

MANUAL OF PROCEDURE

PROCEDURE NUMBER: 6520

PAGE 1 of 8

PROCEDURE TITLE: Miami Dade College Purchasing Card Program

STATUTORY REFERENCE: Section 1001.65(1), Florida Statutes; Section 1010.04(2), Florida Statutes; State Board of Education Rule 6A-0734, Florida Administrative Code

BASED ON POLICY: Chapter II Personnel
Chapter III Financial Management
Chapter VI Contracts and Purchasing

EFFECTIVE DATE: November 8, 2005

LAST REVISION DATE: January 30, 2024

LAST REVIEW DATE: January 30, 2024

I. PURPOSE

To establish general procedures and requirements for the procurement of goods and/or services through the Miami Dade College Purchasing Card Program.

II. INTRODUCTION

The Purchasing Card Program accelerates the ordering, receiving, and payment process by allowing authorized College personnel to make specified and allowed purchases without the use of the standard Requisition/Purchase Order process. Full-time employees of the College are eligible to become an authorized cardholder at the discretion of the area head or supervisor. The purchasing card, commonly referred to as the “PCard”, can only be used for official College business and cardholders are required to understand the regulations and procurement guidelines of the College and the State of Florida.

Additional information on the Program and related guidelines is provided in the Miami Dade College Purchasing Card Manual, which is available on the Business Affairs intranet website: www.mdc.edu/businessaffairs

III. PROCEDURES

A. Requesting a Purchasing Card

Full-time employees requesting a PCard must submit an approved Request for Purchasing Card

form to the Purchasing Department. The form must be signed by the PCard applicant's supervisor and the Campus President, Vice Provost, or Provost. The Purchasing Department will provide required training and assist with the creation of user profiles for transaction processing in the operating system (MDConnect) prior to the issuance of a PCard. A PCard will not be issued without documentation certifying that the cardholder understands applicable College policies and procedures of the Program and is aware that misuse or abuse of the PCard can lead to disciplinary action up through and including dismissal.

The request form and additional information on the issuance of a PCard are available on the Business Affairs intranet website.

B. Limits and Controls of the Program

Spending limits, restrictions on certain transactions, and related controls are established for the Purchasing Card Program. Transactions with restricted businesses or that exceed the spending limits noted in this Procedure will be declined at the time the order is placed. These limits and controls include the following:

1. Restrictions on types of businesses – The College has restricted the use of the PCard with certain types of businesses by requesting the credit card issuer to block access via Merchant Category Codes (MCC). If cardholder anticipates an allowable purchase will be declined due to a restriction placed on a merchant type, a request to temporarily lift the restriction must be forwarded in advance during working hours to the Purchasing Card Administrator or designee. Only authorized personnel within the Purchasing Department have access to lift MCC restrictions, and only upon determination that the purchase is allowable.
2. Spending Limit Per Transaction – The standard single-transaction spending limit is \$1,000. Cardholders are prohibited from intentionally splitting transactions to bypass the single-transaction spending limit. If a cardholder requires a single-transaction limit greater than \$1,000, proper justification must be provided in advance to the Purchasing Card Administrator for review and approval.
3. Spending Limit Per Billing Cycle – The standard billing cycle, or monthly, spending limit is \$5,000. The College's billing cycle begins on the fifth day of the month and continues through the fourth day of the following month. If a cardholder requires an increase to the monthly limit, proper justification must be provided in advance to the Purchasing Card Administrator for review and approval. The monthly spending limit will revert to the current approved amount at the beginning of each billing cycle.
4. Overspending Budget – Available budget should be verified prior to PCard use. Budget checking is required for all transactions recorded in the Purchasing Card module of MDConnect.
5. Cash Advances – Cash advances are not allowed under the Program.

C. Cardholder Responsibilities

Each cardholder is responsible for the purchases made on their assigned card. Cardholders are required to adhere to the applicable laws, rules, and regulations of the State of Florida, as well as

the requirements outlined in this Procedure and the Miami Dade College Purchasing Card Manual. In addition to the possibility of disciplinary actions, cardholders will be required to reimburse the College, inclusive of applicable sales tax and any other fees, for any purchases that are found to be improper or personal in nature. Responsibilities of the cardholder include the following:

1. Keeping the PCard secure at all times.
2. Not allowing others to use the PCard.
3. Verifying budget availability prior to making purchases.
4. Notifying vendors of sales and use tax exemption status of the College, and verifying that the total amount charged does not include State of Florida sales tax before signing the receipt or when placing an order online or by phone.
5. Obtaining a credit for the full amount of the State of Florida sales tax charged by the vendor, if charged.
6. Retaining detailed register receipts, digital receipts, or substitute documentation in support of each purchase. The vendor's name, transaction amount, purchase date, and an itemized description of the goods or services received must be documented for each transaction.
7. Reviewing and verifying the accuracy of cardholder statements, and processing all completed transactions, through the Purchasing Card module of MDConnect, by assigning a valid chartstring/account code, providing a detailed description of the item purchased, and uploading a copy of the original receipt and related supporting documentation. The verification, approval, and supporting documentation for all PCard activity will be submitted electronically via the Purchasing Card module, however, cardholders are required to maintain documentation in accordance with record retention and disposal requirements for financial records as dictated by Florida Statutes. Additional information on records retention requirements is available on the Business Affairs intranet website.
8. Notifying the authorized approver of processed (i.e. verified) transactions for review and approval in MDConnect. PCard transactions must be approved within thirty days of the card statement date to be considered timely.
9. Attempting to resolve disputes or billing errors directly with the vendor and notifying the card issuer if the dispute or billing error is not satisfactorily resolved. A Cardholder Statement of Disputed Items form is available on the Business Affairs intranet website.
10. Identifying transactions as "Disputed" when they have been officially reported to the bank.
11. Ensuring that cash is not accepted in lieu of a credit to the PCard account.
12. Immediately reporting a lost or stolen card to the bank (24 hours a day, 365 days a year).
13. Immediately notifying the authorized approver and Purchasing Card Administrator of a lost or stolen PCard at the first opportunity during normal business hours.
14. Informing the Purchasing Card Administrator of separation from the College prior to the

termination date and returning the PCard to the authorized approver, who will then return it to the Card Administrator.

15. If transferring to another campus or department within the College, obtaining permission to continue to use the PCard by completing and submitting a Change of Approver form. The form is available on the Business Affairs intranet website.

D. Responsibilities of the Authorized Approver

Each cardholder will report to an authorized approver. An authorized approver may be assigned more than one cardholder. The authorized approver should be the cardholder's supervisor or have designated authority to monitor the PCard activity of the cardholder. When the authorized approver signs the Request for Purchasing Card form, they are agreeing to the following responsibilities:

1. Reviewing receipts, detailed descriptions of purchases, assigned chartstring information, and card statement information to ensure that purchased goods/services were for official use and that the purchases were in accordance with College policy and procedures.
2. Ensuring that all charges are properly documented.
3. Approving each transaction in MDConnect and returning documentation to the cardholder. PCard transactions must be reviewed and approved within thirty days of the statement date to be considered timely.
4. Addressing PCard activity that is determined to be inappropriate. Suggested remedies include having the cardholder provide a cashier remittance receipt or other documentation as evidence that the item(s) were returned for credit, or requesting a personal check payable from the cardholder for the full amount of the purchase. When a cardholder is issuing a check to the College, the authorized approver should notify the Purchasing Card Administrator.
5. Notifying the Purchasing Card Administrator within 3 to 5 business days of any unresolved vendor disputes, noting the reason for dispute and the details.
6. Confirming the cancellation of a cardholder's account with the Purchasing Card Administrator prior to the cardholder's separation from the College, transfer within the College, or loss of cardholder privileges.
7. Recommending the cancellation of a cardholder's account due to changing needs of the department or other factors.
8. Securing canceled cards from cardholders and forwarding them to the Purchasing Card Administrator.
9. Ensuring that cardholders follow guidelines and procedures established for the Purchasing Card Program, as outlined in this Procedure and the Miami Dade College Purchasing Card Manual. Each department should establish internal controls to adequately monitor PCard activity.

E. Reconciler Personnel and Responsibilities

In the event that a cardholder is also a reconciler, then their responsibilities remain the same as those stated above for the cardholder. When the cardholder has designated persons other than themselves as the reconciler, then the reconciler is responsible for ensuring that all transactions are properly recorded and documented in MDConnect, and forwarded to the authorized approver in accordance with this Procedure. PCard transactions must be approved within thirty days of the card statement date to be considered timely.

F. Responsibilities of the Purchasing Card Administrator

The Purchasing Card Administrator (i.e. the Director of Purchasing or designee), is responsible for the overall operations of the Purchasing Card program. These responsibilities include the following:

1. Acting as the contract liaison with the bank.
2. Reviewing approved PCard Requests for completeness.
3. Submitting completed requests for new cards to the bank.
4. Processing the Reconciler Role Access Forms and assisting with the designation of a reconciler for each cardholder.
5. Providing training to all cardholders prior to the issuance of PCards.
6. Verifying that the Cardholder Agreement and Reconciler Role Access Form are completed and signed.
7. Completing downloads of monthly cardholder transactions from the bank and uploading this information to the Purchasing Card module of MDConnect.
8. Ensuring that uploaded transactions are assigned to cardholders, and reviewing and/or resolving any unassigned transactions.
9. Monitoring approved transactions for completeness, accuracy, and compliance with guidelines established for the Program.
10. Monitoring the timeliness of transaction processing and approval.
11. Reporting card activity that is not in compliance with PCard guidelines to the Vice Provost, Business Affairs.
12. Assisting cardholders and authorized approvers with the resolution of disputed charges and other discrepancies, when needed.
13. Cancelling PCard accounts pursuant to this Procedure.
14. Assisting the cardholder with emergency requests, exceptional limit requests, and merchant code restrictions, when needed.

15. Distributing renewal cards via the Campus Bursar Offices, and ensuring that the transfer of new cards is documented by a signature from the cardholders.

G. Procurement of Goods and Services

Purchases in connection with the official business of the College may be made with a PCard if the merchant type is not restricted and the vendor accepts the credit card. If the cardholder needs assistance with the selection of a vendor, they may contact the Purchasing Department. Authorized cardholders must have a working knowledge of purchasing guidelines established for the College as well as laws promulgated by the State of Florida. Refer to Chapter 6 of MDC Procedures, the Purchasing Department website, and the Miami Dade College Purchasing Card Manual for more information.

Compliance considerations for PCard activity include the following:

1. Items purchased over-the-counter must be available and received by the cardholder. Back ordering is not permitted with the PCard. Online, or phone, orders are permitted as long as items are delivered all at once and within 30 days of the order. If multiple delivery iterations are required, then the purchase should be made via the standard purchase order process in accordance with College procedure.
2. Orders may not be placed for equipment of any kind with a unit price in excess of the threshold for items requiring a property decal per MDC Procedure 3900.
3. The purchase of computers is prohibited; however, computer components, peripheral equipment, or software that will not require a property decal are permitted with the documented approval of the appropriate Chief Information Officer.
4. The purchase of telecommunications-related equipment is not allowed. These purchases should be made via the standard purchase order process to ensure that College standards are adhered to.
5. With few exceptions (e.g. folding chairs or tables), furniture purchases are not allowed. These purchases should be made via the standard purchase order process to ensure that College standards are adhered to. Cardholders should direct questions about allowable furniture purchases to the Purchasing Department.
6. Payments made pursuant to an Agreement for Services or other third-party contract executed by the College are not allowed. These payments should be made via the standard purchase order process to ensure proper approval and record keeping.
7. Cash advances on the PCard are strictly prohibited.
8. Payments to the College for any reason, such as tuition, fees, event admissions, etc. are strictly prohibited.

H. Procedure for Handling Discrepancies

The cardholder should always attempt to resolve discrepancies directly with the vendor. In addition, all documentation in support of attempts to resolve errors, discrepancies, or disputes

should be retained by the cardholder. If the issue cannot be resolved at this level, then the authorized approver or the Purchasing Card Administrator should be contacted for assistance. Unresolved discrepancies and fraudulent transactions must be reported to Bank of America as soon as possible. The cardholder's department will be liable for all charges incurred if a fraudulent or questioned transaction is not disputed in a timely manner as outlined in this Procedure.

All transactions appearing on the cardholder statement, including disputed items and credits, must be included in the PCard reconciliation of the cardholder in the Purchasing Card module of MDConnect. The verification and approval process should not be delayed due to the handling of discrepancies.

I. Security Considerations

The use of the PCard is limited to the College employee whose name appears on the face of the card and should never be loaned to another person under any circumstances. To prevent against theft or fraudulent use, cardholders should consider the following:

1. Keep the PCard in a safe, secure place at all times and separate for any personal credit cards.
2. Take all precautions so that the 16-digit account number is not shared with and cannot be viewed by others.

If a PCard is lost or stolen, cardholders must notify the bank immediately at the 24-hour Commercial Card Services telephone number on the back of the card. The cardholder will need to provide the card number and have receipts or other supporting documentation for valid transactions that were recently made on the PCard. The authorized approver and Purchasing Card Administrator should be notified when a PCard is reported as lost or stolen.

The cardholder is responsible for supplying any information necessary to minimize the liability for a lost or stolen card, and closely monitoring the monthly statement to ensure that fraudulent charges are identified in a timely manner. If a fraudulent charge is identified, the cardholder must follow the procedure for the handling of discrepancies as outlined in this Procedure.

J. Use of Purchasing Card for Approved College Travel

The PCard may be used for approved College-related travel expenditures, such as registration fees, hotel room charges, airline charges, and vehicle rental. The purchase of meals for travelers of the College is prohibited. The card may not be used to pay for non-College related hotel stays or room service of any kind (e.g. meals, video rentals, phone calls, laundry or any other charges). It is the responsibility of each cardholder to ensure that any charges of a personal nature are not charged on the College-issued PCard.


Specific guidelines and procedures for College related travel are outlined in MDC Procedure 3400, Travel Reimbursement for the District Board of Trustees, the President, College Employees and Other Authorized Persons and MDC Procedure 3450, Travel Advances for Estimated Expenses Pertaining to Student Activity and Athletic Funds.

K. Additional Considerations of Purchasing Card Program

1. Purchases made in Florida are exempt from Florida sales tax and other Florida local transaction taxes such as county surtaxes and tourist development (i.e. hotel room) taxes. The sales tax exemption identification number is printed on the face of the PCard. In addition, the Consumer's Certificate of Exemption is available on the Business Affairs intranet website. Cardholders must be diligent at the point of sale to ensure sales tax is not added. Sales and use taxes imposed by other states for goods or services consumed in those states are allowable charges.
2. The Purchasing Department may secure contracts for certain materials or services that are commonly used by the College or may issue awards to vendors for favorable pricing terms based on volume buying power. These contracts and/or awards should be utilized if feasible, and cardholders should become familiar with these arrangements prior to placing order(s). Information about term contracts and awards is typically posted on the Purchasing Department's website at: www.mdc.edu/purchasing. Cardholders may also contact the Purchasing Department.
3. The College is committed to increasing its utilization of goods and services provided by small, local businesses in accordance with College Policy VI-4, Small Local Business Enterprise Initiative. As such, cardholders are strongly encouraged to use these designated vendors when possible. Cardholders may contact the Purchasing Department for further assistance.

L. Cardholder Misuse

Each cardholder is responsible for the purchases on their PCard. The purchase of personal or unallowable goods or services and/or other instances of misuse may result in loss of PCard privileges, disciplinary action up to and including termination of employment, and prosecution to the extent permitted by law. In addition, multiple instances of noncompliance with established PCard procedures, including untimely verification and approval of transactions, splitting transactions, sharing PCards, or frequent errors, may result in suspension or loss of PCard privileges.

	01/30/2024
PRESIDENT	DATE