Riverland Community College
Credit Card Policy

Part 1. Purpose

Credit cards provide Riverland Community College with a cost-effective, convenient and streamlined method of purchasing items, thereby reducing the volume of individual payments processed by the college to vendors. Reports on cardholder activity enable the college to capture information necessary to better manage college purchasing activities.

Part 2. Institutional Credit Card

A credit card in the name of Riverland Community College and in the name of a state employee in which the college is liable to the credit card company for all charges made in connection with the credit card issued to the individual. Exceptions for other employees may be made by the president. Institutional credit cards may not be in the name of a contractor, contract employee, or non-permanent student employee.

Part 3. Procedures for Obtaining Credit Cards

Riverland Community College has established a credit card program in the name of the college with a financial institution provider for official college business use only. Employees wishing to obtain a credit card must complete the Riverland Community College Purchasing Card Application Form and sign the Riverland Community College Purchasing Card Program Cardholder Agreement. The college must receive monthly statements from the financial institution provider. More than one card may be obtained for various accounts.

Part 4. Authorized Card Use

Cardholders are authorized to use the card to purchase merchandise or services required as a function of their duties at the college. Unauthorized and/or inappropriate card use is addressed in Part 5 of this procedure. Employees are responsible for following the purchase requisition / purchase order process for procurement that should not be accomplished via credit card.

A purchase made with a credit card may be made in-store, by telephone, fax, internet or U.S. mail. A requisition form may be created in order to issue a purchase order for the estimated annual credit card purchases within each cost center. Under no circumstances shall credit card purchases exceed budgeted non-salary expenditures for affected cost centers.

Individual credit card accounts will be assigned single purchase and credit limits based on the following criteria:

1. Credit limit of $4,000. Limit of $5,000 applies for the president and vice presidents.
2. Single purchase limit of $500. Limit of $2,500 applies for the president and vice presidents.
3. Temporary or permanent exceptions to the credit and single purchase limits may be granted by the Card Administrator for certain departments, employees or transactions. The Card Administrator shall maintain appropriate supporting documentation for exceptions to credit limits.
4. The Card Administrator may increase or decrease limits in certain circumstances such as, but not limited to, available budgetary balances, credit card usage practices, and recordkeeping issues. The Card Administrator shall maintain appropriate supporting documentation for adjustments to credit limits.

The college utilizes a merchant category blocking system, whereby codes can be assigned to each credit card to control the types of purchases allowed.

Part 5. Unauthorized And/Or Inappropriate Card Use

Credit cards must never be used to purchase items for personal use or for non-college purposes, even if the cardholder intends to reimburse the college.

Unauthorized and/or inappropriate card use includes, but is not limited to:

1. Items for personal use;
2. Items for non-college purposes;
3. Cash or cash advances;
4. Food and beverages for an individual employee (Authorized cards may allow for food and non-alcoholic beverages for business-related meetings in compliance with system procedures and after obtaining approval for special expenses.);
5. Alcoholic beverages;
6. Weapons of any kind or explosives;
7. Relocation expenses;
8. Travel related expenses (To be reimbursed using SEMA4 Employee Expense Report form. Authorized cards may allow for airfare, room and related taxes, vehicle rental, and conference and seminar registration.);
9. Entertainment;
10. Recreation;

A cardholder who makes an unauthorized purchase with the card or uses the card in an inappropriate manner will be subject to revocation of the credit card and disciplinary action including restitution to the college for unauthorized purchases, possible card cancellation, termination of employment at the college and criminal prosecution, as well as reimbursement of the unauthorized use.

If any item purchased with a credit card is not acceptable, arrangements must be made for a return for credit or an exchange. A cash refund or check is prohibited unless the vendor insists that a refund must be by cash or check, and then the funds must be deposited immediately with the college.

Part 6. Responsibility and Accountability

It is the responsibility of each individual cardholder to:

1. Safeguard the credit card and credit card account number at all times; lost or stolen credit cards must be reported immediately to the college Card Administrator and the financial institution provider;
2. Keep credit card in a secure location at all times;
3. Not allow anyone else to use the credit card and/or credit card account number;
4. Riverland Community College is tax-exempt, with a few exceptions (e.g. food, lodging and travel). Cardholders should remind vendors of the college's tax-exempt status when making purchases and point out the tax ID number on the front of the credit card;
5. Obtain and retain original itemized receipts for goods and services purchased. All forms of canceled checks and copies of credit card bills do not substitute for original receipts. An employee may be allowed to file an affidavit in lieu of a receipt if the original receipt is lost or a receipt is not obtained;
6. Complete and sign the Purchasing Card Individual Transaction Log for transactions (including credits and returns) during each billing cycle. Receipts and other supporting documentation must be attached to the Log. The Business Office can provide monthly credit card statements to cardholders upon request;
7. Submit the Log and supporting documentation to the college Card Administrator for payment processing by the 15th day of each month;
8. Surrender the credit card and corresponding support documentation to the Card Administrator prior to separation from the college as requested;
9. Take any other steps necessary to ensure that the credit card is used only for authorized purposes.

The college shall conduct periodic reviews for proper card use. Credit card records will be audited from time to time.

Related Documents

MnSCU Board of Trustees Policy 7.3 Financial Administration
http://www.mnscu.edu/board/policy/703.html

MnSCU Board of Trustees System Procedure 7.3.3 Credit Cards
http://www.mnscu.edu/board/procedure/703p3.html

Riverland Community College Purchasing Card Application Form (Appendix 1)
http://staff.riverland.edu/finance-facilities/Forms/Purchasing-Card.doc

Revisions

February 2008 – Approved.
April 2009 - Modified to increase credit card monthly and transactional limits for president and vice presidents.

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MINNESOTA STATE COLLEGES AND UNIVERSITIES
RIVERLAND COMMUNITY COLLEGE
PURCHASING CARD APPLICATION FORM

REQUIRED FOR EACH CARDHOLDER. COMPLETE ALL SECTIONS AND RETURN TO:
Riverland Community College, Business Office
Attn: Carrie Allen

PERSONAL INFORMATION:

Applicant Name:
First Middle Last

Position/Title:

Office Address:

Office Telephone:

Office E-Mail Address:

RIVERLAND COMMUNITY COLLEGE DEPARTMENT & ACCOUNT INFORMATION:

Division:

Department:

Default Cost Center:
(This Account # will be used for chargeback to your account unless you indicate a different account number on your transaction log of charges.)

GENERAL CARD INFORMATION:

Requested Transaction Limit: $ per transaction (no pyramiding allowed – read policies when card is received)

Requested Monthly Limit: $ per month (you must remain within your department budget – the funds will be deducted from your accounts)

Justification for Requested Limits:

Please Note: This information will be provided to the bank issuing the purchasing card.

SIGNATURES:

I understand that I am required to comply with all the provisions of the Minnesota State Colleges and Universities Cardholder Agreement, Minnesota State Colleges and Universities policy and procedure and Riverland Community College policy applicable to the use of the card.

Applicant's Signature: _____ Date: _____

Supervisor's Signature: _____ Date: _____

Approving Signature: _____ Date: _____
Chief Financial Officer