

## **SKIDMORE COLLEGE DEPARTMENT P-CARD POLICY**

### **I. PURPOSE**

Skidmore College sponsors a procurement card (Department P-Card) program that allows designated individuals to make specific business-related purchases paid for directly by the College. The Department P-Card is a credit card issued to a department to make direct purchases from vendors.

Skidmore implemented the Department P-Card program to provide a cost effective and convenient method for departments to make business-related purchases directly with a vendor. Skidmore is liable to the financial institution issuing the Department P-Card for the charges and makes payment directly to the financial institution.

### **II. GENERAL**

Department P-Cards are to be used by Skidmore employees for purchases that are normal and ordinary costs incurred in the conduct of official College activities. The Department P-Card should not be used for travel and entertainment type activities.

The Department P-Card is one of the methods offered by the College to make purchases. If a cardholder needs to make frequent purchases from a vendor or any purchase of a significant amount, they should consult Purchasing to determine the best method for the purchase. The Purchasing team can also assist in searching for unusual items or services.

A Skidmore College preferred vendor should always be used as the first option. Preferred vendors are aware of the College tax exempt status and in many cases will have pre-determined methods to resolve issues, handle returns, etc.

Each Department P-Card has a single transaction limit. Breaking down a purchase, to circumvent the Department P-Card limit, into several smaller transactions is not a permitted practice. For purchases over the limit or other high dollar purchases, please consider whether it is appropriate to involve the Purchasing team for advice in negotiating favorable pricing. If appropriate, the transaction limit can also be temporarily raised by contacting Jessica Max at x5837 or Elaine Kenny at x5824. **You must provide the amount of the purchase, the date(s) needed and the business purpose. Please allow 24 to 48 hours to process the temporary limit increase.** It is not necessary to contact Purchasing Services when making a Department P-Card purchase, within your limit, unless you feel that the Purchasing team can help add value by recommending or helping you find a vendor.

Each card is blocked for use with certain vendors to protect Skidmore from unauthorized use. Most cards are blocked for purchases with restaurants, hotels, and other travel related vendors (T&E). When conducting Skidmore business with a T&E type vendor, the employee should use a Skidmore Business MasterCard or Visa card. Use of a personal credit card is also permitted and an expense report should be submitted for reimbursement. Refer to the Skidmore Travel and Entertainment Policy for additional information. For exceptional circumstances, the Purchasing team has authorization to temporarily unblock a card by contacting Jessica Max at x5837 or Elaine Kenny at x5824. **You must provide the business purpose for unblocking the card and**

**the date(s) it will be used. Please allow 24 to 48 hours to process unblocking privileges.**

### **III. ROLES AND RESPONSIBILITIES**

#### **i. Cardholder**

An individual who is assigned a Department P-Card has been authorized to spend Skidmore's funds for business-related expenses.

Personal purchases on Department P-Cards are strictly prohibited. Failure to use the card in compliance with this policy, or failure to provide sufficient documentary evidence can result in the suspension or revocation of the P-Card and possible disciplinary action including, employee termination, as well as the filing of criminal charges.

Your responsibilities as a cardholder include:

1. Read and understand this policy.
2. Purchase only business-related items.
3. Inform vendors that your purchase is exempt from New York State sales tax. If the vendor will not grant a sales tax exemption, please select a vendor that will honor the tax exempt status of the College.
4. Obtain and promptly enter sufficient documentation into Oracle Cloud to support the purchase, including receipts and explanation to support the business purpose of each purchase on your card.
5. The cardholder is responsible for ensuring that any expense paid by Department P-card is not otherwise submitted for reimbursement.
6. If you inadvertently use your Department P-card rather than your personal credit card for a personal purchase, you must notify Financial Services immediately and submit a written explanation of how and why this occurred and provide reimbursement.
7. Reconcile and submit all expenses within Oracle Cloud in a timely manner (weekly is strongly recommended and monthly is required).

#### **ii. Supervisor**

Any individual with responsibility for supervising employees with a Department P-Card must:

1. Evaluate the need for a Department P-Card whenever an employee's job requirements or status changes.
2. Ensure the individual responsible for making Department P-Card purchases is distinct from the person responsible for reviewing those purchases.
3. Understand who in the department / office is using the Department P-Card and ensure that proper documentation is being maintained for all purchases.
4. Collect the Department P-Card and submit a request to Financial Services (ext. 5820) when an account must be closed due to termination or change of status.

#### **iii. Financial Services / Purchasing**

1. Manage the process of issuing and terminating Department P-Cards;
2. Review and audit Department P-Card transactions. Based upon these reviews, cards may be suspended or permanently revoked, or other disciplinary action may be taken;

3. Call upon Human Resources and / or the supervisor to work with cardholders toward policy compliance and / or to assist in suspending or revoking a cardholder's Department P-Card privileges or other disciplinary actions.
4. Manage Department P-Card Blocks and Single Transaction Limits placed on each card in an effort to avoid unauthorized use of the card.

#### **IV. DOCUMENTATION**

Skidmore requires Department P-Card holders to obtain and promptly enter sufficient documentation into Oracle Cloud to support the purchase, including detailed receipts and explanation to support the business purpose of each purchase on your card. Sufficient documentary evidence is necessary in order to comply with College policies, sound business practices, and the requirements of the IRS. Documentation is retained within Oracle Cloud.

#### **V. PROHIBITED TRANSACTIONS**

Department P-Cards may not be used to purchase goods and services for personal use.

Some examples of items **not** allowed to be purchased on the Department P-Card:

- Travel & Entertainment related expenses.
- The expenditure was (or will be) reimbursed from another source.  
*For Example, a department may not use the P-Card for an expense that will be paid back by employee contributions, such as a gift for a retiring co-worker.*
- Medications for individual offices – e.g. aspirin, cold medicine, cough syrup.
- The purchase of meals for regular staff meetings.
- Purchase of clothing for department members (unless a required uniform) is not permitted.

This list is not intended to be all inclusive, but to provide examples of items not allowed.

Financial Services routinely audits purchases on P-Cards. If during your own review of transactions, suspicious charges, items indicative of a personal purchase, or items that are not allowed to be purchased are noticed, please contact Jen Barthelmas in Financial Services at [jcapron@skidmore.edu](mailto:jcapron@skidmore.edu) (518) 580-5828 to confidentially discuss the purchase. It is important to remember that the Cardholder has accepted the responsibility of accounting for each transaction on behalf of the department and the College.