

Approved on 6/27/16

## Administrative Council Meeting Minutes

Tuesday, June 14, 2016

President's Office **9:00 a.m.**

(Highlight in blue assignments that need to be completed)

### VOTING MEMBERS PRESENT

*Dr. Doug Darling- President*

*Stephanie Shock for Lloyd Halvorson- Vice President for Academic/Student Affairs*

*Laurel Goulding- Vice President for Institutional Advancement & Communications*

*Corry Kenner- Vice President for Administrative Affairs*

### NON-VOTING MEMBERS PRESENT

*Cindy Brown -Faculty Senate Representative*

*Bobbi Lunday-Recorder*

### Guests

*Preston Sundeen-DPAC Director*

## 1) CALL TO ORDER/REVIEW MINUTES

### a) Call to Order

i) The meeting was called to order at 9:02 a.m.

### b) Review of May 31, 2016 Minutes

i) The May 31, 2016 minutes were reviewed and approved by council.

## 2) OLD BUSINESS

### a) 700.18 Emeritus Status Policy (Faculty Senate)

i) Council approved of how the policy was written for faculty but decided to table the policy until adjustments are made to include professional staff and administration. **President Darling will work with HR Coordinator Lillehaugen, VP Halvorson and/or Staff Senate to create policy language that includes faculty, professional staff and administration.**

## 3) NEW BUSINESS

### a) DPAC (Director Preston Sundeen 9:30)

i) DPAC Director Preston Sundeen presented a budget and detailed plan for the land owned by LRSC currently being leased to a farmer. Director Sundeen requested permission to farm the land to create class projects to incorporate invaluable hands-on student experience into his program. Only one application of spray in the summer would be required while students are gone. Local dealerships are willing to partner on equipment and there are several research grants available to pay for time and herbicide/pesticides. Community outreach like the pumpkin patch/corn maze were included in the plan. Director Sundeen presented plans that either generate revenue or can be done as a public service. Two community gardens are planned, strawberry patches, and hosting land judging competitions were just some of his ideas. He also explained the risks that may be involved. Director Sundeen also discussed partnering with other program areas on campus. VP Kenner reminded the council, LRSC owns another 4-5 acres of hay land. Preston suggested that land could also be utilized by the precision ag program students by creating a no-till plot or certified organic garden. President Darling commended Director Sundeen for his diligence and all agreed the ideas were great and worth pursuing for the betterment of all phases of the program. VP Kenner previously discussed the potential of the DPAC program using the land with the lessor. He will inform him that the land will in fact be used by LRSC's DPAC program going forward.

ii) Leading Edge Equipment would like to rent the DPAC facility to do a harvest clinic on June 28<sup>th</sup> much like the planter clinic done previously. They are also requesting permission to host their social at the DPAC facility.

Council granted permission but ask that Leading Edge Equipment purchase an indemnity policy for the event. Preston will work with Risk Management Coordinator Lillehaugen on the necessary insurance. President Darling will sign a permission form to allow the social to take place.

- iii) Director Sundeen would like to attract other corporate sponsors to the program by allowing a Bayer Crop Science sign to be placed sign on the DPAC building. VP Goulding expressed using caution when giving signage space away on the building. A firm dollar amount should be defined and thought put into what it would look like if there were several others added to the building. VP Kenner suggested visiting with other institutions so we can model their on-going contribution plan. Bayer Science believes they are not ready to commit on a monetary level and Director Sundeen doesn't want to pass up the opportunity to attract more attention to the program by using the sign. Council granted permission to post the Bayer Crop Science sign on the grounds rather than on the building. [Director Sundeen will work with the Advancement office to put together a Marketing Portfolio to sell the ag program to corporate sponsors.](#)

b) **Purchasing Card Policy** (Administrative Affairs)

- i) In the "Purchasing Card Security" section of the policy, supervisors will need to let Accounting Assistant Lundquist know which employees should have a Purchasing Card to be able to physically make purchases off campus and she will obtain a card for each of them. Council agreed to approve the policy (attached below). [VP Kenner stated the administrative affairs office will create an exception form for authorization to use the purchasing card to purchase specific items \(alcohol, ammunition, team travel meals to include coaches, etc.\).](#)

c) **Travel Policy** (President)

- i) The Presidential approval for international travel used to be in policy and President Darling is requesting it be placed back into the Travel policy. Council agreed the request was approved. (Attached below)

d) **Use of "Priority Needs" Funds** (Advancement)

- i) VP Goulding discussed the request by VP Halvorson for additional funding for scholarship dollars for Athletics at the Community College Foundation Board meeting. She explained that the Executive Committee of the CCF board met and recommended monies be directed from music to athletics on a one-time basis. \$5,600 of the money that was held for Music scholarships will be reallocated to scholarships for Athletes for FY17 and an additional \$9,400 of Priority Needs funds will be allocated to scholarships for Athletes for FY17.
- ii) GFAFB Director John Cowger requested Priority Needs funding of \$500 per year for an honorarium to pay a speaker for Faculty meetings held at the GFAFB. Council discussed and agreed the money will come from the Academic and Student Affairs budget. [President Darling requested PNF discussion continue at next meeting to outline the priority needs.](#)

e) **Enrollment Report** (Student Services)

- i) Director Shock informed council enrollment is up 36 applications in degree seeking students.

f) **Athletic Update** (Academic/Student Services)

- i) Director Shock gave an update on Athletics and reported the Booster Club has requested to change their official yearly contribution to the college from \$30,000 to the \$42,000. \$12,000 of the assistant coaching salaries are currently being paid through the athletic camp funds. Camp fund operations are being transferred to Booster Club control. The \$12,000 salaries will be paid through LRSC Athletic funds, beginning in FY17, and the funding will be provided by the Booster Club.

g) **Department Updates**

- i) President Darling urged Council to have their departments sign up to help during the 75<sup>th</sup> in lieu of the Staff Retreats. If individuals plan to be unavailable during the actual celebration, he asks they please volunteer to help with the preparations.
- ii) President Darling will be attending the SBHE Retreat in Washburn this Thursday and Friday.

- iii) VP Kenner reported the annual budget has been uploaded. He reminds everyone to help with year-end close-out by submitting payment requests as soon as possible and to not order items that will not arrive by June 30.
- iv) VP Goulding reported Branches went to press last Wednesday.
- v) Funding to proceed with the Auditorium has been secured and phase 1 and 2 will begin.

**1) ADJOURNMENT**

- a) Meeting Adjourned at 11:55 a.m.



**Lake Region State College  
Policy and Procedure Manual**

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SECTION 400.06  
TRAVEL

N.D.C.C. §§ 44-08-04 (lodging and per diem), 44-08-04.1 (per Diem for long-term travel), 44-08-04.2 (travel advances), 54-06-09 (mileage) and 54-06-26 (reimbursement of one long-distance call per day).

The following procedures will be observed whenever reimbursement and use of a state vehicle are involved.

1. Expense reports will be submitted on a *Travel Expense Voucher* at the end of each month and paid after being approved by the supervising administrator.

Employees are encouraged to use a State Fleet vehicle for business use. Mileage reimbursement for business use of a privately owned vehicle, regardless of type, will be at the rate in effect at the time of travel for the Sedan/Wagon vehicle category listed on the North Dakota Department of Transportation State Fleet Services Rental Rates schedule. For special circumstances listed below the reimbursement rate will be the Privately Owned Vehicle Mileage Reimbursement Rate established by the U.S. General Services Administration (GSA).

- a. A request for a State Fleet vehicle was received at least one week prior to the planned travel date and it was determined by Lake Region State College that no State Fleet vehicle would be available, or
  - b. Lake Region State College has determined that the provision of a State Fleet vehicle is not generally feasible where the employee is physically located, or
  - c. Permission has been granted by the employee's supervisor due to unique circumstances. An explanation of the unique circumstances must be included on the employee's *Travel Expense Voucher* and signed by the supervisor.
  - d. When a privately owned vehicle, regardless of type, is used, miles to and from the destination city, plus 5 miles per day, will be the only reimbursable miles.
2. Departure time is listed as the time of departure from your home base. Arrival time is listed as the time of arrival at your home base.
  3. Miscellaneous Travel Expenses -  
Reimbursement may also be requested for such necessary miscellaneous travel expenses as registration fees, car rental, taxi fares, toll fees, business telephone calls, parking fees and up to \$5.00 per day for personal telephone calls while in travel status. All miscellaneous travel expenses claimed on the travel voucher must be individually identified and explained. Receipts are required for all individual miscellaneous travel expenses exceeding \$10.00.
  4. Tips And Other Charges -  
Reasonable tips and service charges, not to exceed \$5.00 per tip, that are a necessary part of the business trip are reimbursable. Examples include: tips to bellhops and taxicab drivers. Taxicab receipts exceeding \$10.00 must be signed by the employee and include the tip on the receipt if applicable. No reimbursement is allowed for tips on meals that are covered by the meal allowance.

The expense allowance for each quarter of any 24-hour period is as follows (subject to change):

	Meal Allowance	In-State	Out-of-State
1.	First quarter, 6am to 12pm	\$7.00	20% of GSA M&IE rate
2.	Second quarter, 12pm to 6pm	\$10.50	30% of GSA M&IE rate
3.	Third quarter, 6pm to 12am	\$17.50	50% of GSA M&IE rate
4.	Fourth quarter 12am to 6am		

- a. In-State Lodging: Maximum of ninety percent of the GSA rate for lodging in North Dakota plus applicable state and local taxes. As of October 1, 2013, the GSA rate for lodging in ND was \$83, therefore the maximum amount that can be claimed is \$74.70 plus applicable taxes ( $\$83 \times 90\% = \$74.70$ ). The GSA will update their rates periodically during the biennium and the allowable lodging reimbursement will also change at that time.
  - b. For lodging rate exceptions, see OMB Policy 505. If State rate is not available, employee must provide documentation of three (3) lodging quotes from hotels in the area.
5. Travel expenses may not be reimbursed without an approved *Travel Authorization Request*.
  6. If travel advance is needed, *Travel Authorization Request* must be submitted one week prior to departure time.
  7. All travel utilizing college or other public funds require prior approval from their supervisor. Out of state travel requests must be submitted and approved by their supervisor no less than ten (10) days prior to the departure date. **International travel requests must be submitted and approved by the President no less than ten (10) days prior to the departure date.**

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### History

Administrative Council Approved 400.06 (2) 01/30/09

Administrative Council Updated 400.06 (2) 03/03/10

Administrative Council Updated 400.06 (2) 03/07/11

Administrative Council Approved 400.06 (4) 03/07/11

Administrative Council Approved additions from 400.05 (Travel) 07/28/15





Lake Region State College  
Policy and Procedure Manual

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SECTION 400.24  
PURCHASING CARD

What is a Purchasing Card?

The purchasing card (p-card) is a credit card issued in the name of the Lake Region State College employee. Employees will be designated by ~~the Lake Region State College management~~ LRSC to make purchases ~~within assigned spending parameters~~ for official ~~Lake Region State College~~ business needs.

~~The purchasing card payment system is an individual bill/central payment system. The cardholder receives a monthly account statement for information and reconciliation purposes only. Administrative Affairs Office obtains a consolidated electronic billing file and makes payment on behalf of all cardholders. Expenditure transactions are processed and posted to the appropriate departmental fund using the default or modified accounting string assigned to each purchasing card.~~

Individual credit limits, including card and cycle limits, vary as determined by LRSC. ~~To assure the effectiveness of the program, the policy and procedures in this manual must be followed.~~ Failure to use the purchasing card in accordance with applicable policies and procedures may result in revocation of the purchasing card and may involve appropriate disciplinary action, up to and including termination and possible criminal prosecution.

The use of the p-card results in a liability to LRSC, not a personal liability for the cardholder. The cardholder's credit rating will not be affected. However, it is important to remember that the cardholder signs an agreement prior to receiving the p-card and, as such, is responsible for any misuse of the p-card as outlined in this policy.

Liability protection is provided to LRSC once notification of any loss, theft or fraudulent use is made. However, the same level of liability protection does not apply to cards that are made available to multiple users. Therefore, only the person whose name appears on the card can use it.

Policy and procedure violations include, but are not limited to:

1. Purchasing items with the card for personal use.
2. Failure to return the card when reassigned, terminated or upon request.
3. Failure to submit original itemized receipts/invoices to the Purchasing Card Administrator/Accounts Payable Associate by the 10<sup>th</sup> of each month due date.
4. Transferring assignment of the card to another individual.
5. Repeatedly allowing sales tax to be charged when the purchases are tax exempt. Whenever the card is used, please inform the vendor that it is a tax exempt sale. Note: Lake Region State College's tax exempt number is embossed on each purchasing card.
6. Purchasing items for departments that the cardholder does not supervise. Using the card to purchase items for departments that you do not have approval over.

Procedures for violations:

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~~Any. Depending on severity, a misuse violation of this policy of the purchasing card or other failure to comply with the applicable policies will may result in the following: ~~3 strike policy (depending on severity of offense)~~~~

~~1st offense – written warning to cardholder~~

~~2nd offense – written warning to cardholder and cardholder’s supervisor~~

~~3rd offense – written warning to cardholder, cardholder’s supervisor, and the card will be suspended for 60 days.~~

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~~A purchasing card is:~~

~~1. Purchasing authority delegated by Lake Region State College management to individual Lake Region State College employees.~~

~~2. For official Lake Region State College use only.~~

~~3. Authorized for use with only certain categories of merchants.~~

~~Procurement policies must be followed when using a p-card. The p-card cannot be used to access cash or a line of credit. It is not a right of employment, to be used with interdepartmental purchases or for personal use. A purchasing card is not:~~

~~1. A means to avoid appropriate procurement or payment procedures.~~

~~2. A means to access cash or a line of credit.~~

~~3. For use with interdepartmental billing (IDB).~~

~~4. A right of employment.~~

~~5. For personal use.~~

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~~How to obtain a purchasing card:~~

~~1. Submit a proposal of need to the Lake Region State College Business Office explaining reason of need, along with supervisor’s approval.~~

~~2. Attend an individual training session with the Purchasing Card Administrator. The supervisor should try to attend the training sessions as well.~~

~~3. Complete a Purchasing Card Use Agreement Form.~~

~~Cardholder Credit Rating~~

~~The use of the purchasing card results in a liability to LRSC, not a personal liability for the cardholder.~~

~~The cardholder’s credit rating will not be affected. However, it is important to remember that the cardholder signs an agreement prior to receiving the purchasing card and, as such, is responsible for any misuse of the purchasing card as outlined in this manual.~~

~~Liability protection is provided to LRSC once notification of any loss, theft or fraudulent use is made.~~

~~However, the same level of liability protection does not apply to cards that are made available to multiple users. Therefore, only the person whose name appears on the card can use it.~~

~~Guidelines for Purchasing Card use:~~

~~The purchasing card is to be used to purchase low dollar value items with the total amount of any individual purchase not to exceed the cardholder’s specific spending limit. Certain exceptions apply in using the purchasing card. Examples of items that may not be purchased with the purchasing card Items that cannot be purchased on the p-card (unless specifically authorized by the President) include:~~

~~1. Alcoholic beverages (exception of PQTP)~~

~~2. Ammunition/weapons (exception of PQTP)~~

~~3. Clothing~~

4. Cash Advances (ATM or other)
5. Meals while employee is in travel status (Employee will be reimbursed at per diem rates by submitting a travel voucher) (~~exception of Athletic Teams~~)
6. Entertainment/hospitality/food
7. Gasoline/Fuel (must use credit card located in the state vehicle)
8. Hazardous Materials
9. Insurance
10. Leases
11. Legal services
12. Maintenance Contracts
13. Motor Vehicles
14. Non-business/personal items (ex. Kleenex, coffee, snacks, etc.)
15. Radioactive Materials
16. Shipping - Outbound from Lake Region State College
17. This is not an all-inclusive list and can be changed at management's discretion

~~Examples of travel items that may be purchased with the purchasing card include:~~

- ~~1. Air Transportation~~
- ~~2. Hotel~~
- ~~3. Workshop/Conference Registration~~
- ~~4. Ground Transportation~~
- ~~5. Parking Fees~~

~~Note:~~ LRSC departments may request, from the Purchasing Card Administrator, a waiver to remove the restriction on the purchase of the preceding items. The waiver or exception will be specific as to item(s) and as to cardholder.

#### ~~Merchant Category Code Standards~~

~~All vendors are assigned a merchant category code (MCC) by their bank. Lake Region State College has determined which merchant category codes will be excluded from our purchasing card program. Attempting to buy from merchants that are excluded will cause the transaction to be denied.~~

#### ~~Purchasing Card Issuance~~

~~At the time a purchasing card is requested for an employee, the accounting string assigned to that purchasing card must be determined. The default accounting string, associated with each purchasing card, identifies the fund, department, account, program, and project number, if applicable. This default accounting string will be used to post the purchasing card transactions to the general ledger unless modified prior to posting.~~

#### ~~Use with Contracts~~

~~State contracts should be utilized whenever possible to get the best price. The contracts may be viewed at the following website:~~

~~<https://secure.apps.state.nd.us/csd/spo/services/bidder/listCurrentContracts.htm>~~

#### ~~Cardholder Responsibilities:~~

~~Each cardholder is responsible for the following activities:~~

- ~~1. Safeguarding the purchasing card~~
- ~~2. Signing the purchasing card immediately upon receipt.~~

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3. Activating your purchasing card by:
  - a. ~~Calling the Purchasing Card Center Customer Service Department at 1-800-270-7760.~~
  - b. ~~Select '1' for English.~~
  - c. ~~Enter 16 digit card number.~~
  - d. ~~Enter the last four (4) digit employee ID#~~
4. Keeping original itemized receipts from each purchase. ~~If no receipt can be provided the cardholder will be responsible and will be required to reimburse Lake Region State College the full amount of the purchase.~~
5. Recording each purchase on a *Purchasing Card Record* form
6. Receiving the electronic statement ~~or hard copy.~~
7. Reconciling the cardholder statement with *Purchasing Card Record* form and receipts.
8. Signing the *Purchasing Card Record* form to attest that all purchases are for LRSC business and in compliance with all applicable rules and regulations.
9. Forwarding signed completed *Purchasing Card Record* form, statement, and original receipts to designated supervisor.
10. ~~Notify~~Notifying the Purchasing Card Administrator and the supervisor immediately in the event of a lost or stolen purchasing card.
- ~~11. Shred your expired purchasing card in the Business Office.~~
- ~~11. Give the purchasing card to the supervisor or Purchasing Card Administrator when employment is terminated. Assuring the vendor issues credit for any item that has been approved for return. The credit should appear on a subsequent statement.~~
- ~~12. ———~~
- ~~12. Resolving~~ transaction disputes and credits in a timely manner. The Purchasing Card AAAdministrator should be notified of any unresolved disputed items, ~~that the cardholder has not been able to resolve.~~
13. Giving the p-card to the supervisor or Purchasing Card Administrator when employment is terminated.

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#### Supervisor Responsibilities

The cardholder's supervisor or designated employee (other than cardholder) may perform the following:~~The following items may be performed by the cardholder's supervisor, the Purchasing Card Administrator, or another designated employee (other than cardholder).~~

1. Review the information submitted by the cardholder. ~~The amount of review will depend on a number of factors, but~~The supervisor should, at a minimum, periodically compare receipts to the statement submitted by the cardholder.
2. Verify purchases are for business use.
  - a. ~~The card must not be used for personal transactions.~~
  - b. ~~If it is determined that personal or other inappropriate charges are occurring on the purchasing card, appropriate steps, up to and including repayment, cancellation of card, dismissal, and possible criminal prosecution may be taken to solve the misuse/abuse of the purchasing card. Repayment will include any applicable sales tax.~~
3. 2. Sign the *Purchasing Card Record* form to certify that purchases are for business purposes and are in compliance with appropriate rules and regulations to the best of the supervisor's knowledge.
4. 3. Forward the signed *Purchasing Card Record* form, statement and all original itemized receipts to the Administrative Affairs Office — Purchasing Card AdministAccounts Payable Associate by the 10<sup>th</sup> of each month.rator. Departments may keep a copy of the *Purchasing Card Record* form and statement report on file within their department.

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5. Return the purchasing card of a terminated employee to the Purchasing Card Administrator.

#### Departmental Process

To maximize the benefits of using the card, some accounting processes must change. All purchasing card transactions will be paid centrally by the Administrative Affairs Office. The transactions will be posted to accounts payable via the default accounting string assigned to each purchasing card. The default accounting string will identify transactions as to the fund, department, account, program, and project number, if applicable. The cardholder should make any modifications to the accounting string, specifically the account code, on their *Purchasing Card Record* form during the review.

If a department finds it necessary to modify the fund, department, program or project number after the transactions have been posted to general ledger, they should send the information to the Purchasing Card Administrator.

#### General Instructions for Card Use

1. If item(s) purchased are greater than your specific spending parameters (including shipping & handling, and other charges), use the voucher process instead of your credit card.
2. If item(s) purchased are within your specific spending parameters (including shipping & handling, and other charges), and the item(s) to be purchased are not a contract item, use best judgment and determine an appropriate vendor for the material desired (no competition required). Give the vendor your purchasing card number and expiration date or present the card at the point of sale. Tell the vendor that LRSC is exempt from sales tax. NOTE: LRSC's tax exempt number is embossed on each purchasing card.
3. If the material is to be shipped or delivered, tell the vendor to enclose or mail a copy of the receipt/invoice with each shipment. Have the vendor mark it "Credit Card Order—Paid" to avoid duplicate payments. If the material is picked up, obtain the itemized receipt indicating the purchase price.
4. Hold the original itemized receipts/invoices for reconciliation purposes. The charge slip from the credit card system is not acceptable.
5. After reconciliation, forward the monthly statement, original receipts, and *Purchasing Card Record* form to the appropriate supervisor for approval. You may keep copies for your records.

#### Credits, Returns and Disputed Items

The cardholder has the responsibility for following up with the vendor or bank on any erroneous charges, disputed items or returns, as soon as possible. Disputed billings can result from failure to receive the goods charged, defective merchandise, incorrect amounts, duplicate charges, credit not processed, as well as fraud and misuse.

**Credits:** To request a credit to be applied to the purchasing card account from the vendor, refer to the cardholder receipt. If the item was shipped, refer to the packing slip.

**Returns:** The vendor should issue credit for any item that has been approved for return. The credit should appear on a subsequent statement. Any item returned, that was purchased with the card must be returned for credit.

**Disputed Items:** If the cardholder has a problem with a purchased item or a billing resulting from the use of the purchasing card, the cardholder should first try to reach a resolution with the vendor that

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provided the item. In most cases, disputes can be resolved directly between the cardholder and the vendor. If you have a disputed charge and cannot reach resolution with the vendor, contact Cardholder Support Team at 1-800-270-7760.

Disputed items must be resolved or reported within 60 days of the date that the first statement or transaction file.

Make sure you keep documentation of credits, returns, exchanges and disputed items.

#### Statement Verification

A monthly account statement will be sent directly to individual cardholder(s), electronically. The statement is used for reconciliation and approval of transactions. LRSC's Business Office obtains an electronic billing file for payment processing. The purchasing card cycle ends the 2nd of each month.

The cardholder is responsible for reconciling the monthly account statement with the *Purchasing Card Record* form and original itemized receipts/invoices. If inaccuracies and/or erroneous information exist, the cardholder must immediately notify the LRSC Purchasing Card Administrator. When reconciled, the cardholder signs the *Purchasing Card Record* form and forwards with all original itemized receipts to the appropriate supervisor.

The supervisor is responsible for reviewing the information submitted by the cardholder, signing the *Purchasing Card Record* form and forwarding the report, monthly statement and the original itemized receipts/invoices to the Business Office by the 10th of each month.

#### Audits

Purchasing card transactions will be audited on a monthly basis. The primary purpose of the audit is to ensure that the purchasing card procedures are being followed and that:

1. Purchase volume appears reasonable.
2. The purchasing card is being used for appropriate transactions.
3. Documentation is complete.
4. The department and the cardholder are following required procedures.
5. Supervisory review and approval is completed.
6. Proper internal controls exist with regard to the program.

#### Purchasing Card Security

1. The purchasing card is to be treated with the same level of care that is afforded personal credit cards.
2. Do not lend the purchasing card to anyone. The only person authorized to use the card is the person whose name appears on the front of the card and who has completed the *Purchasing Card User Agreement* form.
3. Do not post or write the purchasing card account number in any location that is accessible to others.
4. Take additional care when using the card to make Internet purchases thru the Internet. Only use internet sites that have an indication that they are a secure website, such as the padlock located on the lower right.

#### Termination of Employment

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~~If the cardholder's employment is terminated with LRSC, the cardholder must return the purchasing card to his/her supervisor. The supervisor is responsible for contacting the LRSC Purchasing Card Administrator, who will cancel the card. Returned purchasing cards are not reissued to other employees for use. Before returning a canceled purchasing card, the card should be cut in half by the supervisor.~~

#### ~~Key Contacts~~

~~The following resource persons are available to answer questions, solve purchasing card problems, or provide assistance in the areas listed. Contact the Purchasing Card Administrator for assistance on the following:~~

#### ~~Purchasing Card Administrator~~

- ~~•1. For questions concerning policies and procedures~~
- ~~•2. To replace damaged cards~~
- ~~•3. For assistance with vendors~~
- ~~•4. For account inquiries~~
- ~~•5. For billing information~~
- ~~•6. To report a lost or stolen card~~

#### ~~Cardholder Support Team 1-800-270-7760~~

- ~~1. To report a lost or stolen card.~~
- ~~2. For questions concerning monthly statements.~~
- ~~3. To report disputed items.~~
- ~~4. For authorization assistance.~~

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#### History

Administrative Council Approved 11/29/10

Administrative Council Approved 01/30/13



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SECTION 400.24  
PURCHASING CARD

The purchasing card (p-card) is a credit card issued in the name of the Lake Region State College employee. Employees will be designated by LRSC to make purchases for official business needs.

Individual credit limits, including card and cycle limits, vary as determined by LRSC. Failure to use the p-card in accordance with applicable policies and procedures may result in revocation of the p-card and may involve appropriate disciplinary action, up to and including termination and possible criminal prosecution.

The use of the p-card results in a liability to LRSC, not a personal liability for the cardholder. The cardholder's credit rating will not be affected. However, it is important to remember that the cardholder signs an agreement prior to receiving the p-card and, as such, is responsible for any misuse of the p-card as outlined in this policy.

Liability protection is provided to LRSC once notification of any loss, theft or fraudulent use is made. However, the same level of liability protection does not apply to cards that are made available to multiple users. Therefore, only the person whose name appears on the card can use it.

Policy and procedure violations include, but are not limited to:

1. Purchasing items with the card for personal use.
2. Failure to return the card when reassigned, terminated or upon request.
3. Failure to submit original itemized receipts/invoices to the Accounts Payable Associate by the 10<sup>th</sup> of each month.
4. Transferring assignment of the card to another individual.
5. Repeatedly allowing sales tax to be charged when the purchases are tax exempt.
6. Purchasing items for departments that the cardholder does not supervise.

Depending on severity, a violation of this policy or failure to comply with the applicable policies may result in the following:

- 1st offense – written warning to cardholder
- 2nd offense – written warning to cardholder and cardholder's supervisor
- 3rd offense – written warning to cardholder, cardholder's supervisor, and the card will be suspended for 60 days.

Procurement policies must be followed when using a p-card. The p-card cannot be used to access cash or a line of credit. It is not a right of employment, to be used with interdepartmental purchases or for personal use.

Items that cannot be purchased on the p-card (unless specifically authorized by the President) include:

1. Alcoholic beverages
2. Ammunition/weapons
3. Clothing

4. Cash Advances (ATM or other)
5. Meals while employee is in travel status (Employee will be reimbursed at per diem rates by submitting a travel voucher)
6. Entertainment/hospitality/food
7. Gasoline/Fuel (must use credit card located in the state vehicle)
8. Hazardous Materials
9. Insurance
10. Leases
11. Legal services
12. Maintenance Contracts
13. Motor Vehicles
14. Non-business/personal items (ex. Kleenex, coffee, snacks, etc.)
15. Radioactive Materials
16. Shipping - Outbound from Lake Region State College
17. This is not an all-inclusive list and can be changed at management's discretion

LRSC departments may request, from the Purchasing Card Administrator, a waiver to remove the restriction on the purchase of the preceding items. The waiver or exception will be specific as to item(s) and as to cardholder.

Each cardholder is responsible for the following:

1. Safeguarding the p-card
2. Signing the p-card immediately upon receipt
3. Activating your p-card
4. Keeping original itemized receipts from each purchase
5. Recording each purchase on a *Purchasing Card Record* form
6. Receiving the electronic statement
7. Reconciling the cardholder statement with *Purchasing Card Record* form and receipts
8. Signing the *Purchasing Card Record* form to attest that all purchases are for LRSC business and in compliance with all applicable rules and regulations.
9. Forwarding signed completed *Purchasing Card Record* form, statement, and original receipts to designated supervisor.
10. Notifying the Purchasing Card Administrator and the supervisor immediately in the event of a lost or stolen p-card.
11. Assuring the vendor issues credit for any item that has been approved for return. The credit should appear on a subsequent statement.
12. Resolving transaction disputes and credits in a timely manner. The Purchasing Card Administrator should be notified of any unresolved disputed items.
13. Giving the p-card to the supervisor or Purchasing Card Administrator when employment is terminated.

The cardholder's supervisor or designated employee (other than cardholder) may perform the following:

1. Review the information submitted by the cardholder. The supervisor should, at a minimum, periodically compare receipts to the statement submitted by the cardholder.
2. Sign the *Purchasing Card Record* form to certify that purchases are for business purposes and are in compliance with appropriate rules and regulations to the best of the supervisor's knowledge.

3. Forward the signed *Purchasing Card Record* form, statement and all original itemized receipts to the Accounts Payable Associate by the 10<sup>th</sup> of each month..  
Return the p-card of a terminated employee to the Purchasing Card Administrator.

#### Purchasing Card Security

1. The p-card is to be treated with the same level of care that is afforded personal credit cards.
2. Do not lend the p-card to anyone. The only person authorized to use the card is the person whose name appears on the front of the card and who has completed the *Purchasing Card User Agreement* form.
3. Do not post or write the p-card account number in any location that is accessible to others.
4. Take additional care when using the card to make Internet purchases. Only use internet sites that have an indication that they are a secure site, such as the padlock located on the lower right.

Contact the Purchasing Card Administrator for assistance on the following:

1. For questions concerning policies and procedures
2. To replace damaged cards
3. For assistance with vendors
4. For account inquiries
5. For billing information
6. To report a lost or stolen card

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#### History

Administrative Council Approved 11/29/10

Administrative Council Approved 01/30/13