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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 employees who:
   a) pass a credit check and background check (O.C.G.A. §50-5-83) to qualify for a card
      and
   b) are required, as part of their regular duties, to purchase services and/or supplies

2. New card requests, as well as card renewals, require both a credit and background check.

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 pre-determined 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. This includes Kennesaw State University Foundation, Kennesaw State Research & Service Foundation, and/or Kennesaw State University Athletic Association. (O.C.G.A. §50-5-83)

6. The employee’s Approving Official, Department Head, Fiscal Approver (if applicable), KSU’s Purchasing Card Administrator, and KSU’s CBO must approve a cardholder’s application to obtain a Purchasing Card.

7. Prospective Cardholders, Approving Officials, Fiscal Approvers, KSU’s CBO, and any program/system Users must meet all training requirements covering KSU Purchasing Card Procedures, in addition to the online training required by DOAS. All Cardholders and Approving Officials must complete the required training prior to receiving the P-Card, access to an account number, and/or access to WORKS®.
B. Purchasing Card Application Processing

1. The prospective Cardholder must complete an online Purchasing Card Request and Change Form through KSU Connect. *(See Job Aid PC01)*

2. A prospective Cardholder’s Approving Official, Department Head, Fiscal Approver *(if applicable)*, and KSU’s Chief Business Officer (CBO) must approve the Purchasing Card Request via the electronic approval process after determining the manner in which the department will use the Purchasing Card.

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

4. Human Resources will notify the Purchasing Card Administrator of the status of the credit and criminal background checks with a response of ‘approved’ or ‘disqualified’.

5. 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.

6. A Cardholder’s Approving Official is required to obtain access to the Works® system prior to issuance of the purchasing card. This access may be obtained by completing the online Purchasing Card Request and Change Form through KSU Connect. *(See Job Aid PC01)*

7. The Cardholder will be notified by email when the Purchasing Card is available for pick up. The Cardholder will be required to present a photo ID and sign the Kennesaw State University Cardholder Purchasing Card Agreement *(Appendix A)* when picking up the card.

8. The Cardholder will need to sign the back of the card as soon as it is received to prevent unauthorized use; and should keep the card in a secure place at all times.

9. The Cardholder will need to call the toll-free number provided on the card to activate the account; as well as use the provided information to obtain a PIN number. Once the Cardholder acknowledges receipt of the card with Bank of America Merrill Lynch®, the account will be activated for immediate use. *(Information needed for card activation will be provided to the Cardholder at the time of card pickup.)*
C. Cardholder and Approving Official Responsibilities

All Cardholders and Approving Officials are acting as purchasing agents for the State of Georgia and their individual State Entities. Both must have a minimum understanding of State Procurement laws and the requirements of the Georgia Procurement Manual (GPM).  

1. General Responsibilities

Cardholders, Approving Officials (including Fiscal Approvers) must meet the following segregation of duties minimum requirements:

   a. Segregation of duties between processing transactions (Cardholders) and the approval of transactions (Approving Officials).

      No cardholder shall be his or her own reviewer/approver. Sufficient internal controls must be established and implemented to ensure that the Cardholder’s Approving Official reviews the Monthly Statement Detail Report. Approving Officials are to review all reconciliations and supporting documentation in a timely manner during regularly scheduled billing cycles. The Approving Official must also sign off on (approve) the Cardholder’s transactions in the Works® system.

   b. 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 transactions 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.

   c. Cardholder and Approving Official 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)

   d. Annual Works® Recertification and Annual Training for Cardholders, Approving Officials, Fiscal Approvers, and Program/System Users are required to maintain the Purchasing Card and access to Works® Payment Manager.

   e. Adhere to established KSU Purchasing Card Policies and Procedures.
2. **Cardholder Responsibilities**

   a. Cardholders must strictly observe their approved/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.

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

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

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

3. **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. A Cardholder’s 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

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

   c. Approving Officials are responsible for reviewing the Cardholder’s 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 are unallowable to individuals who are not trained P-Card Approving Officials. Should an Approving Official be on leave or otherwise unavailable to approve transactions, another trained Approving Official (already designated with the same responsibilities) may assume those duties temporarily. This may also be accomplished for a long-term period if a Signature Delegation Authority Form is approved and on-file with the Office of Fiscal Services (OFS).

D. Training

All Cardholders, Approving Officials, Fiscal Approvers, and all program/system Users must complete the Purchasing Card Fundamentals Training annually. Cardholders will also complete the training offered by DOAS at the time of card renewal (every three (3) years.) The trainings will be offered as either online or as a classroom course. Failure to complete the annual training, or the renewal training can result in suspension of the Purchasing Card or access to Works® until completed.

Contact pcard@kennesaw.edu for the most current links to the online training module and scheduled in-class sessions.

E. Card Limits and Utilization

Imposing spending limits enables management to provide Cardholders with the purchasing power to accomplish the needs of the job without exposing the State or the State Entity to unnecessary risk. Spending limits are based on job responsibilities; and limits will be reviewed to determine if actual usage is consistent with set 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.

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 post within five (5) calendar 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 products 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 Fiscal Services for assistance.

This circumstance requires due diligence by KSU’s Office of Fiscal Services (OFS) as it relates to the State bid threshold limit of $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 reported to both the Cardholder’s Approving Official and the Purchasing Card Administrator. If the card is misplaced, immediately contact the Purchasing Card Administrator at 470-578-3603 or pcard@kennesaw.edu 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 Approving Official should also be notified along with the Purchasing Card Administration. The Cardholder will be notified as soon as the replacement card arrives.
II. Transaction Processing and Monthly Statement Reconciliation

A. Making a Purchase/Processing Transactions

1. Make sure the transaction is consistent with the applicable rules for Purchasing Card usage. This includes obtaining two approvals (Approving Official and Fiscal Approval) prior to initiating transaction(s). This action is required for all purchases, regardless of amount or funding source, that are planned, routine, and non-urgent:
   - Electronic Prior Approval Request via KSU Connect
   - Paper P-Card Prior Approval Form

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/

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

   d) Convenience Statewide Contracts – Any statewide contract not designated as mandatory (“preferred products”) and not available through GEPS.
3. 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:

   c) A request for Special Approval must be completed; and

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

   e) 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

   f) Documentation must include a reference to the solicitation number.

   Note: Contact the Office of Fiscal Services at purchasing@kennesaw.edu prior to this type of purchase.

4. 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:

   https://fiscalservices.kennesaw.edu/procurement/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.

5. 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.

6. 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.

7. 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:

Cardholder **office address/shipping location:**
(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

**KSU Billing Address:**

Procurement Card Administrator
Kennesaw State University
3391 Town Point Drive, NW – Suite 3700
Kennesaw, GA 30144

All receipts/invoices, proof of delivery, and other supporting documentation for 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 are to 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 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).

   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 are to document the business purpose for each transaction and the Prior Approval Request ID in Works® using the comment section outlining pertinent transaction details.

4. Each transaction is to be verified and signed off in Works® by the Cardholder and the Approving Official.

   See Job Aid PC04 – Approver Sign-Off Instructions for Works® Transactions

   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 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 Approving Official duties is unallowable. Should an Approving Official be on leave, or otherwise unavailable to approve a purchase or transaction in Works® or sign the monthly paper statement, another trained Approving Official, already assigned that responsibility, may assume these duties temporarily. Rubber stamp signatures or copies are not allowed for any Approving Officials or Fiscal Approvers.
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.

C. Paying the Bill

KSU is responsible for making payments to Bank of America Merrill Lynch® which covers the 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 (Supporting Documentation)

To facilitate reconciliation and approval of the Cardholder's 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 both required. Original receipts/invoices are to be submitted unless receipt/invoice has been printed from the internet. All original receipts belong to KSU.

1. Prior Approvals

All planned, routine, or non-urgent purchases must be pre-approved (at a minimum) by the Cardholder’s designated Approving Official and Fiscal Approver prior to the Cardholder processing the transaction.

The prior approvals can be secured electronically or in paper form (if/when approved by P-Card Administration). The approval request ID must be entered into the transaction comment in the Works system or the paper form must be submitted with the Cardholder’s monthly packet.

- Electronic Prior Approval Request via KSU Connect
- Paper P-Card Prior Approval Form
2. University Special Approvals

Some Departments associated with the University require special and/or prior approvals for Departmental-related purchases. These Departments can include, but are not limited to:

- UITS (this also includes Audio-Visual)
- Contract Compliance & Legal Affairs
- Design
- EHS (Environmental Health & Safety)
- Compliance (Fiscal Services)

3. Proof of Purchase

Acceptable proof of purchase include original receipts and/or electronic receipts. Invoices and statements should include the following information in accordance with the DOAS Statewide Purchasing Card Policy:

- Supplier name and location
- Line item details, including quantity, description, unit price, and total price
- Invoice number and date
- Line showing discount (if any)
- Line showing no sales tax
- Line showing shipping/handling charges and/or service fees (if any)
- Method of Payment

4. Proof of Delivery

A packing slip/delivery receipt must be included with each purchase if not an in-store transaction. If a packing slip/delivery receipt is not available, the Cardholder will note the delivery/receipt date on the invoice or purchase receipt. The Cardholder and the Approving Official both must sign the purchase invoice/receipt that will be submitted with the Cardholder’s monthly statement packet.

5. Missing Receipts/Invoices

The Cardholder is responsible for contacting the Supplier for a copy of any missing invoices/receipts. If one cannot be obtained by contacting the Supplier, the Missing Receipt Form may be prepared with the necessary information and signed by both 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: https://fiscalservices.kennesaw.edu/procurement/forms.php

6. Credit Memos

Credit memos and/or receipts are also required documentation with the Monthly Statement Detail Report to support any credit transactions processed.

E. Reconciling Monthly Statement Detail Report

The Purchasing Card Administrator will send a reminder notices (emails) with cycle date range, monthly deadlines, and other information as it pertains to the current cycle. This information will also be posted on the Works® system home page as an “announcement.”

It is the responsibility of the Cardholder and the Approving Official to ensure that all required Record Keeping Documentation meet the minimum requirements to support each transaction as listed in Section II.D above.

It is also the responsibility of the Cardholder and the Approving Official to sign off on all transactions in the Works® system within the set timeframe established by the Purchasing Card Program Administrator.

The Monthly Statement 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:
  - 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 University departments.
- 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 the 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.
• Statement Delivery options:
  o Kennesaw Campus >
    Office of Fiscal Services ~ Town Point ~ Suite 3700
  o Marietta Campus >
    Bursar’s Office ~ Norton Hall ~ Bldg. R2 ~ Lower Level
  o Intercampus Mail >
    Mail Drop #9110 ~ P-Card Administration

Follow departmental submission deadlines if earlier than those set by the Purchasing Card Administrator.

For additional guidance on how to print statement reports, allocate/approve transactions, and prepare the Monthly Statement Detail Report, please use the Job Aids listed under Purchasing Card (P-Card) at:

https://fiscalservices.kennesaw.edu/procurement/job-aids.php

All Purchasing Card statement and documentation/records must be retained by The Office of Fiscal Services with KSU seven (7) years.

It is highly 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 issues. 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/check refund, account credit, or gift card from suppliers to clear up credit/problem 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
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 Cardholder should take the following steps:

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, the Cardholder should file a dispute with Bank of America Merrill Lynch®. 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, the Cardholder should file a dispute with Bank of America within 30 days and notify the Purchasing Card Administration.
I. Sales Tax

KSU is exempt from paying Georgia sales tax on purchases *(O.C.G.A.§48-8-3)*. This includes:

- Purchases made with Georgia based Suppliers (both online and in-store).
- Purchases made with out-of-state Suppliers, but will be shipped into/received in the State of Georgia.

The requirement for out-of-state Suppliers to charge Sales 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.

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 method other than a credit to the original purchasing card used in the initial transaction. Any other method of reimbursement is *not* allowed; including cash, checks, gift cards, vouchers, store credit, store account credit, next-order discounts, and/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.

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)*

https://fiscalservices.kennesaw.edu/procurement/docs/Tax%20Exempt%20Form.pdf
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®, and request a detailed invoice/receipt from the Supplier that reflects the transaction.

K. 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 or any other method.

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, and must be listed as a line item charge on the invoice/receipt.

“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 Approvals for Purchases

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

Prior approval documentation must be attached to the Cardholder’s Monthly Statement Packet. Any approvals secured on the electronic prior approval request does not replace this requirement.

A. Audio Visual

Items and services include, but are not limited to, digital cameras, DVD players, multimedia players, camcorders, tripods, PA systems, recording hardware (including portable equipment), microphones, rental equipment, and/or specialized recordings. This includes all purchases, rentals, and/or related services.

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 by completing the web form request at: http://uits.kennesaw.edu/support/formspurchases.php.

B. UITS & Computer-Related Purchases

Items and services include, but are 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.

C. Contracts and Service Agreements

Effective January 16, 2018, contract/service agreements will no longer be accepted through contracts@kennesaw.edu. All contracts, service agreements, documents with terms & conditions, licenses, and MOUs must be submitted for review and approval before being signed and/or executed with payment using the online Contract Submission Form. Once submitted, the document will be issued a KSU Contract number and the review process will take place.

Information on this process can be found at: https://fiscalservices.kennesaw.edu/contracts/index.php
D. Design Approval

The **KSU 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 is not limited to, signage, presentations, employment ads, electronic media (*Facebook, LinkedIn, etc.*), radio/television ads, and any publications.

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](mailto:logos@kennesaw.edu).

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

More information on the Visual Identity Program can be found at: [https://styleguide.kennesaw.edu/](https://styleguide.kennesaw.edu/)

E. Food Purchases
*(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.

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

a) The Food Documentation Form *(required for all food purchases regardless of the fund source used): [https://fiscalservices.kennesaw.edu/accounting/compliance/food-approval.php](https://fiscalservices.kennesaw.edu/accounting/compliance/food-approval.php)*

b) *Itemized* receipt showing all meals/items purchased with prices.

c) Roster/list of participants showing name and signature/check-in of each student *(for activities not open to the entire campus).*

d) Copy of schedule, event agenda, event flyer, or other documentation showing that the meal was to support an **authorized** student activity.
**Notes:**
Food is not allowed on the P-Card for faculty, staff, coaches, or other University employees (e.g.: athletic team travel, competition group travel, sanctioned group events, campus events, Departmental meetings/trainings, etc.).

If desiring to use a caterer other than KSU Catering (KSU’s preferred caterer), a Catering Exemption Request Form, must be completed and approved:
https://dining.kennesaw.edu/docs/catering/catering_exemption_form.pdf
https://catering.kennesaw.edu/index.php

**F. Furniture**

Because of the **Mandatory Statewide Contracts** in place for Furniture purchases (managed by the DOAS), all furniture items must be secured using a contracted Supplier. This includes replacing damaged, broken, and/or extremely aged pieces.

If the item (or similar item) is not available on one of the Mandatory Statewide Contracts, a waiver must be completed and approved by DOAS prior to processing an order with any other Supplier.

In addition to the Mandatory Statewide Contracts, KSU’s Surplus must be checked prior to ordering.

For more information on the Furniture Suppliers on Mandatory Statewide Contracts, please contact purchasing@kennesaw.edu.

**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, explosives, radioactive material, herbicides, fertilizers, paints/stains, chemicals for labs, etc.

EHS approval is required with the Monthly Statement Detail Report. For assistance contact EHS at ehs@kennesaw.edu or https://ehs.kennesaw.edu/index.php

**H. Memberships and Dues**

For individual memberships supporting Faculty and/or Staff, the Membership Form must be completed and signed by the individual requesting the
membership and the Department Head. The Membership Form is located at: https://fiscalservices.kennesaw.edu/ap/docs/MEMBERSHIP%20FORM.pdf

I. Promotional Items

These type of purchases are allowed with prior approval from Design in the Office of Strategic Communications and Marketing: https://styleguide.kennesaw.edu/index.php

The Procurement Department within the Office of Fiscal Services has secured eight (8) Suppliers for Promotional Items on University Contracts. An e-Verify affidavit is on file for each of these Suppliers. The Supplier information can be found under the “How Do I Buy...” section for ‘Printing & Promotional Services’ at: https://fiscalservices.kennesaw.edu/procurement/how_do_i.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 review to determine whether KSU is receiving a benefit of same kind for the Sponsorship, as well as the approved funding source.

If approved by Compliance in the Office of Fiscal Services, approval from the Office of Strategic Communications and Marketing may also be required, as these types of commitments often involve the use of University marks, images, and logos.

All Sponsorships must be compatible with KSU’s Mission.

K. Subscriptions – Database/Internet purchases

Approval from UITS is required via Technology Purchases Approval Form prior to processing the transaction; and UITS approval must be secured annually at a minimum. https://uits.kennesaw.edu/support/formspurchases.php
IV. Prohibited Purchases

The following types of purchases are 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 are to 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 in Section V – Review and Monitoring.

A. List of Prohibited Purchases

Effective 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 Approving Official and Fiscal Approver prior to processing a transaction.
- 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. Justification of the transaction without prior approvals rests solely with the Cardholder and Approving Official.
- All planned, routine and/or non-urgent transactions valued at less than $5,000 are permissible on the P-Card after the required prior approvals are obtained.
Please reference the table on the next few pages for examples of prohibited purchases. This list is not all-inclusive. If there are questions associated with a purchase, please email pcard@kennesaw.edu.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcoholic Beverages / Drugs / Tobacco</td>
<td>All — This includes prescriptions and First Aid Kits that include any over-the-counter medicines.</td>
</tr>
<tr>
<td>Animals (Live)</td>
<td>All — *Exception allows 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>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>Audio Visual Services (AVS) or multimedia equipment of $3,000 and above.</td>
<td>Includes data plans, projectors, screens, 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 <em>(i.e.: employee donations or collections, Foundation, etc.)</em></td>
</tr>
<tr>
<td>Awards/Recognition (Student/Non-employee)</td>
<td>Allowable up to $75.00 with prior approval</td>
</tr>
<tr>
<td>Car/Van Rentals</td>
<td>All — Regardless of the use of the rental including use for student activities, and includes all expenses related to car/van rentals. Car/van rentals must be secured using the Mandatory Statewide Contract and direct-billed to the University.</td>
</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>Chamber of Commerce Memberships/Dues</td>
<td>All — 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 secured using ePro as they are tagged/inventoried items.</td>
</tr>
<tr>
<td>Conference Meals and Events</td>
<td>All — Unless all-inclusive (not a separate selection) with the registration fees.</td>
</tr>
<tr>
<td>Data Plans, Software or Applications (apps) for Non-State Entity issued devices</td>
<td>All – Including personal smart phones, laptops, computers, and tablets.</td>
</tr>
<tr>
<td>Decorations</td>
<td>All – Including holiday and special event decorations for offices or employee work areas</td>
</tr>
<tr>
<td>Employee Travel</td>
<td>All – Including airfare, lodging, car rentals, airport shuttles, taxis, meals, special events, entertainment, parking, and other travel-related incidentals. <em>See Concur TMS - <a href="https://www.concursolutions.com/">https://www.concursolutions.com/</a></em></td>
</tr>
</tbody>
</table>
| Entertainment Expenses                        | All – *Exception for officially sanctioned Student Activities/Events
<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flowers/Plants</td>
<td>All – *Exception for artificial flowers/plants for common and/or reception areas</td>
</tr>
<tr>
<td>Food Services – Employees</td>
<td>All –</td>
</tr>
<tr>
<td>Fuel</td>
<td>All – Including fuel for University or State-owned motorized vehicles</td>
</tr>
<tr>
<td>Furniture</td>
<td>All – Furniture must be purchased using the Mandatory Statewide Contracts or secured from KSU Surplus. If requested item (or similar item) cannot be located on one of the Mandatory Statewide contracts or in KSU Surplus, a special waiver must be completed and approved by DOAS prior to using a P-Card: P-Card DOAS Special Approval Form (This includes, but is not limited to, chairs, shelves, desks, Varidesks, bookcases, stools, tables, cabinets, etc.)</td>
</tr>
<tr>
<td>Gift Cards</td>
<td>All – Including students and/or non-employees</td>
</tr>
<tr>
<td>Goods or services from outside Vendor that are available from in-house departments</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>Greeting Cards</td>
<td>All – Including cards expressing holiday wishes, sympathy, birthday, wedding, retirement, congratulations, best wishes, get well, etc.</td>
</tr>
<tr>
<td>KSU Interdepartmental Payments</td>
<td>All – Including The Commons, KSU Bookstore, KSU Mall, KSU Catering, KSU Print Shop, and KSU hosted/sponsored events.</td>
</tr>
<tr>
<td>KSU Foundation / KSU Athletic Association</td>
<td>Any expenditures associated with KSU Foundations, KSU Athletic Association or any other outside agency, government or otherwise. (See O.C.G.A § 50-5-83)</td>
</tr>
<tr>
<td>Leases</td>
<td>All – Including operating or capital leases for equipment, rentals, and property.</td>
</tr>
<tr>
<td>Legal – Royalties, Copyright and Commissions</td>
<td>All –</td>
</tr>
<tr>
<td>Notary &amp; Other Licenses</td>
<td>All – Unless for the use of University-related business or required for employment (notary stamps, training, and/or licenses)</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.</td>
</tr>
<tr>
<td>Personnel or Professional Services</td>
<td>All – Including consulting services, honorariums, speaker fees, temporary staffing, temporary labor, doctors, lawyers, and any type of labor for routine repairs/maintenance/installation.</td>
</tr>
<tr>
<td>Repairs and Maintenance of State-Owned or Rental Vehicles</td>
<td>All – Refer to DOAS Office of Fleet Management Exception for washing/detailing services on University owned vehicles</td>
</tr>
<tr>
<td>Retreat Expenditures</td>
<td>All – Must process using ePro due to contract requirements including deposits, final payments, insurance, E-Verify, and terms &amp; conditions</td>
</tr>
<tr>
<td>Split Purchases</td>
<td>All – See Section IV.B. and Section VII.C Split Purchases – Prohibited</td>
</tr>
<tr>
<td>CATEGORY</td>
<td>EXAMPLES</td>
</tr>
<tr>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Transportation – Bus/Charter Rentals</td>
<td>All – Must process using ePro due to contract requirements including deposits, final payments, insurance, E-Verify, CDL requirements, and terms &amp; conditions</td>
</tr>
<tr>
<td>Utilities</td>
<td>All – Including electric, gas, water, etc.</td>
</tr>
<tr>
<td>Vehicles</td>
<td>All – Including autos, golf carts, mowers, etc.</td>
</tr>
<tr>
<td>Warehouse Memberships</td>
<td>All – Including Sam’s, Costco, BJ’s Warehouse, Amazon Prime, etc.</td>
</tr>
</tbody>
</table>

**B. Split Purchases - Prohibited**

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. However, policy requires the Single Transaction Limit (STL) for unplanned, non-routine, or urgent point of sale P-Card transactions be set at $1,000 and purchases that are preapproved 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.

Cardholders are prohibited from splitting a transaction between two or more transactions on a single account/card number, two or more transactions on multiple accounts, or two or more transactions using the P-Card and a Purchase Order (P.O.) 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 for complete information on bid requirements and procedures.)*

A split transaction is when a single transaction, or the combined total of multiple transactions, to one Supplier exceeds the set STL of the Cardholder. This includes transactions to the same Supplier made on the same day and/or across multiple days. In such cases, a **DOAS Special Approval Request Form** must be completed and approved prior to processing the transaction(s).
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 are classified as an infraction or major violation. The action taken is dependent upon the type of infraction/violation, and the number of previous infractions/violations accumulated by the Cardholder. The P-Card Administrator can suspend a Cardholder’s privileges with or without input from the Cardholder’s Department; however, the Department is notified of any such action prior to suspension. 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 infractions and violations. **An accumulation of three (3) Level 1 or Level 2 infractions during a Fiscal Year will result in a Major Violation, which is subject to card suspension.** Any action required in the notice(s) should be handled on a priority basis by the Cardholder and all responsible parties.

*(For detailed information regarding Prohibited Purchases – see Section IV.)*

A. Audit Review Findings

Level 1 – Infractions

Level 1 infractions result in a formal notice to the Cardholder, Approving Official, and Fiscal Approver.

**Examples:**
1. University required approvals *(UITS, Design, EHS, etc.)* obtained after a purchase.
3. Missing packing slips or proof of delivery documentation.
4. Transactions marked as urgent/non-routine/unplanned without justification and/or comments in Works.
5. Untimely responses to requests for additional information/documentation to support transactions. Any request should be fulfilled within five (5) business days.
Level 2 – Infractions

Level 2 infractions result in a formal notice to the Cardholder, Approving Official, and Fiscal Approver.

Examples:
1. Prior approvals not secured prior to processing a transaction (this includes all planned, routine, and non-urgent purchases not matter the funding source).
2. Failure to reconcile and submit the Monthly Statement Detail Report packet by the set deadline.
3. Purchases made using the P-Card that should have been procured through the KSU requisition system (P.O.) or other means.
4. Payments made to other KSU Departments/Organizations that should have been processed as an Interdepartmental transaction. *(KSU Bookstore, The Commons, KSU Catering, KSU Mall, etc.)*
5. Cardholder and/or Approving Official **not** signing off (approving) on transactions in the Works system.
6. Missing comments in Works for each transaction.
7. Undocumented action on sales tax charges (due diligence to correct payment of tax payment).

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 intent to avoid major compliance issues, and the resulting penalties are more severe.

Examples:
1. Purchasing prohibited or restricted items.
2. Purchasing assets or small value property items.
3. Splitting orders to avoid assigned single transaction limit (STL).
4. Allowing others to use the card or assigned card number.
5. Any and all personal purchases; even without willful intent.
6. Accumulating three (3) Level 1 and/or Level 2 Infractions as defined above in a Fiscal Year.
7. Use of the Missing Receipt Form more than three (3) times in a fiscal year.

Any **major violation** will result in the temporary suspension of the Cardholder’s privileges with notification to the Cardholder’s Approving Official, Fiscal Approver, and Department Head.
• **1st occurrence** – the purchasing card will be suspended for two (2) weeks. If no malfeasance, fraud or theft was involved, a reinstatement request of purchasing card privileges may be initiated by the Cardholder’s Approving Official with an email to pcard@kennesaw.edu. Reinstatement requires the approval of the Director of Procurement and 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 Approving Official with an email to pcard@kennesaw.edu. Reinstatement requires the approval of the Director of Procurement and the Chief Business Officer (CBO).

• **3rd occurrence** – this will result in the permanent suspension of all P-Card privileges, and the Cardholder will not be considered for card issuance at any later date during employment.

**B. Appeals Process**

Cardholders who receive a Level 1 or 2 Infraction may appeal by submitting an email to the Associate Controller for Operations for Fiscal Services or the Controller of Fiscal Services within ten (10) business days of the issuance of the notice.

This request should 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 Fiscal Approver and/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 Approving Official (one that has not completed the requirements to gain access to Works).
- Enforces limits on the number of cardholders assigned to an Approving Official 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 and procedures 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, all programs users, CBO or 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 “employees hired for job positions for which purchasing cards are issued shall be subjected to criminal background checks before hiring and a credit check shall be completed by the hiring department of agency on all employees to whom a purchasing card is issued prior to issue”.

Effective April 1, 2017, a credit check and background check are both required for all new cardholder requests and existing cardholder renewal requests.

C. Split Purchases – Prohibited

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. However, policy requires the Single Transaction Limit (STL) for unplanned, non-routine, or urgent point of sale P-Card transactions be set at $1,000 and purchases that are preapproved 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.

Cardholders are prohibited from splitting a transaction between two or more transactions on a single account/card number, two or more transactions on multiple accounts, or two or more transactions using the P-Card and a Purchase Order (P.O.) 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 for complete information on bid requirements and procedures.)

A split transaction is when a single transaction, or the combined total of multiple transactions, to one Supplier exceeds the set STL of the Cardholder. This includes transactions to the same Supplier made on the same day and/or across multiple days. In such cases, a **DOAS Special Approval Request Form** must be completed and approved **prior** to processing the transaction(s).
D. E-Verify

The Georgia Security & 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: 
  [https://fiscalservices.kennesaw.edu/procurement/e-verify-faqs.php](https://fiscalservices.kennesaw.edu/procurement/e-verify-faqs.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.
- Services include, but are not limited to, advertising, printing, and labor of any kind.
- E-Verify Affidavit for Sole Proprietor: 

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 for all purchases, both online and in-store purchases.

KSU’s Tax Exempt Form is available at: 
[https://fiscalservices.kennesaw.edu/procurement/forms.php](https://fiscalservices.kennesaw.edu/procurement/forms.php)
F. Declared Emergencies and Natural Disasters

The Georgia Procurement Manual (GPM) grants authority to forego standard procurement requirements for needs arising from unforeseen causes. In cases involving the welfare of the general public, extreme weather conditions, or official declared emergencies, the P-Card Program Administrators are allowed to obtain after-the-fact approvals for exceptions to the Policy.

The Program Administrator must submit Form SPD-PC003, Special Approval Request, to notify the State Cards Program Director and OPB within 72 hours of any actions taken in response to these emergencies and the nature of actions taken.

Documentation for transactions must follow guidelines for emergency purchases as contained in the Georgia Procurement Manual, including the use and retention of Form SPDNI005, Emergency Justification Form, available in the SPD Official Forms section of Agency Resources on the State Purchasing Division website.

Key personnel responsible for implementing a State Entity’s response to emergencies must know how to contact the State Entity’s APO/CUPO, the Card Program Administrator, and the back-up Card Program Administrator.

“Emergency” vs. “Urgent” Purchases

Based on interpretation of law and policy, emergency purchases are typically limited to the following situations where failure to act immediately would result in one or more of the following:

1. Prolonging risk to life, health, or safety of KSU Students, Faculty, and/or Staff
2. Further and/or immediate damage to KSU/State Property
3. A major service disruption
4. Loss of ADA accessibility
5. A necessary service being threatened with material damage or suspension
GLOSSARY

Approving Official  Person designated to approve a Cardholder’s transactions, both prior and post purchase. An Approving Official can be a Department Head, Budgetary Owner, Business Manager or person serving in a Fiscal role.

Card Abuse  Using the card for non-State business use transactions (e.g., personal purchases).

Card Fraud  Wrongful or criminal deception use of a card intended to result in financial or personal gain.

Card Misuse  Use of the card for legitimate purchases, but for goods/services that are prohibited on a purchasing card by State or internal policy (e.g., purchase of fuel for a State vehicle).

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. (Kennesaw State University uses the title of Chief Business Officer or CBO.)

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.

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.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Market Purchase</td>
<td>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.</td>
</tr>
<tr>
<td>Personal Purchase</td>
<td>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).</td>
</tr>
<tr>
<td>Point of Sale Purchase (POS)</td>
<td>Purchases made at a physical store, in person, online, or over the phone.</td>
</tr>
<tr>
<td>Segregation/Separation of Duties</td>
<td>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.</td>
</tr>
<tr>
<td>Single Transaction Limit (STL)</td>
<td>Mandatory spending limit that restricts the amount of a single purchase regardless of the Cycle Limit (CL) on the card.</td>
</tr>
<tr>
<td>Split Purchase</td>
<td>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.</td>
</tr>
<tr>
<td>Statewide Contracts (SWCs)</td>
<td>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.</td>
</tr>
<tr>
<td>Mandatory SWC</td>
<td>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.</td>
</tr>
<tr>
<td>Convenience SWC</td>
<td>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</td>
</tr>
</tbody>
</table>
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 / Urgent purchases

Expenses that are 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.

4. I understand that HB 1113 introduced multiple new requirements. Both purchasing card cardholders 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 Intranet 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. I further acknowledge that name changes will require proof of change, i.e. copy of marriage license.

10. I understand that I will not share my login information or password.

11. 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    Department

________________________________________________________________________
E-mail Address

________________________________________________________________________
Purchasing Card Administrator Signature    Date
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 53101
Phoenix, AZ 85072-3101
FAX (888) 678-0646

Company Name:
Account Number:
Cardholder Name:

This Charge appeared on my statement, billing close date:
Transaction Date:
Reference Number:
Merchant Name/Location:
Posted 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 cancelled sales slip.

3. Merchandise or Services Not Received: I have not received the merchandise or services represented by the above transaction. The expected date of delivery of services was . Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.

4. Defective or Wrong Merchandise: I returned the merchandise on because it was (check one):
   • defective;
   • wrong size;
   • wrong color;
   • wrong quantity.
   (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them, their response and proof of the return of the merchandise. Please provide a detailed description of the wrong or defective nature of the merchandise.)

5. Recurring Charges After Cancellation: On (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America account has been charged $ (time(s)). (Please enclose a copy of the merchant’s confirmation of your cancellation request.)

6. Recurring Charges Already Paid by Other Means: I already paid for the goods and/or services represented by the above charge by means other than my Bank of America Commercial Card. (Please provide a copy of the front and back on the cancelled check, money order, cash receipt, credit card statement, or other documentation as proof of purchase/payment.)

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 Canceled: I made a reservation with the above hotel which I later cancelled on (date) at (time). I received a cancellation number which is . (Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant."
   • I was not given a cancellation number.
   • I was not told at the time that I made the reservation that my account would be charged for a "No Show".
   • I was not informed of the cancellation policy.

10. Double or Multiple Charges: My Bank of America Commercial Card Account has been double charged. The valid charge appeared on (date). The duplicate charge(s) appeared on (date). (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.)

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: Pcards@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 (Indicate Ending Date)</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>
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<td></td>
</tr>
</tbody>
</table>

Justification for increased spending limits.


Revised 02-01-2013

Appendix C

Kennesaw State University P-Card Procedures
Revised December 28, 2018 (January 2019 cycle)
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></th>
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<tbody>
<tr>
<td>City</td>
<td></td>
</tr>
<tr>
<td>Date of Purchase</td>
<td></td>
</tr>
</tbody>
</table>

Detail Description of Items Purchased (each line limited to 60 characters — attach additional sheet if necessary) | Item Amount |
<table>
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</tbody>
</table>

Total Purchase Amount

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

Appendix D
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, GEPS 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. In the event a statewide 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 that particular state entity and any substitutions 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 (GEPS) 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 GEPS 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 consortium or cooperative approved supplier after satisfying the public notice requirements of Section 1.3.4. Consortia and Cooperative Purchasing, or making an open market purchase.
STATE OF GEORGIA
DEPARTMENT OF REVENUE
SALES TAX CERTIFICATE OF EXEMPTION
GEORGIA PURCHASER

To:

THE UNAUTHORIZED PREPARED CERTIFICATE that all tangible personal property purchased or leased after this certificate will qualify for the tax or the exemption to be indicated below is void, and the property may be subject to tax at the rate applicable.

1. Purchases or leases of tangible personal property or services for resale only. O.C.G.A. § 48-5-39. A sales tax may not be imposed in connection with the resale of tangible personal property, except as follows:
   a. If the resale price is less than the original cost to the purchaser, the sales tax rate applicable to sales of like property shall be added to the purchase price.
   b. If the resale price is equal to or greater than the original cost to the purchaser, the sales tax rate applicable to sales of like property shall be added to the purchase price, but the sales tax shall not exceed the amount of the purchase price.

2. Persons of states or countries not taxable personal property or services made by the United States government, the state of Georgia, any county or municipality of this state, and any educational institution or governmental unit by the United States government, the state of Georgia, any county or municipality of this state, and any educational institution or governmental unit. O.C.G.A. § 48-5-39.7.

3. Persons of states or countries not taxable personal property or services made by the United States government, the state of Georgia, any county or municipality of this state, and any educational institution or governmental unit. O.C.G.A. § 48-5-39.7.

4. The sale, lease, rental, or transfer of motor vehicles, motorcycles, or other conveyances used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

5. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

6. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

7. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

8. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

9. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

10. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

11. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

12. The sale, lease, rental, or transfer of property used for personal, family, or household purposes. O.C.G.A. § 48-5-39.7.

Purchaser's Name: KENNESAW STATE UNIVERSITY
Purchaser's Type of Business: HIGHER EDUCATION
Purchaser's Address: 100 CHASTAIN ROAD, KENNESAW, GA 30144-5911
Purchaser's Signature: [Signature]
Telephone Number: 770-963-2103
Email: RFORBES@KENNESAW.EDU

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Starter must secure and maintain one property completed certificate of exemption from each purchaser making purchases without the payment of tax.