



Johnston Community College

Purchasing Card Manual

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Mission

The Johnston Community College Purchasing Department is the purchasing agent for all goods and services necessary for its employees to accomplish their objectives in support of our educational mission. We strive to purchase all goods and services at favorable prices with competition. To that end, we work hard to maintain good relationships with vendors and ensure compliance with all policies, rules, and regulations set by State Government, the NC Community College System, and the Johnston Community College Board of Trustees. We will maintain the highest level of ethics while procuring goods and services with public funds.



This manual is intended to provide the JCC Campus Community with the information they need to successfully follow College and State policies regarding the use of the JCC Visa Purchasing Card. Please feel free to call the Director of Purchasing at 919.209.2035 if you have any questions regarding policy or process.

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Introduction

The primary purpose of the Johnston Community College (JCC) VISA P-Card is to procure supplies, limited minor equipment and services in accordance with county, state, federal and JCC guidelines. Please note that all p-card transactions must be approved in advance. Please call Purchasing for prior approval when using the JCC VISA P-Card for Non-capitalized equipment purchases totaling \$800 or more.

Generally, the use of the JCC Visa P-Card will be allowed solely for emergency purchases, travel, and vendors that cannot take government purchase orders.

The users of the JCC Visa P-Card must understand that they are being entrusted with a valuable tool, a State of North Carolina VISA Purchasing Card, and will be making financial commitments on behalf of JCC. The Purchasing and Business Offices will be auditing the JCC VISA P-Card transactions and will report and take appropriate action on any discrepancies or misuse. P-Card use is a privilege. Abuse of the Visa P-Card may be investigated by Johnston Community College, Smithfield Police and/or the State Bureau of Investigation.

HUB Reporting

Bank of America will furnish JCC a quarterly report of HUB (Historically Underutilized Businesses) vendors. The P-Card Administrator encourages the use of HUB Vendors to all P-Card users to increase participation with these vendors.

Acquiring a P-card

Requesting a Card

1. The prospective cardholder will get approval from his/her immediate supervisor to obtain a JCC VISA P-Card. A requesting email from the immediate supervisor must be sent to the P-Card Administrator (Director of Purchasing).
2. Upon receipt of the request, the P-Card Administrator will return a P-Card Enrollment Form to the supervisor. This form should be signed by the appropriate President, Vice-President or Dean within your area.

3. The JCC P-Card Administrator will notify the prospective cardholder that they have been approved for the P-Card. The JCC P-Card Administrator will take appropriate action to obtain the card from Bank of America.
4. Upon receipt of the card, the JCC Purchasing Department will contact the cardholder to schedule training. When training has been completed, the card will then be released to the cardholder.
5. The Director of Human Resources will notify the Controller of any faculty or staff person that has been placed on probation and would therefore be ineligible for a P-Card. The Controller will notify the JCC P-Card Administrator.

See the P-card Enrollment form on the JCC Purchasing SharePoint site.

Activating the Card

The card will be activated after training. It is good business practice for cardholders to sign the back of their P-card.

Maintaining the Card

All p-cards are monitored for usage and need. Any card that has not been activated 30 days after training may be subject to cancellation. Cards that have not been used in 60 days may be subject to cancellation. All new cardholders are subject to a desktop review after 90 days of use to ensure proper procedures and documentation is in place to substantiate the authorized purchase.

Procurement Card Training

Each person with a role in the p-card process must attend training. Procurement cards will be issued after the training session. Additional training sessions may be requested by cardholder or required if an audit reveals questionable purchases and/or updates deemed necessary.

P-card Guidelines

P-card use is governed not only by rules enforced by JCC, but also by the NCCCS and the State of North Carolina. Listed below, please find rules and guidelines for using the p-card:

1. The North Carolina Administrative Code 01 NCAC 05B .1523 governs the P-Card rules. At such time, the per-transaction limit may be \$5,000.00 including current NC sales tax and applicable freight. Contact the P-Card Administrator to verify your single transaction limit (STC946A)
2. All p-card purchases must follow the purchasing process, and purchasing delegation limits are in effect. This includes prioritizing the use of State Term Contracts.
3. The cardholder and/or designee will comply with all purchasing regulations with the JCC Purchasing Procedures Manual, the NCCCS Purchasing and Equipment Procedures Manual, and all rules and regulations put forth by the State's Department of Purchasing and Contracts and the Division of Information Technology. The NCCCS Purchasing and Equipment Procedures Manual can be found at http://www.ncccommunitycolleges.edu/sites/default/files/basic-pages/financeoperations/ncccs_purchasing_equipment_procedures_manual_grayscale.pdf.
4. All items that are purchased ("over the counter", telephone or via the web) must be immediately available at the time of the P-Card transaction. The JCC VISA P-Card cannot be used to pay for backordered or preordered items.
5. The cardholder and/or designee will inform the vendor that the goods are to be taxed at the current rate even if the item is sold tax exempt.
6. The cardholder and/or designee will strive to obtain the best value for the College by using "preferred suppliers" as identified by the JCC Purchasing Office and State term contracts.
7. The cardholder and/or designee will seek and use HUB to increase participation with these vendors.
8. The cardholder and/or designee will always seek competition to obtain the "best value."
9. The cardholder and/or designee will always check budget and will not "over spend" budget availability.

10. The cardholder and/or designee will retain all itemized receipts for documentation and reconciliation purposes. They will be submitted to the Business Office/Purchasing Office as instructed.

Spending Limits

All p-cards have default account numbers, embedded controls, and spending limits.

Authorized Use

The p-card is a tool that you use to procure goods and services in accordance with the JCC Purchasing Manual. It cannot be used to “get around” regulations and rules concerning procurement. Acceptable uses of the card include but are not limited to the following:

1. Payment of seminar and conference registration, hotel, airline tickets, shuttle and taxi services, parking fees, expenses for the cardholder only. Meals or fuel (employee travel related) are NOT allowed to be charged to the card. Under no circumstances may you use the p-card to purchase fuel for a privately-owned vehicle. A JCC Travel Request must have been completed and approved prior to these charges being made.
2. Professional memberships
3. Pressing needs and emergencies that are approved by your supervisor and/or the purchasing department before the purchase
4. Purchases from vendors that do not accept purchase orders
5. Child Development Center or Culinary fresh food purchases.
6. Facility Services and Diesel Mechanic supplies, equipment, and services for pressing needs as unforeseen cases arise. Notify the Purchasing Department of the need before pickup of materials, supplies, equipment, and/or services.
7. Car washes for JCC and State-owned vehicles
8. Athletic expenditures including but not limited to; meals, gas, and lodging related to approved athletic games, events, and recruiting. (Athletic expenditures are not paid

with State funds reference the athletic policy and procedures for other allowable expenditures.)

9. Gift Cards – as a prize for a specific event, for student recipients only (no employees)
**prior authorization must be obtained through the Purchasing office with the Authorization for Gift Card Purchases form.

Unauthorized Use

The following is a list of unacceptable uses of the JCC p-card. Failure to abide by these rules may result in the violator having to repay the College and/or disciplinary action. Any instance of suspected fraud will be turned over to the appropriate law enforcement agencies.

1. **Splitting purchases into multiple transactions so that previously mentioned limits or state purchasing guidelines are avoided.**
2. No backordering or pre-payment of merchandise is allowed
3. No purchases funded by bonds.
4. No cash advances, controlled substances, personal purchases, telephone calls, or monthly telephone service fees should be purchased.
5. Gift Cards/Debit Cards given to employees (IRS regulations consider gift cards/debit cards to be a cash equivalent with a requirement to be added to an employee's W-2 earnings as taxable income.)
6. No printing orders without prior approval by JCC Communications Department.
7. No non-capitalized equipment purchases exceeding \$800.00 including tax and freight. Please call Purchasing for specific instructions regarding non-capitalized equipment purchases.
8. No computer, laptop, tablet or printer purchases totaling \$800.00 or higher unless approved by Information Technology. Non-capitalized equipment not receiving an asset inventory number is not supported by Information Technology. Exceptions to this general policy will be documented and kept on file.

9. No software purchases without Information Technology prior approval.
- 10.No “high theft” items, such as TV’s or Camera’s should be purchased unless approved by Media Services. *Non-capitalized equipment not receiving an asset inventory number is not supported by Information Technology.
- 11.No meals/food items are allowed unless this is an approved function or for JCC students and/or athletes. *If not for Student Services or Athletics approval must be in writing.
- 12.Contractual services (1099 vendors) should not be paid with the JCC VISA P-Card since JCC is legally responsible for reporting this income to the federal and state government.
- 13.No gas charges for personal vehicles.

Using the JCC P-card

1. Check with the Purchasing Department regarding suppliers, state contract items, and to determine whether the purchase would need to be made through requisition and purchase order instead of using the P-Card.
2. Confirm that the vendor agrees to accept the JCC VISA P-Card.
3. Document the request for approval using the appropriate Procurement Card Pre-Approval Form/s.
4. Give the following information to the vendor:
 - a. Cardholder Name, Building and Room No.
 - b. Ask the vendor to state “P-Card Purchase” and recipient name clearly stated on front of package.
 - c. Ask the vendor to include an itemized receipt in the package.
 - d. Merchandise must be shipped to: Johnston Community College, 245 College Road, PO Box 2350 Smithfield, NC 27577. Under no circumstances should merchandise be received at the cardholder’s residence.

5. If the cardholder and/or designee does not receive the merchandise, he/she is responsible for contacting the vendor and receiving credit on the card or the merchandise. This is also true for cases of defective or merchandise returned for other reasons. For assistance contact the Purchasing Department.
6. All invoices, receiving documents, credit memos, and itemized charge receipts for “over the counter” purchases for the merchandise should be kept with the P-Card Transaction Log (Works) and Statement of Account. All of these documents should be checked carefully.
7. Following receipt of goods log in to Works system and add the budget code to the transaction for works approval.
8. If the Cardholder is disputing a charge, he/she should call Bank of America customer service at 1- 888-449-2273 and follow their instructions. If these disputes cannot be resolved directly with Bank of America, call the Purchasing Office at 919-209-2007. If a vendor dispute cannot be resolved satisfactorily, the JCC P-Card users will be notified not to place orders through this vendor.

Reconciliation of Monthly Statement

The JCC P-Cardholder will use the BOA Works website to reconcile transactions. Following review of each transaction ensure that all transactions are assigned a budget code. Print the cardholder report after budget codes have been keyed. Attach the appropriate Procurement Card Pre-Approval Form/s to the CH Report with supporting documentation. Completed packets are due to the Procurement Specialist by the 5th of each month. Once all the P-Cardholder’s reports and receipts have been received, the Procurement Specialist reviews each cardholder’s report and compares it to receipts to ensure all the receipts are there.

If a cardholder and/or designee does not have a receipt, the Procurement Specialist will contact the cardholder for the receipt. If a receipt cannot be produced, the cardholder must fill out the Procurement Card (P-Card) Receipt Exception Form (located on the Faculty/Staff - Purchasing SharePoint site) and turn in the completed form in place of the missing receipt. Once all the cardholder reports and receipts have been checked off and accounted for, the

Procurement Specialist sends the completed batch to the Accounts Payable Specialist in the Business Office.

The BOA Works program generates an accounts payable (AP) report each month. The AP Specialist checks this report to see if all transactions have been coded and electronically approved. If all transactions are ready, the statement is processed for payment and checks are cut. If any transaction has not been coded or approved, the AP Specialist will notify the cardholder(s) who have not completed their transactions in effort to obtain the appropriate budget code. The AP Specialist will rerun the AP Report after all transactions have been coded and approved. To expedite the process, ensure that your monthly p-card packets are correct and completed before remitting to the Purchasing Department.

End users will be notified if their report is late and the report will be requested at that time.

Policy Enforcement

The delegation of authority to purchase goods using the card is a privilege that automatically ceases upon separation from the college or upon reassignment to another department. The authority to enforce this policy lies with the P-Card Administrator and the business office.

Authority:

http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-49.html

Compliance Reviews

The purchasing department will conduct regular audits to review the cardholder's effectiveness at maintaining their p-card. At the time of review, transactions, receipts, and the pre-approval log will be reviewed to ensure compliance. Cardholders will not be notified of the reviews. Frequent noncompliance can result in disciplinary action.

Disciplinary Action

Fraudulent or misuse of the card, including use of the card to make personal purchases even if you intend to reimburse the college, will result in disciplinary action. Personal purchases and

unauthorized charges will be reimbursed at the Business Office no later than 30 days following notification from the Purchasing Department.

Suspending/Revoking Individual Card Priviledges

- Misuse of card, or inappropriate expenditures
- Charges for non-approved travel
- Delinquent receipts
- Splitting transactions to circumvent transaction limits
- Exceeding appropriate funds available
- Noncompliance with state contracts
- Noncompliance with internal purchasing procedures manual

Reinstatement of Cards

All delinquent reports must be turned into P-Card Administrator before consideration can be given to reinstate the account.

A memo from the department head needs to be submitted explaining the reason for the discrepancy which caused the cancellation and steps to prevent it from happening in the future.

All accounts, regardless, will be required to wait at least one week from receipt of a completed reconciliation report and memo for the account to be reinstated.

Cardholder Separation from JCC

Upon retirement or resignation, the cardholder will return the P-Card to the JCC P-Card Administrator or Human Resources. The P-Card Administrator will work with the cardholder's department to assure that any changes in personnel will not disrupt the purchase of goods.

Appendix A: Definitions

JCC VISA P-Card – A Johnston Community College VISA Procurement Card.

JCC VISA P-Card Administrator – the designated employee who will oversee and coordinate the program for the entire college. At the time of this publishing, the Director of Purchasing manages this program.

HUB – Historically Underutilized Business

Vendor – A “preferred supplier” that the Purchasing Office at JCC has authorized the cardholder to use in accordance with purchasing policies.

Cardholder – A faculty or staff person who has been issued a P-Card and is authorized by the college to make purchases for the college in accordance to JCC purchasing guidelines.

Supervisor/Account Manager – The person responsible for approving the cardholder’s purchases. This person may or may not be the cardholder.

Statement of Account – The monthly listing of all items purchased on a specific JCC VISA P-Card. This statement must be reconciled with the P-Card Transaction in works.

Single Purchase Limit – the dollar amount allowed for each individual transaction.

Appendix B: Forms

The following P-card forms are available on the JCC Internal SharePoint site:

- P-Card Receipt Exception Form
- JCC P-Card Pre-Approval Log
- JCC P-Card Blanket Pre-Approval Log
- JCC P-Card Requisition Form (Instruction)
- JCC P-Card Employee Agreement/Enrollment Form