



PROCUREMENT CARD PROGRAM (PCard)

Guidelines for Cardholders and Approving Officials

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WELCOME TO THE PROCUREMENT CARD PROGRAM

The Procurement Card (PCard) Program is established to allow authorized college personnel to obtain a state issued Visa to pay vendors for small dollar items purchased for College business.

We hope you find the Procurement Card Program helpful in efficiently conducting business for Red Rocks Community College. Please do not hesitate to ask questions regarding any aspect of the PCard Program. We welcome your input and suggestions for improvement of this program.

Using This Handbook

This handbook will provide you with the basic steps for using the PCard. It covers usage, compliance, documentation, reviewing and approving statements, reallocating transactions and more. We understand that all situations may not be addressed in this handbook. If you have unique circumstances, please contact Purchasing or alternate contact below for guidance.

RRCC Contacts

Renee Murillo, Procurement Manager
Procurement Card Program Administrator
renee.murillo@rrcc.edu
303.914.6345

Lynn Beltran, Purchasing Coordinator
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303.914.6344

Holly Gentry, Controller
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303.914.6341

Bryan Bryant, Vice President of Administrative Services
bryan.bryant@rrcc.edu
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PCard Email
rrcc.pcard@rrcc.edu

BANK Contact

US Bank: Customer Service 1.800.344.5696

For the most current forms visit the [Purchasing webpage](#).

CODE OF ETHICS

State of Colorado Procurement Code and Rules

All purchases must be for official state business and regardless of method of payment, must comply with the State of Colorado Procurement Code and Fiscal Rules. Any unauthorized purchase can result in an employee being held personally responsible in accordance with the Colorado Revised Statute (CRS), 24-109-404, LIABILITY OF PUBLIC EMPLOYEES:

“IF ANY GOVERNMENTAL BODY PURCHASES ANY SUPPLIES, SERVICES, OR CONSTRUCTION CONTRARY TO THE PROVISIONS OF THIS CODE OR THE RULES PROMULGATED PURSUANT THERETO, THE HEAD OF SUCH GOVERNMENTAL BODY AND THE PUBLIC EMPLOYEE, WHICH FOR THE PURPOSES OF THIS SECTION INCLUDES ELECTED OFFICIALS, ACTUALLY MAKING SUCH PURCHASE SHALL BE PERSONALLY LIABLE FOR THE COSTS THEREOF. IF SUCH SUPPLIES, SERVICES, OR CONSTRUCTION ARE UNLAWFULLY PURCHASED AND PAID FOR WITH STATE MONEYS, THE AMOUNT THEREOF MAY BE RECOVERED IN THE NAME OF THE STATE IN AN APPROPRIATE CIVIL ACTION.”

Additionally, all state employees must adhere to the following:

State of Colorado Code of Ethics

Any person employed by the State of Colorado who purchases goods and services, or is involved in the purchasing process, for the state, shall be bound by this code and shall:

1. Avoid the intent and appearance of unethical compromising practice in relationships, actions, and communications.
2. Demonstrate loyalty to the State of Colorado (state organization where employed) by diligently following the lawful instructions of the State of Colorado while using professional judgment, reasonable care, and exercising only the authority granted.
3. Conduct all purchasing activities in accordance with the laws, while remaining alert to, and advising the State of Colorado (state organization where employed) regarding the legal ramifications of the purchasing decisions.
4. Refrain from any private or professional activity that would create a conflict between personal interests and the interests of the State of Colorado (CRS, 18-8-308).
5. Identify and strive to eliminate participation of any individual in operational situations where conflict of interest may be involved.
6. Never solicit or accept money, loans, credits, or prejudicial discounts, and avoid the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence, or appear to influence purchasing decisions.
7. Promote positive supplier relationships through impartiality in all phases of the purchasing cycle.
8. Display the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire the confidence of the State of Colorado and the public being served.
9. Provide an environment where all business concerns, large or small, majority or minority owned, are afforded an equal opportunity to compete for State of Colorado business.
10. Enhance the proficiency and stature of the purchasing profession by adhering to the highest standards of ethical behavior.

[The complete state Procurement Code and Rules and the Code of Ethics](#)

LOST OR STOLEN CARD

IMMEDIATELY REPORT A LOST OR STOLEN CARD TO US BANK CUSTOMER SERVICE:

When reporting a lost or stolen card to US Bank, inform them this is a “Purchasing Card”.

THEN CONTACT: Procurement Card Program Administrator **and** Purchasing Coordinator via the PCard email: rcc.pcard@rrcc.edu

The College is liable for all charges made on a PCard before the card is reported as lost or stolen. If fraudulent activity does occur, the bank will work with law enforcement, if applicable, and the Cardholder to investigate and attempt to recover the expenses. The Cardholder may be asked to complete an Affidavit of Credit Card Fraud.

LIMITS AND MERCHANT CATEGORY CODE (MCC)

How the Card is Controlled

- The standard limit per transaction is set at ***\$3,500.00 (see below)**. Any exceptions are handled on a case-by-case basis.
- Each card has limits, which are specified by the Procurement Card Program Administrator. These are transaction limits, daily limits, per cycle dollar limits and maximum number of transactions allowed per day and per cycle.
- *Incorporate a planned purchasing concept to avoid the appearance of a “split” purchase. If the total amount of the goods exceeds your limit (aggregate spend) then reach out to Renee Murillo for guidance. Solutions may include a one-time increase or issuance of a Purchase Order.
- MCC Code groupings are assigned depending on the Cardholder’s department and purchasing responsibilities.
- Each card is excluded from specific merchant types such as travel vendors, vehicle vendors and access to cash, betting, lottery, etc.

ROLES AND RESPONSIBILITIES

Cardholders:

- Create a PIN when activating your card. If you forget the pin number, you will have to contact the bank. Purchasing will not have access to this information.
- **IMMEDIATELY** report a lost or stolen card to US Bank. Your department has full liability for all purchases made before a card is reported lost or stolen. Also inform the Procurement Card Program Administrator **and** Purchasing Coordinator.
- Making PRE-APPROVED purchases for your department of authorized and allowed goods up to your transaction limit. As the Cardholder, you are the only one authorized to use the procurement card.

DO NOT SHARE YOUR CARD OR CARD NUMBER WITH ANYONE ELSE.

- Making purchases in compliance with information set forth in this handbook and in compliance with State Purchasing Rules and Regulations. Remember, the PCard is just a method of payment. All regular purchasing rules still apply.

- Making purchases in compliance with State Price Agreements. See “Selecting a merchant” under “How the Process Works” for additional details.
- Ensuring original documentation (charge slip or invoice) is complete and kept in your procurement card file for every transaction. If a receipt is lost and a duplicate cannot be obtained from the merchant, complete the "Documentation of Lost or Unavailable Transaction Information form".
- Disputing charges in a timely manner.
- Ensure refunds/credits are posted to the same card account charged.
- Notifies Approving Official of changes in employment status such as transfer and termination.
- Turning in your card to the Procurement Card Program Administrator upon termination of employment and submitting all documentation (receipts) for PCard purchases prior to final exit process.
- The Cardholder is ultimately responsible for ensuring that the bank statements are reconciled on a monthly basis and all records match. As a best practice, Cardholder should reconcile purchases within approximately 5-7 business days of the cycle close date (25th) each month and submit the packet to their Approving Official for review and approval. Complete the PCard Monthly Checklist and Certification and attach it to each statement.
- Complete the PCard Expense Log.
- RRCC is a Colorado sales tax exempt institution. There should not be any sales tax charged for purchases delivered within the state. If you are charged tax in error, please request a refund from the vendor.
- Ensure that all deliveries are to Red Rocks, either Lakewood or Arvada Campus and ***not to a home or other address***. Be sure that any receipts, invoices for dues/memberships are made out to RRCC’s address and not a home address.
- Discontinuing use at fiscal year-end during dates specified by the College’s Controller. The Procurement Card Program Administrator will notify all Cardholders of the affected dates as the fiscal year-end approaches.
- Attending refresher trainings as scheduled.

Approving Officials (Business Manager Role in Banner):

Approving Officials serve as an internal control point for the Program by ensuring that Cardholders comply with state and system Procurement, Personnel and Fiscal Rules, RRCC’s internal policies, and the provisions of the College’s Procurement Card Program. Some responsibilities include:

- Ensuring all Cardholder purchases are preapproved prior to origination. PCards are a method of payment and do not remove the requirement for ensuring purchases are preapproved. If your Cardholder purchases items without your preapproval, notify the Procurement Card Program Administrator immediately so the situation may be addressed as a purchasing violation.

- Reviewing all transactions in detail, ensuring PCard usage follows all practices and procedures.
- Ensuring that all statement reconciliation documentation is received by you in a timely fashion for your review. Sign the PCard Monthly Checklist and Certification form.
- As a best practice, set up a process with the Cardholder to assign a “responsible person” so that approved bank statements, and all backup, are submitted to Purchasing on a monthly basis by the 15th of the following month. **Note:** Approved bank statements not received by the 15th of the month may result in points assessed to the Approving Official and/or the Cardholder.
- Notify the Procurement Card Program Administrator of any changes in Cardholder employment and/or supervision status.
- Monitoring Cardholder activity for unusual patterns of use.
- Documenting and reporting Cardholder violations to the Procurement Card Program Administrator.
- Monitoring budget to ensure that sufficient funding is available, and that appropriate reallocation is occurring regularly.
- Attending a biennial in-person training. Approving Officials who do not satisfactorily complete training as requested may have their approving authority suspended until satisfactory training requirements are met. Another fully trained Approving Official (following the hierarchy) will need to complete the review of all Cardholder statements until training is completed.

Reallocators (Account Manager Role in Banner)

Note: Some Cardholders may not be assigned reallocation responsibilities, a staff member may, in rare instances, be designated only the task of reallocating PCard purchases made by another staff member.

- Reallocating transactions within 5 days of postdate.
- Transactions must be reallocated before the feed date indicated in the FAAINVT form.
- Evidence of reallocation in Banner.

USE OF THE PROCUREMENT CARD

State Fiscal Rule 2-1 (based in statute) provides that all expenditures by state agencies shall meet the following standards of propriety:

3. RULE:

- 3.1. Are for official State business purposes only.
- 3.2. Are reasonable and necessary under the circumstances.
- 3.3. Are authorized by the appropriation and required approvals have been received.
- 3.4. Prices or rates are fair and reasonable.
- 3.5. Amount is within the available unencumbered balance or is within the balance encumbered specifically for the expenditure.
- 3.6. Are in compliance with applicable statutes, executive orders, rules, and policies.

State Agencies and Institutions of Higher Education shall not donate to any other entity or individual unless specifically permitted by statute.

All expenditures by State Agencies and Institutions of Higher Education recorded in a State fiscal year shall be for services performed or goods received by the last day of that fiscal year.

In addition, college funds may not be used to purchase goods/services for personal use or for the personal benefit of another individual. Refer to prohibited transactions on page 14.

PURCHASING AUTHORITY/SIGNATURE AUTHORITY

Only an employee delegated to purchase on behalf of the college may do so. Employees with delegated signature authority may purchase or authorize transaction posting for specific orgs only up to the limits established by this guideline. A Fiscal Delegate Signature Authorization Form must be on file in Purchasing.

HOW THE PROCESS WORKS

OBTAIN PREAPPROVAL(S)

- **Supervisor.** Request approval from your supervisor/Approving Official in advance of your planned purchase.
- **IT purchases** - Computer Hardware/Software, Electronic Equipment - IT Director Guidance is available in the Purchasing Handbook available online on the [Purchasing webpage](#).
- **Food** - related to Official/Training Functions - Prior approval from the President or applicable Vice President must be granted before using your PCard to pay a vendor for this expense. The Official Function form must be completely filled out with all applicable information including the name of the vendor, estimated costs, description of the meeting, training, etc. The form is available on the [Purchasing webpage](#).

IMPORTANT NOTE: PCards may **NEVER** be used to pay for a seated/served meal in a restaurant per CCCS policy, even with a preapproved Official Function form.

- **Grants** - Purchases that are funded by grants (i.e. Perkins), special projects, etc.
- **Services** - You must obtain approval from the Procurement Card Program Administrator or Purchasing Coordinator before you use your PCard to pay for services, except in very specific instances listed on page 16.
- **Conferences (overnight)** - Registration for conferences requiring overnight or out-of-state travel, regardless of who is paying for the travel costs. The Travel Authorization form must be approved by the President and have the assigned "RR" number **BEFORE** you pay for any conference registration expenses. Attach a copy of the fully executed, approved Travel Authorization form to your PCard statement.

PURCHASE

Make a purchase in accordance with Fiscal, Procurement and RRCC Purchasing Guidelines. The procurement card is a method of payment for goods, approved services and should be used for official College business purposes only.

Selecting a Merchant:

Cardholders should make their purchases from State Price Agreements (also known as State Awards) where applicable. If you have any questions on vendor selection, contact the Purchasing Department for guidance.

Some State Price Agreements include but are not limited to:

- FURNITURE
- TONER – can be purchased from Beyond Technology or the office supply vendors
- JANITORIAL SUPPLIES
- INDUSTRIAL SUPPLIES/Maintenance Repair and Operations (MRO) – typically items that would be purchased at a hardware store
- PAPER (COPY AND PRINTER)
- OFFICE SUPPLIES - preferred vendors include Office Depot and Staples
- SMALL PACKAGE DELIVERY

Cardholders are responsible for ensuring compliance with State Price Agreements.

Please review the list of commodities that are covered under the [State's Price Agreements](#).

Whenever possible, use minority, women-owned and small businesses.

Amazon, PayPal and Foreign Vendors

CCCS has established an **Amazon Business Prime Account** for the sole use of Cardholders to purchase items that are not available on a State Price Agreement. The following restrictions apply to the use of this account:

- Always check for available state price agreements first. Amazon should be your last choice vendor.
- RRCC PCards are the only allowable payment method. Personal credit cards may not be assigned to your Amazon Business account.
- Amazon Business accounts may not be shared.
- Certain commodities should be blocked from placing in your cart such as furniture and IT equipment.

PayPal, Square, and other payment portals. PCards may not be assigned to a personal PayPal account to make payments. When presented with PayPal as a payment option on online sites, choose to check out as a guest only. Payments to vendors who process their payments using PayPal, Square or other payment services on the vendor side are allowable, *if no other options are available*.

Foreign Vendors. The following process applies to the use of foreign vendors:

- Determine first if a Colorado or USA vendor can supply the goods or services instead.
- If a Colorado or USA vendor is not available, reach out to Purchasing for information to complete the Foreign Vendor Questionnaire. This document is submitted to CCCS Compliance Officer.
- Attach approval as backup to the transaction.

Placing an Order:

You may place your order in person, by phone, or online. **Please be sure to provide the vendor with your PCard number as a method of payment at the time the order is placed. TRACK ALL YOUR PURCHASES.** For security reasons, do not use the card to place an order over the Internet unless you know it is a secure site and do not fax or mail the full credit card number, instead ask the vendor to call you and you can provide the information at that time.

At no time may a card number be placed "on file" with a vendor.

Inform the merchant of the following information:

- **This purchase is tax exempt. Tax exempt #98-15145-0000**
- This is a Red Rocks Community College purchase and should be accorded any applicable discounts. Remind merchants to use the state award pricing, if applicable.
- Give your name as it appears on the card.
- Give accurate delivery information.
- Do not allow COD deliveries.
- Please ensure that all deliveries are to Red Rocks, either Lakewood or Arvada Campus and *not to a home or other address.*
- Request documentation showing description and cost of each item.

Prohibited Vendor Practices:

The State agreement with the bank issuing the PCards has various provisions which vendors must follow. Below is some information from those agreements:

Charges to Cardholders -

A Merchant must not directly or indirectly require any Cardholder to pay a surcharge or any part of any Merchant discount or any contemporaneous finance charge in connection with a transaction. A Merchant may provide a discount to its customers for cash payments. A Merchant is permitted to charge a fee (such as a bona fide commission, postage, expedited service or convenience fees, and the like) if the fee is imposed on all like transactions regardless of the form of payment used, or as the Corporation has expressly permitted in writing. For purposes of this Rule:

1. A surcharge is any fee charged in connection with a transaction that is not charged if another payment method is used.
2. The Merchant discount fee is any fee a Merchant pays to an Acquirer so that the Acquirer will acquire the Transactions of the Merchant.

Minimum/Maximum Transaction Amount Prohibited -

A Merchant must not require, or indicate that it requires, a minimum or maximum transaction amount to accept a valid and properly presented card.

Keeping Track of Orders Placed:

Keeping track of the orders you place will allow you to follow up on late deliveries, problem orders, partial shipments, and other order issues. If necessary, keep a log of orders placed.

RECEIVE GOODS, REVIEW PURCHASE DOCUMENTATION, and CHECK FOR TAX

Receive and Inspect the Goods:

Inspect all goods IMMEDIATELY UPON RECEIPT. If there is a problem with the order, contact the merchant immediately. Keep notes on problems and resolution including names, dates, and the results of the communication.

Review Receipt for Accuracy:

Be sure to look at your back up documentation and make sure that all items you were charged for are valid.

Sales Tax:

The State Is Exempt from Colorado State and Local Taxes. Does Not Apply to Other States or Foreign Countries.

- It is the Cardholder's responsibility to request refunds when taxes are charged.
- Check invoice/receipt for sales tax that may have been charged in error right away. Doing so will allow you to request an immediate refund from the vendor.
- If the vendor cannot provide a refund, documentation of efforts to secure a credit from the vendor should be included with the transaction.
- In such instances, Cardholders are instructed to refrain from using the vendor in the future.
- Large amounts or repeated instances of taxes charged may result in the use of the point system.

EMAIL COMMUNICATION AND REALLOCATE

Receipt of Transaction via Email:

As transactions post in Banner, Cardholders, account managers and the business manager should receive an email notification showing the merchant's name and the dollar amount of each purchase. Cardholders should review the email to ensure that each transaction listed is their own.

Account managers have approximately **5 business days** from the bank postdate to reallocate expenses in Banner. Transactions will remain in the FAAINVT form until Finance runs an electronic sweep process to post them to the Banner-operating ledger. If the PCard transaction is defaulted to the wrong account code and the sweep is completed, the transaction will post to an incorrect org and/or account code. If that occurs, a manual journal entry (IDI) will need to be processed by the Accounting department so that the expense can post to the correct org or account code. Reallocation instructions are available on the [Purchasing webpage](#).

Please contact the Procurement Card Program Administrator if you need any assistance with the reallocation process.

RECONCILING THE BANK STATEMENT

- Cardholders will download the current statement directly from their US Bank account at the end of the bank cycle.
- Complete and sign the PCard Monthly Checklist and Certification form.
- Complete Expense Log.
- Attach any invoice(s)/receipt(s). Receipts smaller than 8.5x11 should be taped (portrait format) to a piece of 8.5x11 paper to aid in scanning to Banner Document Management (BDM).
- Attach evidence of reallocation.
- Identify any disputed charges and make a note on the Checklist.
- Provide the full packet to your Approving Official. As a best practice, this should be approximately 5 business days of after end of bank cycle.

Required Transaction Documentation:

The Cardholder is responsible for ensuring that every transaction has valid supporting documentation. Valid supporting documentation is a receipt or paid invoice.

Information contained in supporting documentation MUST include:

- Merchant name
- Purchase date
- Description, price, and quantity of each item purchased. *An itemized list and a clear detailed description of what was purchased are required.* For example, a merchant may have “3XY4567” as the description on the receipt; if that is the case then *what* was actually purchased needs to be identified i.e., “snow shovel”.
- Total cost of the order
- Cardholder name and/or last 4 digits of card number

Additional back up may include:

- Official Function Form
- A copy of the Travel Authorization Form
- **Field Trips:** Must have a class roster or sign in sheet of participants to support the expense.
- **Textbooks:** Documentation on the Expense Log should list the course name/title and instructor/staff. Include the intended use i.e., desk copy for instruction or professional development resource.

PCard Expense Log:

- List the transactions that match the statement.
- **Business Purpose:** Clear, detailed explanation for the business need for the item/service purchased.

Note: *All explanations should be written in a level of detail such that a person with no knowledge of college business practices could understand the need for the purchase and the description of the specific item purchased. i.e., so that an auditor can understand the “what” and “why” of each purchase. (i.e., Textbook for Melissa Grant, English Instructor desk copy for classroom purposes.)*

- Acknowledgement of “*receiving*”

After receiving and reviewing the completed packet, purchasing staff may follow up with the Cardholder if an additional explanation is required or additional documentation is needed. *Please know we are asking additional questions only to ensure all appropriate detail required for audit purposes is fully documented. Please work with Purchasing to ensure all requested documentation is received quickly.*

To fully reconcile the bank statement, the Cardholder must review transactions as follows:

- Attach all receipts/invoices pertaining to each transaction (receipts must be ready to scan) in date order to the PCard Monthly Checklist and Certification form. **Make sure your records match.** Documentation is required for charges and explanation of credits. If documentation is missing and a duplicate receipt cannot be provided by the vendor, complete the Lost or Unavailable Transaction form. *It is expected that every effort will be made to obtain a duplicate receipt from the vendor. Typically vendors can provide a duplicate receipt if requested within 30 days of the original purchase.* A copy of this form is located on the [Purchasing webpage](#).
- For items purchased with grant funds, forward all **original** receipts to the Grant Accountant, no later than the 5th of each month. For example, if you purchase goods for a grant on December 20th, the receipt and other documentation (except for the approved PCard statement) must be in Grant Accounting by January 5th. When you submit your statements monthly to Purchasing, please be sure to include a copy of each original receipt that you submitted directly to Grant Accounting. This will help Purchasing in the audit of your statement.
- Reconcile credits in the same manner as charge transactions.
- If you have purchased food relating to an official/training function, ensure a copy of the "Official Function Form" is attached to the statement and, if applicable, attach a copy of the agenda and sign-in sheet.
- If a payment has been made for conference registrations pertaining to overnight or out-of-state travel, attach a copy of the **fully executed Travel Authorization form** to your PCard statement.
- The PCard Monthly Checklist and Certification form must be completed (*indicate Y or N/A as it is applicable for EACH line that pertains to the current month's statement*), printed name and dated by the Cardholder and forwarded along with the statement and all receipts, to the Approving Official. The Approving Official will review the statement and the purchases made and also sign the certification form.
- Bank statements, along with all applicable backup and the certification form, are forwarded to the Purchasing Department on a monthly basis. **Statements are due on the 15th day of the subsequent month i.e. March is due on April 15.** (CCCS allows for a three-day grace period.)
- Statements not received by the deadline may result in late statement points to the Approving Official and/or the Cardholder.
- Please communicate with the Purchasing Department if you have any issues/concerns that would prevent you from meeting the deadline.
- Audits are conducted in compliance with CCCS guidelines. (All transactions receive 100% audit.)

PROHIBITED TRANSACTIONS

The procurement card may not be used for the following purposes:

Items listed with an * require special approval.

- Unauthorized purchases as noted in the table on page 15.
- Purchase of goods and services for personal use or for the personal benefit of another individual. All expenses must be for official college business purposes only. Some examples include:
 - *Greeting cards*
 - *Items for staff kitchens (coffee, plates, plastic wear, etc.)*
 - *Fundraising activities* - College funds may not be used to support private or RRCC related activities, this includes the purchase of goods or services. (Review [Business Services webpage](#) for fundraising guidelines)
 - *Flowers (exception i.e. induction or graduation ceremonies, award recognition)*
 - *Gift cards*
- Cash advances such as cash back with a purchase, cash credit returns, traveler's checks, money orders, and ATM transactions.
- Split transaction – item(s) is more than your single transaction limit (aggregate spend), split among more than one transaction or intentionally making purchases over a short period with the same vendor. Purchases >\$5,000 requires a PO.
- Backorders - Backorders could adversely affect future orders because of the "number of transactions" and "dollar amount per day" card limits and should be avoided.
- Travel related transactions (airline travel, automobile rentals, lodging, and restaurants) – the State Travel Card administered by State Travel Management Program is the required mechanism for these purchases.
- *IT related items such as desktops, laptops, printers, etc. unless prior approval has been granted by the ITS Director in writing.
- Alcohol purchases.
- Restaurant purchases (seated, non-catering). This includes ALL official functions.
- Automobile related products and services – prohibited for general PCard use. Cardholders whose job responsibilities include purchasing supplies and services for the repair and maintenance of agency owned, non-fleet vehicles should obtain written authority from the appropriate program director and the PCard Program Administrator. The State Fleet Card administered by State Fleet Management may be used instead for non-fleet related purchases and must be used on all purchases for state fleet vehicles.
- Unallowable purchases under the terms of any applicable grant or project.
- Payments on contracts without proper authorized signatures, including internet purchases which require a “click-through” agreement.
- *Gift cards. Rare exceptions may be approved. IRS guidelines must be followed.
- Sponsorships/Donations.
- Items which have not been preapproved by your supervisor/Approving Official.

As a result of these prohibitions, various merchant categories have been excluded or have been placed “off limits” for use of the card. The following table includes a representative list of excluded Merchant Categories:

EXCLUDED MERCHANT CATEGORY TABLE

Merchant Category	Description
Automotive/Vehicle	Fuel for state vehicles (licensed equipment).
Cash /Equivalents	Cash advances, deposit accounts, traveler’s checks, foreign currency, money orders, savings bonds, manual or automated cash disbursements, securities, insurance money orders, and wire transfers.
Clothing Stores	Furriers and fur shops.
Entertainment	Betting including lottery tickets, chips at gaming casinos, off-track betting, and wagers at racetracks.
Food/Beverages	Meals, alcoholic beverages when consumed in eating places such as restaurants, bars, cocktail lounges, nightclubs, and other drinking places, fast food, packaged liquor stores.
Government Services	Court costs including fines, bail and bond payments, and tax payments.
Lodging	Hotels, motels, and resorts.
Personal use	Any goods and/or services for personal use.
Retail stores	Furniture, tobacco, duty free items, miscellaneous food stores, convenience stores, markets, specialty stores, and vending machines.
Services	Examples include but are not limited to: Employment agencies, temporary help services, computer and data processing services, truck stop transactions, moving companies. Services with single entity independent contractors-sole proprietors. Some items typically considered to be services are not prohibited. See the allowable list of services on page 16 of this Handbook. IMPORTANT: If a purchase is unclear, please contact the Purchasing Office.
Medical Facilities	Use of the card is prohibited at medical facilities such as Hospitals, Urgent Care, Dentist
Transportation	Travel agencies, airport services and airlines, auto rentals, railroads, bus lines, limousines and taxicabs, cruises, boats and ferries, marina services, bridge and road fees, commuter transportation, ambulance services, and other transportation services.
*Foreign Vendor	Must have prior approval from CCCS

Any exceptions will be handled on a case-by-case basis. Exception approval must be received in writing (email) from the Procurement Card Program Administrator, Purchasing Coordinator, or the Controller and filed with your PCard statement.

ALLOWABLE PCARD PURCHASES OF SERVICES

The following transactions are not considered to be prohibited services. The PCard may be used to pay for:

- Certified Mail – USPS
- Deposits/payments for tool/equipment rental, field trips (non-restaurant)
- Dry Cleaning and Laundry Services
- Dues and Memberships
- Embroidery services when purchasing clothing such as uniforms, t-shirts, etc.
- Food Service Vendors
- Framing of Artwork and Specialty Items
- Advertising – *Marketing only*
- Job Postings – *Human Resources only*
- Plaques and Awards
- Postage
- Printing – You may use the printer of choice.
- Promotional Items with customized logo, etc.
- Small Package Delivery (Shipping) – Fed Ex, UPS and DHL (International Shipping)

PRIZES, AWARDS, AND GIFTS

If a department wishes to provide a contest judge, speaker, etc. a gift in lieu of an honorarium payment, or provide a prize for contests, etc. they may do so up to a \$50 limit. The \$50 does not include incidental expenses such as engraving, packing, insuring, or mailing costs. An example of an appropriate “thank you” gift or “prize” within the IRS limitations would be an engraved plaque, RRCC shirt, or other item costing \$50 or less.

IMPORTANT: *If the dollar amount is more than \$50 then a Prize and Award form must be completed and signed by the recipient and additional forms may be required.*

Please note that gifts/awards to employees (including student employees) may have different requirements and should first be discussed with the Procurement Manager or Controller.

DECLINED TRANSACTIONS

Possible reasons for decline and what to do if your purchase is declined.

- Phone Orders – The merchant has written down the card number and/or expiration date incorrectly. Check the numbers with the merchant.
- The transaction exceeds your per transaction or per cycle **dollar** limits. Contact your supervisor/Approving Official and Purchasing to request possible approval for a temporary increase to your transaction or card limit.

- The transaction exceeds your daily or per cycle **number** of transactions limits. Contact your supervisor/Approving Official and Purchasing to request possible approval for a temporary increase in your limit.
- The merchant's 4-digit MCC code is one of the College's excluded codes.
- If the transmission is down between the merchant and its bank, the transaction will decline. Ask the vendor to try later. **Note:** If the vendor makes 10 tries and is declined each time, the card will then decline at any vendor for the remainder of the day.
- Contact US Bank customer service for information on why a transaction was declined.

RETURNS/EXCHANGES

- Make arrangements with the merchant before shipping an item for return.
- The merchant must credit a return and charge a new transaction. Exchange of like items, for example: different color may not require a credit transaction.
- It is a merchant violation to refund cash for a credit card return. Do not allow merchants to do this. It is a Cardholder violation to accept cash.
- Document all returns and exchanges. This information may be needed for a formal dispute. Make certain you return any item via Fed Ex or if mailing, send certified with a return receipt requested so you have written proof that someone signed for the return.

DISPUTED TRANSACTIONS

Disputed transactions must be reported to the bank within 60 days of the statement cycle date in accordance with contract terms. However, it is recommended that transactions are disputed within 30 days of the purchase. Please keep in mind that the first sign of a discrepancy can be detected when you receive the transaction email notification.

Most disputes can be settled immediately by contacting the vendor directly. If you are unsuccessful, follow the process below:

Formal disputes must be filed with US Bank within 60 days of the end of the cycle in which the transaction first appeared. The Disputed Transaction form can be found on the [Colorado.gov website](#).

Contact the Procurement Card Program Administrator for assistance.

The following may be formally disputed with US Bank:

- Unauthorized charges, including unauthorized phone or mail order charges.
- Difference in amount authorized and amount charged.
- Duplicate charges.
- Transactions which are yours but are being challenged for other reasons.
- Failure to receive goods.
- Returned or defective merchandise.
- You have received a credit voucher from the merchant or have been told by the merchant they will issue a credit, but the account has not yet been credited in the PCard system.

APPROVING OFFICIAL REVIEW

Approving Officials must document their review and approval of each purchase listed on each account statement received from US Bank. Next, the Approving Official forwards the completed, signed packet to Purchasing along with all supporting documentation. The PCard Monthly Checklist and Certification form must be signed by the Cardholder and Approving Official in order to document review and approval.

Please remember that approved statements/packets should be submitted to Purchasing no later than the 15th of the month following the cycle close date. Packets received after the deadline may result in violation points assessed to the Cardholder and/or the Approving Official.

Approving Officials should review each statement to ensure:

- Cardholder reviewed and correctly completed the checklist and signed the certification.
- All purchases were preapproved.
- All documentation is received and scan ready in accordance with PCard and department practices and procedures by established deadlines.
- An Expense Log is completed for each transaction and includes documentation of:
 - Detailed description of business purpose for purchase
 - Signature and date acknowledging receiving.
- Evidence of reallocation.
- Review any conference details **or** official function details to ensure appropriate documentation is submitted.
- Review of any sales tax charge and Cardholder resolution.
- All Cardholder violations are documented and reported in accordance with department guidelines.
- Each purchase is for official state business only and meets State Fiscal Rules, Procurement Rules and CCCS system and RRCC policies.
- If purchase is made with grant funds, Approving Official also verifies purchase is allowable to program and contains proper approvals by grant personnel.
- If there are discrepancies i.e., missing receipts, missing Official Function form, charged tax, please work with the Cardholder to correct the situation before signing off on the statement.
- If there is a PCard violation such as using the card to pay for IT equipment, using the card to purchase items that were not preapproved, etc. inform the Procurement Card Program Administrator. You may submit a written explanation on the certification form with the bank statement indicating the reason why you are not “approving” the specific transaction. The Procurement Card Program Administrator will follow up with you and the Cardholder regarding the appropriate course of action.

Violations should be reported to the Procurement Card Program Administrator immediately upon discovery. In addition, in accordance with State of Colorado Fiscal Rule 2-7 all incidents of suspected fraud and abuse of the procurement card, along with any misuse of the PCard, must be reported to the State Controller’s Office and State Purchasing.

For audit purposes all records pertaining to a purchase must be kept for a period of seven (7) years. Records will be retained by Business Services.

IMPROPER PURCHASE PROCEDURE

All staff authorized to purchase goods or services on behalf of their departments are required to know and follow State Fiscal and Procurement Rules, Colorado Community College System (CCCS) policies and Red Rocks Community College internal processes including those defining violations and their consequences. If you become aware of a mistake in the procurement process, immediately contact the Procurement Manager or Controller for guidance on rectifying the situation.

If the Procurement Manager determines that a violation has occurred, an email notification will be sent. This notice is documented and tracked electronically.

The Procurement Manager will issue points for each discovered violation; however, a written warning may be issued in lieu of points being assessed. Human error and the degree of seriousness will be taken into consideration.

Consequences Violation Points

- Anyone that accumulates 150 points or more will have their purchasing authority suspended. This includes a combination of PCard misuse and other purchasing infractions.

Depending on the nature of the circumstances, the issuance of points may not be a factor and automatic suspension, or revocation may be enforced. This means a serious violation may result in the inability to sign a purchase requisition, expense voucher, or initiate any type of purchase by any means including use of the PCard.

Suspension or revocation of purchasing authority will be handled on a case-by-case basis.

- Violation points will be reviewed on a quarterly basis. The violation points will be removed from the total cumulative points approximately two years after the points were assessed. However, the record of the violation points will remain on file permanently.
- Violation points will remain in effect even if the staff member transfers to a different department.

Misuse of College Procurement Card

Cardholder and Approving Official must adhere to the administrative responsibilities of the program. Frequent follow up due to missing information, late statements, etc. may result in suspension or cancellation of the card. The following are possible violations and the amount of points issued:

- Shared card - 75 pts.
- Unauthorized or inappropriate purchase - 50 pts.
- Inadvertent personal use - 50 pts.
- Intentional personal use - 150 pts. - ***immediate revocation of all purchasing authority***
- Failure to provide required documentation with statement - 50 pts.
 - Seven-day suspension periods may also be implemented.

- Failure to reallocate transactions in Banner – 10 pts. per transaction.
- Sales Tax charged - 25 pts.
- Submitting statements late – 25 pts.
 - Repeated instances of late statements are handled on a case-by-case basis and may lead to suspension or cancellation of PCard use, regardless of purchasing violation points assessed.
 - Seven-day suspension periods may also be implemented.
- Split transaction – item (s) is more than your single transaction limit (aggregate spend), split among more than one transaction or intentionally making purchases over a short period with the same vendor. Purchases >\$5,000 requires a PO. -50 pts.
- Signing a Vendor Agreement, Contract or Credit Application (*The College President and Vice President of Administrative Services are the only "authorized" personnel on campus that can sign these documents*). - 100 pts.

Misuse report is due to the State Purchasing Office on November 1 of each year. Transactions >\$500.00 or re-occurring issues.

DEFINITION OF TERMS

Approving Official – The individual assigned responsibility for reviewing PCard usage for cards associated with their Organization codes (Orgs), to ensure compliance with the policies and guidelines set forth in the PCard Program Handbook. A Cardholder may not be his/her own Approving Official.

Account Manager – A security “role” assigned in Banner. The person responsible for reallocating PCard transactions.

Billing Period – The monthly billing cycle set by US Bank. The cycle at RRCC begins on the 26th and ends on the 25th day of each month.

Business Manager - A security “role” assigned in Banner. Typically, the supervisor of the PCard or account manager.

Cardholder – A College employee who has been issued a PCard. The Cardholder is responsible for making proper and allowable charges on the PCard and for immediately notifying the PCard Program Administrator of a lost or stolen PCard.

Charge – PCard transaction resulting from a payment to a vendor for goods and/or services. Charges appear on the PCard bank statement as a positive number.

Credit – PCard transaction reversing previous charges as the result of returning goods or any other valid reason. Credit transactions are issued by a vendor. Credit transactions have the same documentation requirements as purchases. Credits appear on the PCard bank statement as a negative number and reduce the amount owed by the college to the bank.

Default Org/Account – The Org linked with the individual PCard. All transactions made with the PCard will be initially charged to this Org. The default Org is required on the PCard application.

Dispute – A transaction appearing on the monthly Cardholder statement which the Cardholder believes is invalid.

US Bank – Issuing banking institution of the individual Visa credit cards.

Merchant – Any business that accepts a Visa credit card.

Merchant Category Codes (MCC) – These codes are groupings of the four-digit Standard Industry Code, which best describes the vendor’s type of business. Transactions at vendors with certain (disallowed) MCC codes will cause the card to decline.

PCard/Procurement Card – Visa credit card issued to individual employees of the College.

PCard Program Administrator – The College’s Procurement Manager. Person responsible for implementing policies and procedures.

Post Date – The date a transaction is sent from Visa to US Bank. This occurs several days after the transaction date.

Purchase – Allowable goods procured through the use of the PCard.

Reallocation – The process to move charges and/or credits to the proper Org and Account code. You may only reallocate to those Orgs for which you have the signature authority or the written permission of the Responsible Person/Org Owner for the Org.

Receipt – A document from the vendor, which details the items purchased, the date purchased, and the price. Typically, this consists of a traditional credit card receipt with detailed store cash register receipt attached but may also include detailed packing slips and order forms for purchases such as publications, memberships, subscriptions, etc. The per-item price must appear on the document, in whatever form it takes.

Transaction – A financial record sent to US Bank resulting from the use of the PCard either for purchase or a return of goods. The transaction is ultimately sent to the College's Banner PCard System.

Transaction Authorization/Decline – The authorization the merchant receives from Visa to accept or decline the purchase.

Transaction Date – The date the transaction was made with the vendor.

Violation – Non-compliance with the terms of the PCard Program Handbook resulting in improper use of the PCard.