The Purchasing Department, as part of the Governor’s initiative, encourages use of the procurement card as a low-cost alternative to requisitions and purchase orders.

The Citibank VISA Purchasing Card (VISA) program is ideal for small dollar purchases (<$2500) as defined by New York State. It increases departmental efficiencies and decreases administrative costs associated with the processing of small dollar purchase orders and petty cash requests. However, there are specific commodities that are suitable and recommended for use with the VISA program while there are others that are not.

**Authorized Purchases**

- Purchases up to $2500 maximum (or other limit assigned by dept. manager)
- College Store Purchases
- Chartwell’s Catering (Credit Card Number must be given to Chartwell’s at time services are requested.
- Subscriptions
- Memberships
- Conference registrations
- NYS contract purchases
- Preferred Source purchases
- Books
- Supplies and materials
- Equipment up to $1500** (Property of...." stickers required)
- Film processing
- Repairs of equipment not covered by maintenance agreement
- Shipping Charges (up to 10% over single per-transaction limit)

**Restricted Items**

- Travel/entertainment (i.e., airline, car rental, lodging restaurant, etc.)
- Printing and or copier services.
- Copier maintenance agreements.
- Equipment exceeding $1500
- Personal use
- Alcoholic beverages
- Employment Advertising
- Gasoline
- Items purchased separately that when purchased together (either same vendor or same commodity) in 60 days would exceed the $2500 limit (split ordering)
- Medical services
Restricted Items Continued

- Gift certificates/cards or any other cash equivalent
- Savings bonds
- Cash advances
- Cash back (rebates) on purchases
- Cash refunds on returns
- Controlled substances (e.g. narcotics and prescription drugs)
- Radioactive materials
- Specialty gases/cylinder rentals
- Financial and/or non-financial agreements requiring signature of representative of College
- Contracted services from an individual
- Leases, rentals
- Insurance

The following is a list of "best practices" for VISA cardholders to follow:

- Always stay within the established limits of the account. Do not "split order" to accommodate use of the card.
- Use the card for official State use only.
- Whenever possible, utilize the use of NYS Contracts, Preferred Sources and Minority/Women-Owned Businesses (M/WBE).
- Be able to substantiate reasonableness of price for items and/or services purchased.
- Keep card and account information in a secure place. Never allow the use of the card or even the account number by another person. If necessary for someone else to pick up an item, you may be able to call the vendor and process the order. Let the vendor know who is picking the item up.
- If you are paying for catering at an approved function, you should include in your documentation: the names of participants, the meeting agenda, location and business purpose for all meal related charges.

Services

How To…

Place an Order  Return a Product  Maintain Documents

As a newly appointed "purchasing agent" there are a few things to remember when placing orders:

Before placing the order

- Make sure funds are available in the account (usually default) that you intend to make payment from. Always obtain proper written approval for the intended purchase from an individual with authority over that budget.
When selecting a vendor, be sure to consider NYS contracts, preferred sources and NYS minority/women-owned businesses (M/WBE). Contact the OGS website or call Purchasing to verify what vendors are on contract.

Inquire if the vendor accepts VISA prior to the purchase being made.

**Be aware of your spending limit.** Do not allow a vendor to split your order into smaller units so as not to exceed your card limit. This is called “Split Ordering” and is not allowed. You may, with your supervisor’s approval, request a temporary increase in your spending limit on your card. If this happens frequently, you may request of your supervisor that a permanent raise in your spending limit be granted.

**Placing the order**

- Orders may be placed via telephone, fax (be sure account information going to an individual not a general fax number), on-line, or in person. Be prepared to provide the following information to the vendor:
  - Cardholder name and account number
  - Account expiration date
  - Ship to address, including "VISA" and cardholder's name and room number, should appear on the outside of the package. If shipment is to come through Central Receiving, please use Sanborn Ave as the delivery address. If delivery is to arrive through U.S. Mail, please use the 101 Broad Street. The preferred method of shipment is UPS.
  - Federal Tax exempt number is #14740026K. (Orders placed in-person outside of NYS are subject to that state's sales tax.)

- With the exception of "in-person" ordering, all orders require the use of an order form. If the vendor does not provide an order form, please use the order form created by Purchasing Office. On-line orders should be printed before being submitted. Do not rely on confirmations after the orders have been placed. All retail purchases require a comprehensive, itemized receipt.
- Cardholders should be prepared to collect the following information from the vendor:
  - Name of person receiving the order if placed by phone.
  - Cost for each item including any/all-shipping charges. If the vendor is unable to provide an exact shipping charge, please obtain an estimate.
  - Anticipated delivery date that product will arrive or service will be completed.
  - Itemized receipt for in-person purchases and/or packing slip for items shipped or services rendered.
  - Ask that a receipt be faxed or emailed to you if you place your order by phone.
  - Examine any confirmations to verify that tax is not being charged. If you are charged tax on your order, it is important to let the vendor know we are tax exempt as soon as possible after the sale and that you immediately ask for a credit of the tax.

**Follow-up after the order**
Cardholders should keep all outstanding transactions in a pending folder until the transaction is complete. If the vendor provides a confirmation of the order, the cardholder should maintain it for backup and expediting purposes.

Vendors are not authorized to process an order for payment against procurement card accounts until goods are in transit and/or services are completed. Pre-payments are not allowed unless they are confirmed in writing. Typically, once a product or service is processed, the charges will appear in the cardholder's log list (VI03) located in the SUNY Central system within 24-48 hours of being received at VISA. Cardholders may review transaction logs in order to charge them to accounts other than issued SUNY default accounts (where authorized), resolve discrepancies with vendors, and/or detect any suspected fraudulent activity.

Once product is delivered to and received by the cardholder, the packing slip should be carefully reviewed to ensure proper goods were received in good condition. If the order is received complete, the cardholder should match the packing slip to the outstanding order form and maintain it until a corresponding VISA statement is received. If the order is received in more than one shipment, the cardholder should keep a copy of the order form as "open" with items noted as backordered. For each delivery, the corresponding packing slip should be attached to a copy of the order form. Once all items have been received, the order is considered complete.

Making returns

There are a few situations that may arise that require the return of an item(s) that was purchased using VISA.

First, an item(s) may arrive damaged and need to be returned for credit. A replacement may or may not be requested. A cardholder, in this situation, should follow the procedures below for returning the damaged item(s):

- Call the vendor to alert them of the damage immediately.
- Be prepared to provide the following information to the vendor:
  - Order number typically located on the packing slip
  - Cardholder name and account number
  - Telephone number
- A vendor will give specific instructions for returning the item(s) that may include written authorization or a return authorization number (RA or RMA number) to be referenced on the return package; packaging instructions, etc. Please follow these instructions exactly.
- When product is returned due to damage from shipping or manufacturer defect, the cardholder is not responsible for paying return shipping charges. The vendor must issue a "call tag" or pick up the item(s) at the vendor's expense. Once the vendor has received the item(s), a full credit for that item and its original shipping cost must be issued to the original credit card account. Cash refunds are not allowed!
- If a replacement item is requested of the vendor, a new charge with all new shipping costs (if applicable) should be submitted through VISA.

A cardholder may opt to return an item that is not what was expected or is no longer needed. In this situation, the above process applies with the exception of return shipping charges. The cardholder will now be responsible for paying shipping charges to return the item; will, most likely, not be refunded the original shipping charges and may be subject to a restocking fee (a percentage of the original cost for the handling of the item back into inventory by the vendor). A restocking fee may vary from minimal (1-
2%) to more costly (25-30%). The cardholder must weigh the cost of the entire return against the original cost of the item(s). It may be advantageous to the department, as well as the college, to find another use within the department or college community.

Obtaining credits

Regardless of the circumstance for requesting a credit (returns, sales tax, incorrect/duplicate billings, etc.), the cardholder must use a "Credit Pending Form" as backup documentation for audit purposes. The form should include the following information:

- Date
- Vendor name
- Name of person handling the credit
- Brief explanation of problem and expected outcome.

If the cardholder is unable to resolve the situation within a reasonable timeframe (minimum 1 full billing cycle), please contact the Program Administrator for assistance in obtaining credit due. The cardholder may fax the Credit Pending Form with previous communication documented and with whom to fax number 4602.

Maintaining documents

The billing cycle for Citibank VISA runs from the 6th of a month through the 5th of the following month (e.g., January 6 through February 5 is the January billing cycle). Cardholders should maintain all open orders and respective documents in a separate folder to be matched to corresponding VISA statements at the end of each billing cycle. Once reconciliation and certification of these transactions have been completed, the statement with its respective backup documentation should be placed in a "closed" fiscal year folder.

After certification, Cardholders are required to provide Accounts Payable with all original Order forms, invoices, receipts, event information (if applicable), credit pending forms and packing slips. Please note the date received on all packing slips and also note if the item or packaging was damaged. Records for every transaction made against the VISA account, debit or credit, from beginning to end for a total of seven fiscal years will be maintained in Accounts Payable. The department may decide to keep copies if they wish to. If at any time, the original paperwork is required, Accounts Payable will be able to furnish the needed items.

Audit Requirements

Procurement & Payment Services as well as the Office of the State Comptroller may elect to audit any and all Purchasing Card accounts at any time. A cursory audit is done by Accounts Payable when the certification paperwork is received in their office to determine accuracy and legitimacy of purchases and documentation. Typically, the following information is reviewed during an audit:

- Paperwork is maintained properly (i.e., original receipts with respective statements, maintenance in a secure location, confidentiality upheld, etc.) and reflects a complete procurement record, beginning to end.

2/10/2012
Types of purchases made are within program guidelines and NYS Finance Laws (i.e., split ordering, restricted items, for official State use with appropriate backup provided when applicable, travel expenses, etc.)

Items purchased are from permissible sources and/or NYS contracts, Preferred Sources, M/WBE's are utilized whenever possible.

Returns are handled properly (i.e., call tags and RA numbers, proper use of Credit Pending Form, credits received on proper account, etc.)

Incorrect billings are handled properly (i.e., sales tax charges, incorrectly charged items, shipping charges, proper use of Credit Pending Form, credits received on proper account, etc.)

Charges made to account are for product received and/or service rendered (no pre-payments)

Documentation for specific events related to the purchase is maintained with the order form.

Pricing quoted is considered fair and reasonable from reliable/responsible vendors and is billed as expected.

All levels of authorization are being adhered to.

Based on the results of an individual audit, a follow-up audit may be required at a future date.

Following the completion of an internal audit of a VISA Purchasing Card account by the Accounts Payable Office or the Procurement Card Administrator, the cardholder and respective department manager will receive copies of audit reports. These audit reports include discrepancies that were noted during the audit as well as suggestions for improvements. The following are guidelines established by SUNY Plattsburgh internal controls:

- Any purchase made that is deemed an inappropriate State expenditure is required to have reimbursement to the respective State account using non-State funds and documentation indicating such forwarded to the Program Administrator immediately.
- Any cardholder found not to follow guidelines requires that department managers exercise greater involvement and knowledge of the purchasing practices of the program and cardholder.
- Any cardholder that does not adhere to fiscal and procedural limitations may be placed on temporary suspension of card privileges or permanent revocation of the card.
Procurement Card (P-Card) Online Certification In A Nutshell

After logging on to the SUNY Central p-card application (user ID, password, job function= amexpcerts), type AEPC and hit enter. You should see the AEPC Primary Option Menu.

- **Change Billing Cycle.** It defaults to current month, and certification is almost always for prior months.

  Example: In March John Doe wants to certify his February statement. When he logs on to AEPC the billing cycle is 0306 (March, 2006); he changes this to 0206 (February, 2006).

- **Print Billing Statement List (VI04).**
- **Return to Main Menu**
- **If all transactions will be charged to the primary account, Skip the next instruction.**
- **Tab to VI03, Hit Enter.** A log of transactions will appear. (Remember items in green ink can be changed.)

  Tab to the top log and enter ‘S’ next to the log number, depress Enter key. If the account information and sub object code are acceptable, tab to function code in lower right hand corner and enters ‘S’ for save and for action enter ‘C’ and hit return. Repeat steps for next log. (multiple logs can be selected on each page and can be accessed using ‘N’ in the action field.)

  If the account number is to be changed, tab to the amount and enter zeros. DO NOT USE COMMAS, ONLY THE DECIMAL. Tab down and enter new account number, ‘C’ for current year, sub-object, and amount. Then tab to function code and enter ‘S’ for save and enter ‘C’ for action and hit return. Repeat steps for next log.

When all of the logs have been reviewed and saved, continue with the next step.

- **Tab to VI02, Hit Enter.** Cardholder Reconciliation screen should appear with the words "READY FOR RECONCILIATION - ALL ITEMS MATCHED" at the bottom.
- **On Divided Cardholder Reconciliation screen in the lower right corner is the letter 'F' for Function. Type 'X' in the space next to it. Below it is 'A' for Action. Type 'C' here and when you hit enter, you will be forwarded to the Certification page.**
- **On Cardholder Certification Page screen in the lower right corner is the letter 'F' for Function. Type C in the space next to it. Leave Action field blank and you will come back to the same page. Hit Enter.** Your name, date and the words **Depress Enter To Complete Transaction** should appear at the bottom of the screen.

- **Hit Enter Again.** This is critical. If you do not hit enter again at this time your certification will not be saved online - and you'll need to certify all over again! Print page with “Transaction Completed” in the lower left hand corner.

- **Send all documentation with the cover certification page to your supervisor for his signature.** The supervisor should sign and then forward all documentation to Accounts Payable.
- **Documentation should include the Certification page on top, followed by the log list page, invoice document (anything documenting exact items and cost per item) and packing slip for each log entry.