<td>----------</td>
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</tr>
<tr>
<td>Fuel</td>
<td>Services covered by the State’s Fuel Card. Refer to DOAS Office of Fleet Management.</td>
</tr>
<tr>
<td>Gifts</td>
<td>Any type or style of gifts, gift cards to include awards/recognition to employees or non-employees.</td>
</tr>
<tr>
<td>Goods or services from an outside vendor that are available from an in-house department</td>
<td>Any goods or services that are provided by an in-house department such as Facilities/Plant Operations, UITS, AVS, etc.</td>
</tr>
<tr>
<td>Holiday Decorations</td>
<td>All holiday decorations for the office, office door, or employee work station.</td>
</tr>
<tr>
<td>KSU Interdepartmental Payments</td>
<td>All, to include but not limited to the KSU Bookstore, Marketplace, KSU Catering, and KSU Mall. For bookstore purchase, complete the Bookstore Purchases Department Requisition Form. For departmental payments, complete “Intercompany Payment through OwlPay – Job Aid 9.”</td>
</tr>
<tr>
<td>KSU Foundation / KSU Athletic Association</td>
<td>Any expenditures for the KSU Foundation, KSU Athletic Association or any other outside agency, government or otherwise. <em>(See O.C.G.A.§ 50-5-83)</em></td>
</tr>
<tr>
<td>Leases</td>
<td>Operating or capital leases for equipment or property leases.</td>
</tr>
<tr>
<td>Legal – Royalties, Copyright and Commissions</td>
<td>See “When Should You Use OwlPay?”</td>
</tr>
<tr>
<td>Notary &amp; Other Licenses</td>
<td>To include notary stamps, training, and licenses; unless it's for the use of University-related business or required for employment. See “When Should You Use OwlPay?” (Legal – Notary &amp; Other Licenses) for other payment options available.</td>
</tr>
<tr>
<td>Online purchases requiring a contract or agreement</td>
<td>All, including E-Bay. *Exception: Approval from Legal Affairs and Purchasing Card Administrator are required.</td>
</tr>
<tr>
<td>Personal Purchases</td>
<td>Any item for use by an individual for non-work related use or use other than official State business. Examples include but are not limited to: radios, coffee, bottled water, or other snacks or beverages; décor; tissues, hand sanitizer, academic stoles and accessories; personal magazine or newspaper subscriptions. For any item(s) that may be considered official state business please use the “Test of Propriety for use of University Funds.” <em>(See Appendix H)</em></td>
</tr>
<tr>
<td>Personal or Professional Services</td>
<td>All, including consulting services, honorariums, speaker fees, temporary staffing, temporary labor, doctors, lawyers, labor for routine repairs, maintenance or installation of any type.</td>
</tr>
<tr>
<td>Plants</td>
<td>All - For office or personal work area. *Exception: artificial flowers for “common areas.”</td>
</tr>
<tr>
<td>Repairs and Maintenance of State-Owned or Rental Vehicles</td>
<td>All. Refer to DOAS Office of Fleet Management. <em>(Car washes for University owned vehicles are allowed.)</em></td>
</tr>
<tr>
<td>Retreat Expenditures</td>
<td>Due to contract requirements including deposits, final payments, insurance, and E-Verify, an ePro Requisition with the business purpose is required in advance. For assistance, email <a href="mailto:purchasing@kennesaw.edu">purchasing@kennesaw.edu</a>.</td>
</tr>
</tbody>
</table>
### CATEGORY | EXAMPLES
--- | ---
Split Purchases | See Section III.B. Split Purchases – Prohibited
Transportation – Bus Rental | Due to contract requirements including, deposits (if applicable), insurance, E-Verify, specialized drivers (CDL requirements) an ePro Requisition is required. For assistance contact purchasing@kennesaw.edu.
Travel Expense - Employee | Airfare, hotel, car rentals, airport shuttles, taxis, meals, events, entertainment, parking, and other travel-related incidentals. See Concur TMS - [https://www.concursolutions.com/](https://www.concursolutions.com/)
*See “Employee Travel Expenses
Utilities | All to include Electric, Gas, Water
Vehicles (All vehicles including golf carts) | All. Facilities approval is required. Contact KSU Fleet Management. [https://web.kennesaw.edu/plantops/content/automotive-shop](https://web.kennesaw.edu/plantops/content/automotive-shop)
Warehouse Memberships | All, to include but not limited to Sam’s, Costco, Amazon Prime.

### B. Split Purchases

O.C.G.A. §50-5-69 requires competitive bidding for all open-market purchases anticipated to be $25,000 or more.

Cardholders are prohibited from splitting a transaction between two or more transactions on a single account, two or more transactions on multiple accounts, or two or more transactions using the P-Card and a purchase order in order to circumvent competitive solicitation requirements or the STL. Refer to the GPM at [http://doas.ga.gov/state-purchasing/law-administrative-rules-and-policies/gpm](http://doas.ga.gov/state-purchasing/law-administrative-rules-and-policies/gpm) for complete information on bid requirements and procedures.

A split transaction is when goods or services need to be purchased in a **SINGLE purchase** over the cardholder’s STL of $999.99 with the same supplier. For further clarification, see examples below.

- **a.** If there is one invoice for $1,300 and it is paid by two separate transactions in the amounts of $700 and $600 using the Purchasing Card, this is a split transaction. Or if $700 is paid by Purchasing Card then $600 is paid by a Purchase Order, this is still considered a split transaction

- **b.** Conference registrations are exempt and will **not** constitute split purchases. Conference registrations for any number of attendees are considered separate purchases, not a single purchase; so there is no split transaction.
V. Review and Monitoring

The State of Georgia and DOAS State Purchasing Division expects every cardholder to strictly adhere to the policies and guidelines governing the use of the State purchasing card. Failure to do so may result in disciplinary action up to and including employment termination. Additionally, such failure could result in prosecution, including civil action for financial restitution and criminal proceedings.

Violations of policies and procedures governing use of the purchasing card can be classified as minor or major. The action taken is dependent upon the type of violation and the number of previous cardholder violations. The P-Card Administrator can suspend a cardholder’s privileges with or without input from the cardholder’s department; however, the department will be notified of any such action. All other actions are determined at the appropriate level. Any alleged violation or questionable transaction could result in an immediate suspension of card privileges pending a review to determine what, if any, action is appropriate.

Listed below are the disciplinary guidelines associated with purchasing card violations:

For detailed information regarding Prohibited Purchases – Section IV.A. Listed below are the guidelines associated with purchasing card reviews.

Level 1 – Cautionary Note

Level 1 infractions are instances that are “accidental” and without willful intent, or associated with a delinquent reconciliation of the Monthly Statement Detail Report. Examples are listed below:

1. Failure to reconcile and submit the Monthly Statement Detail Report by the published deadline.

For a Level 1 infraction, the cardholder will receive a cautionary note with the supervisor/approving official and business manager copied.

Note: An accumulation of three (3) cautionary notes/minor violations of the same type or nine (9) of any type in a fiscal year will result in a major violation being issued.
Level 2 – Minor Infractions

Level 2 infractions are instances that are “accidental” and without willful intent, or associated with obtaining the necessary KSU prior-approvals or other procedural errors. Examples are listed below:

1. Purchases made using the P-Card that should have been procured through the KSU requisition system or some other means.
2. Purchases made for KSU Foundation, KSU Mall, or any other outside source.
3. Not obtaining required prior approvals as set by the University (i.e.: UITS, Design approval, EHS approval, etc.)
4. Cardholder and/or Supervisor/Approving Official not signing off on transactions in Works.
5. Overuse of “urgent, non-routine and/or unplanned” for transaction classifications as a waiver to the requisition (prior-approval) process.
6. Payment of Georgia Sales tax.

Cardholders and/or Approving Officials will receive a notice of minor infraction in the form of an electronic memo from the P-Card Administrator.

A copy of this notice will be sent to the cardholder’s immediate supervisor, department head, and business manager (if applicable). Any action required in the notice should be handled on a priority basis.

**Note:** An accumulation of three (3) cautionary notes/minor violations of the same type or nine (9) of any type in a fiscal year will result in a major violation being issued.

Level 3 – Major Violations

Major violations are instances that show disregard for established policy and procedures, whether intentional or not. These types of violations demonstrate willful intent to avoid major compliance issues and the resulting penalties are more severe. Examples are listed below:

1. Purchasing prohibited or restricted items.
2. Purchase of an asset/small value property.
3. Splitting orders to avoid the single transaction limit (STL).
4. Transactions noted as urgent, non-routine and/or unplanned without detailed justifications (comments) in Works.
5. Prior approvals not submitted, or not secured prior to processing a transaction for all planned, routine, non-urgent purchases.
6. Allowing others to use your card or assigned card number.
7. Any and all personal purchases; even without willful intent.
8. Accumulating minor infractions as defined above.
9. Use of the Missing Receipt Form more than three (3) times in a fiscal year.

Any major violation will result in the immediate temporary suspension of the cardholder’s privileges and notification to their supervisor and department head.

- **1st occurrence** – the purchasing card will be suspended for two weeks. If no malfeasance, fraud or theft was involved, a reinstatement request of Purchasing Card privileges may be initiated by the cardholder’s supervisor by emailing pcard@kennesaw.edu. Reinstatement also requires the approval of the Chief Business Officer (CBO).

- **2nd occurrence** – the purchasing card will be suspended for 30 days. If no malfeasance, fraud or theft is involved, a reinstatement request of Purchasing Card privileges may be initiated by the cardholder’s supervisor by emailing pcard@kennesaw.edu. Reinstatement also requires the approval of the Chief Business Officer (CBO) and the University President, in addition to the completion of in-person P-Card training.

- **3rd occurrence** – this will result in a permanent suspension of all P-Card privileges

**Appeals Process**

Cardholders who receive a Level 1 or 2 notice may appeal by submitting an email to the Associate Controller for Operations or the Controller of Fiscal Services within ten (10) business days of the issuance of the notice. This request will need to contain supporting documentation that contradicts the findings of the P-Card Administrator for review. The appeal will be reviewed and a response will be issued within five (5) business days.
VI. Process Review and Compliance

The DOAS State Purchasing Office of Process Improvement and the DOAS Program Manager will review various reports provided by Bank of America Merrill Lynch® on a monthly basis to ensure that purchasing card transactions appear within reasonable parameters. In addition, random reviews of cardholder Monthly Statement Detail Reports and appropriate business purpose will be conducted by the State Purchasing Office of Process Improvement.

KSU’s internal purchasing card policy must establish an internal control structure that:

- Ensures compliance with State purchasing laws.
- Ensures appropriate hierarchical review and approval of purchases by someone with supervisory authority over the cardholder and/or with the authority to question purchases if needed, and a fiscal review by the department’s business manager or the P-Card Administrator.
- No cardholder can provide approval for payment for their own transactions.
- Review and approval responsibilities cannot be delegated to someone else who is not an approved supervisor/approving official (has not completed P-Card training).
- Enforces limits on the number of cardholders assigned to a supervisor in order to ensure adequate review of business need and documentation (Monthly Statement Detail Report, receipts/invoices, and prior approvals) for each purchase.
- Internal policies governing use of the card can be more, but not less, restrictive than State Policy.

The primary purpose of these reviews is to ensure that program policies and guidelines are being followed. Observations of failure on the part of a KSU’s Purchasing Card Administrator, department, or cardholder to properly implement stated procedures for use of the Purchasing Card may result in revocation of Purchasing Card Program privileges for KSU.

A secondary purpose for conducting reviews is to identify opportunities for improvement within the Purchasing Card Program.

The Purchasing Card Administrator will routinely analyze electronic transaction data to ensure that purchasing policies and procedures are being followed. Areas of interest include: split transactions, monthly purchases over cycle limits, unusual transaction patterns, and use of non-standard suppliers for standard purchase transactions. Examples of commonly used reports include the following:

A. Account Activity Reports -- Such reports can provide details on each transaction such as transaction date, merchant name, and dollar amount. These reports can be used to sort transactions by dollar amount, merchant, date or
type, and can be useful for identifying suspicious merchants, unusually high spending patterns, or untimely purchases.

B. **Declined Authorizations Report** -- This report identifies cardholders (or other individuals) who have attempted to use a card to make a purchase for which they are not authorized, that exceeds their single-purchase limits, or that exceeds their monthly purchase limits.

C. **Disputes Report** -- This report identifies date, merchant, dispute code, dollar amount and status of each dispute filed by a cardholder. Reviewing the report would identify cardholders with excessive disputes which could indicate that a cardholder needs additional training or that he/she may be trying to disguise misuse or fraudulent activity.

**VII. LEGAL ISSUES**

All procurement laws in the Official Code of Georgia, Annotated, and administrative rules found in the Georgia Procurement Manual apply to the use of the P-Card. Cardholders, programs users, CBO or supervisors/approving officials who knowingly, or through willful neglect, fail to comply with the following rules/regulations may be subject to suspension or termination of account privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.

- Official Code of Georgia, Annotated (O.C.G.A.), sections related to governmental purchasing
- Applicable requirements of the Georgia Procurement Manual (GPM)
- Statewide Purchasing Card Policy
- State Entity policies and procedures governing procurement and the Purchasing Card Program

The State Cards Program Director and State Purchasing Division reserve the right to withdraw any authority or delegated approval due to non-compliance with applicable laws, rules, regulations, policies, and procedures, or the terms of any conditional approval.

Violations involving employee malfeasance must be reported to Bank of America Merrill Lynch®, KSU Public Safety, KSU Office of Internal Audit and USG Office of Internal Audit. (USG will report the incident to the Attorney General’s Office). Employee malfeasance generally includes instances of embezzlement, misappropriation, alteration or falsification of documents, false claims, theft of any asset, etc.

**Institutions are not authorized to negotiate a promise to not report employee malfeasance in return for the employee’s resignation, restitution, etc. The decision not to prosecute rests with the Attorney General’s Office.**
There is no gray area under **HB 1113**, and thus, any misuse, including inadvertent use (such as mistakenly using a Purchasing Card for a personal purchase) is a violation of law and must be reported to the Board of Regents (BOR).

If purchasing card misuse is discovered or suspected, the Purchasing Card Administrator **MUST** do the following according to DOAS directive:

1. Deactivate the purchasing card.
2. Notify USG Compliance Officer and submit package to USG Office of Internal Audit.
3. Notify appropriate KSU Officials – i.e., Public Safety, Internal Audit, Human Resources, etc.
4. Cardholders who violate the State Purchasing Card Program by committing fraudulent activity against the State must be immediately terminated (coordinated through appropriate levels with the minimum of director level involvement.)
5. Bank of America Merrill Lynch® will coordinate the filing of appropriate liability waiver documents (insurance claim to recover losses). Notify Bank of America Merrill Lynch® when employee is terminated.

Please be aware that Bank of America Merrill Lynch® will provide corporate liability protection under Visa®’s Liability Protection Coverage; however, certain conditions apply. The principal condition is that the employee has been terminated and Bank of America Bank Merrill Lynch® is notified of the termination within **TWO DAYS** of its occurrence. Bank of America Merrill Lynch® will rely on and shall be protected in acting on issuance requests or other requests or instructions which the bank believes to be genuine and to have been signed by a State of Georgia Purchasing Card Program Manager.

**A. Personal Purchases - Prohibited**

Cardholders and other program personnel are prohibited from using the Purchasing Card for the purchase of any goods or services not directly or indirectly related to official State of Georgia business. Intentional use of or approval for the use of the card for personal purchases will result in disciplinary action, up to and including termination from State employment and criminal prosecution.

1. The Official Code of Georgia, Annotated (O.C.G.A.), §50-5-80 states that any person who knowingly uses state funds for personal purchases under $500 is guilty of a misdemeanor.
2. A person who knowingly uses state funds for personal purchases of $500 or more is guilty of a felony punishable by one to 20 years in prison.
3. Supervisors or other approving officials who knowingly, or through willful neglect, approve personal or fraudulent purchases are subject to the same disciplinary actions as those making the purchases.
B. Cardholder Background and Credit Checks

O.C.G.A. §50-5-83 requires criminal background checks on all employees hired for positions that are eligible for P-Cards. The State Purchasing Division requires that these background checks be run for all employees using P-Card accounts.

Both new cardholders and existing card renewal requests require a credit and criminal background check.

C. Split Purchases Prohibited

Cardholders are prohibited from splitting a transaction between two or more transactions on a single account, two or more transactions on multiple accounts, or two or more transactions using the Purchasing Card and a Purchase Order (PO) in order to circumvent competitive solicitation requirements or STL. Refer to the Georgia Procurement Manual (GPM) at http://doas.ga.gov/state-purchasing/law-administrative-rules-and-policies/gpm-archives-policies-and-official-announcements for complete information on bid requirements and procedures.

The State Department of Administrative Services, beginning April 1, 2017 requires the Single Transaction Limit (STL) for unplanned, non-routine, or urgent point-of-sale P-Card transactions be set at $999.99, and purchases that are pre-approved and go through the requisitions process prior to completing the purchase be set at under $5,000 (i.e. $4,999.99 or less). Point-of-sale transactions include purchases made at a physical store, in person, or over the phone.

O.C.G.A. § 50-5-69 requires competitive bidding for all open-market purchases anticipated to be $25,000 or more. However, O.C.G.A. §50-5-83 sets the legal Single Transaction Limit (STL) for Purchasing Card transactions at less than $5,000 (e.g. $4,999.99 or less) unless the purchase is from a Statewide Contract and in compliance with State procurement policy.

D. E-Verify

The Georgia Security and Immigration and Compliance Act, O.C.G.A. §13-10-91, requires suppliers to file an affidavit that the supplier and its subcontractors have registered and participate in the federal work authorization program known as E-Verify. This program is intended to ensure that only lawful citizens or lawful immigrants are employed by the supplier or subcontractor. All State Entities are required to obtain this signed and
notarized affidavit from suppliers prior to entering into any service contract $2,500 or greater involving the supplier’s physical performance of services within the State of Georgia. The State of Georgia Attorney General's Office has interpreted this to include one-time Purchasing Card transactions for services.

The E-Verify Affidavit may be emailed, however the notarization must be visible. E-Verify FAQs are located at http://procurement.kennesaw.edu/everifyfaqs.php

For Purchasing Card transactions that meet this definition, the cardholder is responsible for ensuring receipt of this affidavit. A copy of this affidavit must be included with all transaction documentation when using the Purchasing Card and submit with the Monthly Statement Detail Report. http://www.kennesaw.edu/procurement/files/everifyfaqs.pdf

Services include, but are not limited to, advertising, printing, and labor of any kind.

E. Payment of Sales and Use Tax

O.C.G.A. §48-8-3 exempts purchases made by Agencies, Universities, Colleges, and Technical Colleges from State Sales and Use Tax when payment is made with appropriated funds. Cardholders must present the Department of Revenue Sales and Use Tax Exemption, Form ST-5, to suppliers upon request. This form is available at: http://ofm.kennesaw.edu/docs/forms/taxexemptionform.pdf
DEFINITIONS

Chief Financial Officer (CFO) The CFO is responsible for the fiscal functions of the agency, college, or technical college in accordance with General Accepted Accounting Principles (GAAP) and Governmental Accounting Standards. The CFO has primary responsibility for all financial-related activities including but not limited to accounting, finance, budget, etc. The CFO may have different titles in some state entities.

Card Abuse Use of the card for non-State business use purchases (personal purchases). See definitions of card misuse and fraud.

Card Misuse Use of the card for legitimate purchases but for goods or services that are prohibited State or internal policy (e.g., purchase of fuel for a State vehicle). See definitions of card abuse and fraud.

Convenience Fee A flat amount charged by a merchant when a credit card is not the normal method of accepting payment. (See Section II.L – Supplier Credit Card Processing Fees.)

Cycle (Credit) Limit (CL) Mandatory spending limit that restricts the total value of purchases a cardholder can make in one billing cycle. The cycle limit cannot be more than $25,000 without prior, written approval from the State Cards Program Director and OPB.

Fraud Wrongful or criminal deception intended to result in financial or personal gain. See definitions of card abuse and card misuse.

Merchant Category Code (MCC) A system of four-digit codes, maintained by the networks (e.g. VISA), used to identify a merchant’s principal trade, profession, or line of business based on the type of goods or services normally provided.

NIGP Codes Codes set by the National Institute of Governmental Purchasing (NIGP) that allow the State to classify the dollar amount of purchases of goods and services. Using these codes for reporting, they allow a greater insight to where tax dollars are being spent, and where contracts could help improve efficiency and save money.
Open Market Purchase
Purchases made with a supplier that are neither on mandatory or convenience statewide contract, state entity contract or other statutory source provided in Levels 1 – 4 in the Purchasing Order of Precedence.

Personal Purchase
Non-work related goods or services purchased solely for the benefit of the cardholder, the cardholder’s family, or other individual(s). This does not include goods or services purchased for communal use at a work site and available to all employee (e.g. paper towels, tissues).

Point of Sale Purchase
Purchases made at a physical store, in person, online, or over the phone.

Segregation/Separation of Duties
Delegation of roles associated with the Purchasing Card Program. This includes acts of ordering cards, making transactions, review/approval of transactions, and submitting payment for the University.

Single Transaction Limit (STL)
Mandatory spending limit that restricts the amount of a single purchase regardless of the Cycle Limit (CL) on the card.

Split Purchase
A practice whereby one or more cardholders or suppliers split a purchase into two or more transactions and/or purchase orders to circumvent either Single Transaction Limits or bid requirements. This is prohibited by the Statewide Purchasing Card Policy.

Statewide Contracts (SWCs)
Contracts established by the Department of Administrative Services (DOAS) for the benefit of both State and Local government entities throughout Georgia. These contracts benefit State and Local government by providing convenience and competitive pricing. Contracts include commonly used commodities such as office supplies, office furniture, motor vehicles, temporary staffing, building supplies and other commodities and services.

Mandatory SWC
Contracts that have been designated by the State Purchasing Department as mandatory. All state entities must use these contracts to purchase negotiated goods and services unless SPD grants a written waiver. Purchases from mandatory contracts are not limited by dollar amount or the state entity’s delegated purchasing authority.

Convenience SWC
Any statewide contract that has not been designated by the SPD as mandatory. State entities may, but are not required to, use a Convenience contract; but are highly encouraged to use the contracts as they offer several
benefits in terms of saving time and ensuring compliance with procurement rules.

**Surcharge**
A percentage of the transaction amount charged by the merchant to cover the costs of processing credit card transactions. *(See Section II.L – Supplier Credit Card Processing Fees.)*

**Unplanned, non-routine purchase**
Expense that is not expected in advance or are irregular in the standard course of the Entity’s normal operation. These instances could include but are not limited to a part due to a plumbing emergency, services needed for a repair, fans needed during an HVAC outage, a tool needed for an immediate repair, and repair/replacement of a lock.

**Works® Payment Manager**
On-line card management and reconciliation system provided by Bank of America. Card Program Administrators use this tool to order and cancel cards, set spending limits, and assign allowable Merchant Category Codes (MCC). State Entities not using Team Georgia Marketplace use this on-line tool to reconcile transactions.
State of Georgia & Kennesaw State University
Cardholder Purchasing Card Agreement

The State of Georgia & Kennesaw State University are pleased to present you with this Purchasing Card. It represents trust in you and your empowerment as a responsible agent to safeguard and protect State of Georgia assets.

I, ______________, with KSU ID #________, hereby acknowledge receipt of a Kennesaw State University Purchasing Card, which is a VISA® card issued by Bank of America with Card Number ___________ and expiration date ___________. This card will only be used to acquire materials and supplies for Kennesaw State University. I agree to comply with the following terms and conditions relating to my use of the Purchasing Card.

1. As an authorized Cardholder, I agree to comply with the terms and conditions of this Agreement and with the provisions of the Kennesaw State University Purchasing Card Policies and Procedures. In addition, I have completed the required Purchasing Card Training.
2. I understand that Kennesaw State University is liable to Bank of America for all charges I make on the Purchasing Card.
3. I agree to use the Purchasing Card for authorized official business purchases only and agree not to charge personal purchases or any other disallowed items. I will follow the established procedures for the use of a purchasing card. Failure to do so shall result in either revocation of my use or privileges or other disciplinary actions, including discipline in accordance with Kennesaw State University and State Personnel Policy. I understand there will be audits on the use of this purchasing card and any discrepancies will be addressed pursuant to House Bill (HB) 1113. A list of unauthorized use is on the reverse side and also in the Purchasing Card Procedures.
4. I understand that HB 1113 introduced multiple new requirements. Both purchasing card holders and supervisors may be criminally prosecuted for p-card misuse. Purchasing card misuse may result in civil and criminal penalties. Please see the Purchasing and P-Card Procedures on the Campus Resources for additional information on HB. 1113.
5. I authorize Kennesaw State University to take whatever steps are necessary to collect an amount equal to the total of improper purchases, including but not limited to declaring such purchases an advance on my wages to the extent allowed by law.
6. I understand that improper or fraudulent use of the Purchasing Card may result in disciplinary action, up to and including, termination of my employment. I further understand that Kennesaw State University may terminate my right to use the Purchasing Card at any time for any reason.
7. If the Purchasing Card is lost or stolen, I will immediately notify Bank of America at 1-888-449-2273. I will also notify the Kennesaw State University Purchasing Card Administrator in writing at the first opportunity during normal business hours.
8. I agree to return the Purchasing Card immediately upon request or upon termination of employment for any reason.
9. I agree to notify the Kennesaw State University Purchasing Card Administrator at 470-578-3603 or purchasing@kennesaw.edu if my name changes or contact information changes. Further, I acknowledge that name changes will require proof of change. A copy of marriage license.
10. I understand and will comply with the designated purchasing limits listed below. A purchase WILL NOT be split into multiple transactions to stay within the single purchase limit.

    
    Monthly Limit: $________ Single Transaction Limit: $________

________________________________________  __________________________________________
Employee Signature                                      Date

________________________________________
Phone Number

________________________________________
E-mail Address

________________________________________  __________________________________________
Purchasing Card Administrator Signature               Date

Updated August 3, 2009
PURCHASING 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 is required, please complete this form.
- E-Mail or FAX completed form with required enclosures within 60 days from the billing close date to:

  Bank of America – Business Card Services Operations
  P. O. Box 52101
  Phoenix, AZ 85072-3101
  FAX (988) 676-6046

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: ___________________________
Original Sales Slip Requested: __________

(Cardholder Signature) (Authorized Participant Signature) (Date) (Phone Number)

Please Check Only One (After choosing one of the following options, feel free to provide additional details regarding the transaction on a separate piece of paper)

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 _______. 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 and their response.)

5. Recurring Charges After Cancellation: On _______ (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America account has been charged _______ times. (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 the Bank of America Commercial Card. (Please provide a copy of the front and back of 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 the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant.)

10. Other: Above Descriptions Do Not Apply: 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.

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.
STATE OF GEORGIA
PURCHASING CARD PROGRAM

SPECIAL APPROVAL REQUEST FORM

USE THE “TAB” KEY TO NAVIGATE THROUGH THE FORM FIELDS.

Instructions for State Entity Card Program Administrator:

1. Enter your State Entity name and the date of request.
2. Enter the name(s) of the cardholder(s) for whom the exception(s) will apply.
3. Complete one or more of the following sections:
   a. Complete “Section I, Spending Limits”, for any exceptions to established Single Transaction or
      Cycle Limits
   b. Complete “Section II, Other Exceptions”, for any other exception to the State Purchasing Card
      Policy
   c. Complete “Section III, Merchant Category Code Authorizations”, for any exceptions related to
      authorized Merchant Category Codes
4. Click “Approval” boxes once internal procedures for approval are completed.
5. Save the file in Word format only and send via email to: Pcard@doas.ga.gov

State Entity Name:     
Date of Request:      
Cardholder(s):       

Section I: Spending Limits:

Cardholders can receive approval for one or more of the following spending limit exceptions. Click the box next to each
spending limit exception requested, enter the desired levels, and justify the request below.

When approval is not needed:

♦ Levels under the amounts shown:
♦ Purchases from Statewide Contracts and Statutory Sources

<table>
<thead>
<tr>
<th>Spending Limit Exception</th>
<th>Amount</th>
<th>Permanent</th>
<th>Temporary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cycle Limit &gt;= $25,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Transaction Limit &gt;= $5,000 but &lt; $25,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Transaction Limit &gt;= $25,000</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Justification for increased spending limits.

__________________________________________

Revised 02-01-2013

SPD-PC003
STATE OF GEORGIA  
STATE CARDS PROGRAM 

Lost Receipt/Invoice Affidavit

Cardholder Name (please print): ____________________________

Work Unit [please print]: ____________________________

Card Used (check one):  
☐ Purchasing Card (P-Card)  ☐ Fuel Card

I certify that I made the purchase shown below for official business but do not have a receipt because (check all that apply):

☐ Supplier/merchant did not provide a detailed receipt  
☐ I have requested an invoice, but the vendor has not provided it  
☐ I had a receipt but cannot locate it  
☐ I have a receipt but it is not readable and this document is provided in order to describe the items purchased  
☐ Order was placed via telephone, fax, or Internet and vendor has not supplied an invoice

All information must be typed, completed on-line, or printed in ink. All information is required. Use one affidavit per lost receipt.

<table>
<thead>
<tr>
<th>Supplier/Merchant Name</th>
<th>City</th>
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<table>
<thead>
<tr>
<th>Date of Purchase</th>
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<table>
<thead>
<tr>
<th>Detail Description of Items Purchased (each line limited to 60 characters - attach additional sheet if necessary)</th>
<th>Item Amount</th>
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<table>
<thead>
<tr>
<th>Total Purchase Amount</th>
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</table>

Tax paid: ☐ No  ☐ Yes

This document will be used in lieu of an invoice or receipt for this transaction. I certify that all items listed above (and on the attached, if applicable) were purchased and received for State of Georgia business. I also understand that habitual use of this form instead of submitting actual receipts or invoices will result in suspension or termination of purchasing card privileges.

Cardholder Signature: ____________________________ Date: ____________

Supervisory Signature: ____________________________ Date: ____________

Rev. 3-09-10  

SPD-PC005
The Order of Precedence: Purchasing in the State of Georgia

Did you know that you must first check with Mandatory sources before going out to the Open Market to procure goods and services? No? Compliance with the Order of Precedence is mandatory. Information regarding the Order of Precedence can be found in the Georgia Procurement Manual (GPM) in Section 1.3.

There are three questions that you should ask yourself when you find that there is a need to purchase a good or service:

1. Is the needed good/service exempt from the State Purchasing Act?
2. Can the needed good/service be satisfied through the use of an existing contract or established and approved source of supply?
3. Is special approval necessary?

If the procurement professional determines that the needed good/service is not exempt from the State Purchasing Act or the competitive bidding requirements have not been waived, the next key question is whether a current contract exists to satisfy the purchasing need or whether the procurement professional will need to conduct a sourcing event. To answer this question, the procurement professional must follow the Order of Precedence, beginning with Tier 1 mandatory statewide contracts to Tier 2 (existing state entity contracts), Tier 3 (statutory sources), and continuing to Tier 4 (convenience statewide contracts: GEFS products, piggyback purchases, open market), as defined in the diagram below.

1.3.1. Tier 1 - Mandatory Statewide Contracts

Statewide contracts are established by SPD for use by all state entities as appropriate. By aggregating common purchasing needs of state entities, SPD can establish the most competitive levels of pricing and services for the state as a whole. There are two types of statewide contracts:

- Mandatory statewide contracts.
- Convenience statewide contracts.

Only mandatory statewide contracts are included in Tier 1 of the Order of Precedence. If the contract has been designated by SPD as mandatory, all state entities must use the mandatory statewide contract unless SPD grants a written waiver. See Section 1.3.1.1. - Waivers for instructions to request a waiver for the use of mandatory statewide contracts.

1.3.2. Tier 2 – Existing State Entity Contracts

Existing contracts held by the state entity represent the Tier 2 of the Order of Precedence. The state entity must purchase goods/services that are available on existing contracts for particular state entity and any modifications from such contracts must be documented and approved by the APO/CUPO. Ordinarily, a state entity would not possess a contract for the same good or service that is covered by a mandatory statewide contract. However, some state entity contracts may exist at the time SPD awards a new mandatory statewide contract.

1.3.3. Tier 3 - Statutory Sources Designated as Mandatory

Certain products and services which have been certified as mandatory in accordance with the following subsections represent Tier 3 of the Order of Precedence. Specifically, state entities are required by statute to purchase certain products and services from Georgia Correctional Industries Administration (GCI) and Georgia Enterprises for Products and Services (GEFS) where the products/services being purchased have been certified in writing as further described in Section 1.3.3.1. Georgia Correctional Industries Administration and Section 1.3.3.2. Georgia Enterprises for Products and Services. In the event both GCI and GEFS offer certified products/services capable of meeting the state entity’s needs, the state entity has its choice of either source.

1.3.4. Tier 4 - Convenience Statewide Contracts, Preferred Products, Piggyback Purchases, Consortia or Cooperative Purchasing and Open Market Purchases

If the APO/CUPO cannot satisfy the Purchasing need using Tier 1, Tier 2 or Tier 3, then the APO/CUPO may pursue any one of several options available in Tier 4 of the Order of Precedence. The options available in Tier 4 include using a convenience statewide contract purchasing a preferred product, making an SPD-approved piggyback purchase, contracting with a consortia approved or cooperative approved supplier after satisfying the public notice requirements of Section 1.3.4.4. Consortia and Cooperative Purchasing, or making an open market purchase.
STATE OF GEORGIA
DEPARTMENT OF REVENUE
SALES TAX CERTIFICATE OF EXEMPTION
GEORGIA PURCHASER

THE UNDERSIGNED HEREBY CERTIFIES that all tangible personal property purchased or leased after this date will qualify for business or tax exempt treatment as indicated below. (Check Applicable Box)

☐ I, pursuant to laws of the State of Georgia, hereby agree to supply the Department of Revenue with a list of the following equipment or apparatus in accordance with Georgia Code § 48-5-10.

☐ 1. Purchases or leases of tangible personal property or services for FEMALE ONLY. O.C.G.A. § 48-5-10. A sales tax return on which is designated for use exclusively by female faculty and staff of this institution will be required. The list will include information on the equipment or apparatus, and the amount of the expenditures. O.C.G.A. § 48-5-10.

☐ 2. Purchases of tangible personal property or services made by the United States government, the state of Georgia, any county or municipality of this state, the State University System of Georgia, or any state or department of such governments using funds for specific projects not subject to the provisions of this act. O.C.G.A. § 48-5-10.

☐ 3. Sales of tangible personal property and services made to the University System of Georgia or any local school district, the American Red Cross, or charitable organizations recognized by the American Red Cross, Georgia Department of Human Resources, Regional Commissioners, or other qualified organizations, which are exempt from the sales tax under Georgia law. O.C.G.A. § 48-5-10.

☐ 4. The tax on tangible personal property used in research or in the development of a product or service, and thereby not measured by tangible personal property for shipment or sale. Valued at purchase at a retail establishment for research and not exempt. O.C.G.A. § 48-5-10.

☐ 5. Aircraft, watercraft, mechanical, and other transportation equipment, except vessels used in the state and not by the manufacturer. O.C.G.A. § 48-5-10.

☐ 6. The tax on aircraft, watercraft, mechanical, and other transportation equipment, except vessels used in the state and not by the manufacturer. O.C.G.A. § 48-5-10.

☐ 7. Purchases or leases of tangible personal property or services made by the federal government, a federally chartered credit union, or a credit union organized under the laws of this state. A sales tax return must be filed and paid for the purchase, O.C.G.A. § 48-5-10.

☐ 8. Purchases or leases of tangible personal property or services made by the United States government, the state of Georgia, any county or municipality of this state, the State University System of Georgia, or any state or department of such governments using funds for specific projects not subject to the provisions of this act. O.C.G.A. § 48-5-10.

Purchaser's Name: KENNESAW STATE UNIVERSITY
Purchaser's Type of Business: HIGHER EDUCATION
Purchaser's Address: 1000 CHASTAIN ROAD, KENNESAW, GA 30144-5911

1st Name: ROBERT R. FORBES
Title: DIRECTOR, PRC
Telephone Number: 770-427-6257
Fax: 770-427-6257
Email: RFORBES@KENNESAW.EDU

Board of Regents of the University System of Georgia
by and on behalf of Kennesaw State University

Stipulated must secure and maintain one property completed certificate of exemption from each purchaser making purchases without any payment of tax.
Office of Procurement and Contracting

Test of Propriety for Use of University Funds

The Kennesaw State University (KSU) Test of Propriety for Use of University Funds is provided as a tool to evaluate whether use of University funds (i.e. all funds generated, awarded, donated or otherwise received by the University regardless of their source) are appropriate for a purchase and expenditure. This tool is designed to provide a consistent evaluation framework to test the propriety of purchases and expenditures that utilize University funds.

Evaluating the propriety of University expenses requires exercising a high degree of judgment and discernment. Therefore, an expenditure of University funds shall be considered appropriate only if it meets all of the questions listed below with an answer of “Yes”.

This tool should be used prior to making ANY purchase or expenditure using University funds.

<table>
<thead>
<tr>
<th>Question</th>
<th>Additional Information</th>
<th>Answer: Yes or No?</th>
</tr>
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<tbody>
<tr>
<td>1. Is this expense for official University business purpose(s)?</td>
<td>Official University business is any activity that carries out the University’s mission of instruction, research, and service or that provides support to the University’s instruction, research, and service activities.</td>
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<td>2. Is this expense in the best interests of the University?</td>
<td>The expenditure should show careful and reasonable management and protection of the University’s tangible and intangible resources, which includes ensuring such resources are used appropriately to assist the University in accomplishing its mission.</td>
<td></td>
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<tr>
<td>3. Is this expense the most effective way to accomplish official University business?</td>
<td>Without the expenditure, would programmatic objectives be difficult or otherwise more costly to achieve? Would the impact, level, or quality of the achievement be reduced?</td>
<td></td>
</tr>
<tr>
<td>4. Is this expense in compliance with applicable policies, laws, regulations, and rules; and contracts, grants, and donor restrictions, including having the required approvals and</td>
<td>Refer to the Policy at KSU website for links to policies and related procedures.</td>
<td></td>
</tr>
</tbody>
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