

Policy Number/Title: 8.1.02 Purchasing Card Policy
Effective Since: 02/17/2025
Last Revision Approved: 02/17/2025
Responsible Office: Business and Finance

1. Scope:

The policy applies to all faculty and staff.

2. Definitions:

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3. Policy:

Purchasing Card Policy

PURPOSE

The purpose of this policy is to provide an efficient method of purchasing and paying for goods, ensure purchasing card purchases are in accordance with the State and university policies and procedures, ensure that the university bears no legal liability for inappropriate use of purchasing cards, and provide notice of possible disciplinary action if the purchasing cards are misused.

A. STANDARDS OF CONDUCT

The use of a P-Card is an exception to the standard procurement process which requires approval prior to the purchase of good and services. State employees expending public monies hold a public trust; their conduct must meet the highest ethical standards. All State government employees must use the P-Card only to purchase supplies and services within the guidelines of this Policy. Cardholders and the Cardholder's Supervisor who make false statements on the P-Card records may be terminated from their position and may be fined, imprisoned, or both, as stated in the S.C. Code Ann. § 16-13-210.

B. The P-Card is FOR OFFICIAL USE ONLY.

The P-Card has the Cardholder's name embossed on it, and in accordance with VISA International regulations and State policy, may only be used by that individual. Use of the P-Card by a Cardholder for a personal purchase and/or a purchase of supplies or services



that the Cardholder had no authority to make, and/or use of the P-Card by a person other than the Cardholder are unauthorized and strictly forbidden. Unauthorized use of the P-Card for personal purchases or use of the P-Card by a person other than the Cardholder may result in disciplinary action, up to and including termination from State employment and criminal prosecution. Supervisors or other approving officials who knowingly, or through willful neglect, approve or allow personal or fraudulent purchases or misuse of the P-Card are subject to the same disciplinary actions as Cardholders.

C. Card Issuance Requirements

1. Issuance is limited to one P-Card per Cardholder.
2. Cardholders must be permanent, part-time or full-time State employees whose jobs require the use of P-Card. There will be no exceptions to the following:
 - a. Cards may not be issued to student employees, temporary workers, or contractors.
 - b. Cards will not be issued in the name of a department or work unit to be shared by multiple employees.
 - c. Cards will not be issued to employees of foundations, subsidiaries, or related parties associated with Winthrop University.
3. An employee's supervisor and the P-Card Administrator must approve a Cardholder's application for a P-Card.
4. All training requirements as described in this Policy must be met before an employee receives the P-Card.

D. Allowable Purchases

The P-Card can be used for small value purchases of supplies, materials, equipment, or services, in compliance with the SC Consolidated Procurement Code, and where not otherwise prohibited or restricted.

E. Prohibited Purchases.

The following types of purchases are strictly prohibited by State policy. No exceptions will be granted unless obtained in writing as set forth in this policy.



1. Personal purchases of any kind (Personal purchases are defined as purchases of goods or services intended for non-work-related use or use other than official State business).
2. Cash advances in any form, including use of the card or card number at Automated Teller Machines (ATMs), inside bank branches or at cash advance, quasi-cash and money transfer locations such as Western Union, Telecheck, etc.
3. Gift cards, stored value cards, calling cards, pre-paid cards or similar products.
4. Employee travel expenses, including lodging, transportation (except airline tickets and rental cars), and meals.
 - a. State Institutions of Higher Learning: See Provisos 117.8 and 117.20 of the 2019-2020 Appropriations Act as applicable to Higher Education. This Proviso allows lodging and meals to be paid for athletics and student activities leveraging revenue generated from those activities. See "Student Group Travel by Institutions of Higher Learning" below.
5. Entertainment, including in-room movies.
6. Alcoholic beverages.
7. Tobacco products.
8. Fuel for State-owned vehicles. Many of these purchases may be made with the State Fuel Credit Card, an alternate program.
9. Professional services.
 - a. Exceptions include the payment of student athlete medical invoices required to be paid per NCAA rules.
10. Food for consumption by State employees.
11. Purchases using a P-Card from a vendor with a blocked merchant category code.
12. To make payment on "open" accounts maintained with vendors. The P-Card shall only be used to pay one transaction at a time and cannot be used to pay the accumulated balance of an account.
13. Payment of State and local taxes to the Department of Revenue
14. Purchases made in conjunction with an executed contract or agreement.

F. Student Group Travel by Institutions of Higher Learning

For an institution of higher learning, acting under policies approved by its Board of Trustees, use of the P-card may be authorized by Agency P-Card Administrators for meal and lodging purchases incurred for the travel of student groups under the following procedures when expending funds derived wholly from athletic or other student contests, from the activities of student organizations, and from the operations of canteens and bookstores, and from Private Practice or funds other than general funds provided:

1. Only certain designated staff members who chaperone student trips routinely will be authorized to use P-cards for student group travel.
2. As with all other P-cards, each card must be issued in the name of one employee who is authorized to chaperone student trips. Each employee assigned a card has



complete responsibility for the use of that card. The card may not be used by anyone else.

3. P-cards may be used by authorized personnel to purchase food/meals, lodging, and airfares for students and chaperones when on student travel status trips. The p-card may not be used to pay meal or lodging expenses for any state employee who chaperones the students except as authorized under the exception for the institutions of higher learning listed above.
4. All P-card expenditures will be reviewed monthly in accordance with agency P-card review and reconciliation procedures.
5. All P-card charges related to travel expenditures for the students' travel should be accounted for as student travel.
6. Charges related to travel expenses for a state employee chaperone should be accounted for as employee travel. An employee chaperone must comply with state travel regulations for employees, including not using the p-card for their portion of meal and lodging expenses when non-exempt funds are used.
7. Any charges to the P-card that are found to be out of compliance with grant, state and/or institutions guidelines will be reimbursed to the college by the card holder within 10 days of the discovery of the excess charges.
8. Failure to repay excess charges will result in the permanent revocation of P-card use by the offender and will result in disciplinary action by the college.
9. Each P-card holder, with a P-card authorized for food/meal and lodging purchases, will sign, receive, and read a copy of this P-card guideline for food/meal and lodging purchases, acknowledging understanding and receipt of the guidelines, his respective institution's Board of Trustees' travel policies, and the terms of use.

G. When PRIOR AUTHORIZATION is required

P-Card holders may not use the P-Card for any of the following reasons absent express PRIOR authorization from the Agency P-Card Administrator:

1. requirements that necessitate other than routine terms and conditions (example: to pay for event services – the University's Contract management office should be involved)
2. requirements that are too complex to be conveyed verbally (example: price is variable – the University's Contract management office should be involved)

H. Cardholder Credit / Spending Limits

Spending limits are based on job responsibilities of the Cardholder. Cardholder spending limits are reviewed annually to determine that actual usage is consistent with spending



limits.

Spending limits that are available are:

1. Cycle (Credit) Limit – The cycle limit is a mandatory spending limit that restricts the amount of purchases a cardholder can make in one billing cycle.
2. Single Transaction Limit (STL) – The STL is a mandatory spending limit imposed on each Cardholder account for each purchase. STL above \$2,500 requires approval by the CFO. STL above \$10,000 requires both approval by the CFO and the Materials Management Office.

I. Obtaining Quotes.

P-Card Purchases \$10,000 and under may be made without securing competitive quotations or any type of value analysis if the prices are considered reasonable. If a Cardholder, through prior experience (e.g., comparison with prices paid previously for the same or similar items, familiarity with the supply/service based on frequent purchasing) knows that the proposed price is fair and reasonable, he/she does not have to do any further prior evaluation or analysis. However, if the Cardholder suspects or has information to indicate the price may not be reasonable or is purchasing a supply or service for which no comparable pricing information is readily available, action should be taken to verify that the price is reasonable and supporting documentation maintained by the Cardholder for twelve months following the date of purchase.

J. Order Splitting.

Splitting transactions to avoid the single transaction limit is strictly prohibited and doing so may result in removal of P-Card privileges.

K. Emergency Procedures.

If necessary, Winthrop will notify Materials Management Office of P-Cards that have been assigned a single transaction limit in excess of \$10,000 for the purposes of responding to the emergency as soon as practical after doing so. Cardholders shall document every approval and purchase made for Emergency Status and comply other requirements in the Procurement Policy. Once the Emergency is over, cards moved to Emergency Status shall be returned to normal status.

L. Ghost Card Accounts.

The term “Ghost Cards” refers to a P-Card account established for the payment of monthly or other periodic charges to an established supplier of a State Entity and for which a physical card is not issued. In cooperation with the State P-Card Coordinator and the Bank,



an Agency's P-Card Administrator may establish a Ghost Card to make payments to a single, specified supplier.

Ghost Cards provide a secure payment method restricted for use with the identified supplier and secured through numerous account restrictions including spending limits, merchant category code restrictions, and the absence of a physical card. Ghost cards may be considered when the supplier provides goods or services through an established relationship, often sending a monthly invoice for those goods or services. Examples of suppliers suitable for payment via a Ghost Card include telecommunication service providers, utilities, bulk fuel providers, and landlords. Ghost Card accounts are subject to the same merchant category code restrictions and single transaction limits as standard P-Cards as well as the same procedures for changing these restrictions and limits. Ghost Card accounts are also subject to all other requirements of this Policy. Please contact the State P-Card Coordinator

M. Program Compliance

Internal Controls.

1. Employees in the Procurement Office may not be P-Card holders.
2. Appropriate separation of duties between making transactions (Cardholders), review and approval of transactions for payment (approving officials), and payment of the cardholder monthly bank statements (Accounts Payable).
3. Appropriate hierarchical review and approval of purchases by someone with supervisory authority over the Cardholder and/or with the authority to question purchases if needed.
4. No Cardholder can provide approval for payment for his/her transactions or of the P-Card cardholder monthly bank statements. Review and approval responsibilities cannot be delegated to someone else.
5. Appropriate limits on the number of Cardholders assigned to supervisor/approving officials, and liaisons in order to ensure adequate review of business need and documentation (receipts/invoices, and monthly billing statement) for each purchase, and to ensure that each purchase complies with this policy and the Code.
6. Annual independent audit of the P-Card Program by Internal Audit unit to address:
 - a. Adequacy of internal policies and procedures;
 - b. Appropriateness of cardholder spending limits;
 - c. Adequacy of review, reconciliation, and payment procedures; and
 - d. Adequacy of documentation for transactions.
7. P-Card Statement Certification - P-Card Administrators are required to submit a completed Purchasing Card Statement Certification Form with each monthly statement. This form certifies that all purchases are in compliance with specific procurement laws, regulations, policies and procedures and that any misuse, abuse or fraudulent use of the Purchasing Card will be reported by the agencies.

N. Placing an Order.

The documentation requirements will be the same as those required for any other type of acquisition or purchase, and Consolidated Procurement Code compliance is required for each acquisition. For proper allocation of funds, a purchase requisition is prepared, and a different reconciliation program may need to be utilized.

To place the order and accept delivery the following procedures shall be followed:

1. Confirm the vendor will accept the State P-Card.
2. Merchants may charge a “premium” for the use of the P- Card but must “disclose the surcharge as a merchant fee and clearly alert the consumer of the practice at the point of sale.” If the vendor charges a premium, ask the vendor to waive the premium.
3. Delivery instructions: instruct the vendor to use the following format and list the following information on the shipping label and packing slip:

Agency Name

Attn.: PC#/Name and Building

Building 701 – Oakland Avenue Rock Hill, S.C. 29733

4. When a telephone order is placed for pick-up at a merchant’s facility, the Cardholder may designate a staff member to pick up the order. If someone other than the Cardholder picks up the order, they should sign as having received the item(s). Their signature is not an approval for the purchase on the P-Card but for receipt of the product.

O. Sign Monthly Bank Statements

Cardholder and the cardholder’s immediate supervisor must sign the monthly bank statements attesting to the accuracy and completeness of the statement. All signatures must be original signatures. Signatures made with rubber stamps are prohibited.

P. Document all transactions

Cardholder must submit all documentation to the supervisor or Liaison by internally established deadlines in order to ensure timely payment of the cardholder monthly bank statements. When a purchase is made over the counter, the Cardholder must obtain a customer copy of the charge slip.



Q. Reconciliation

The Cardholder will receive the bank statement each month. As an alternative, the Program's P-Card Administrator may choose to have Statements made available electronically through Bank of America's CenterSuite® .

The monthly transactions shall be processed and reconciled upon receipt in compliance with the agency's internal procedure(s) to ensure submission to the office of contract governance for timely payment. The P-Card Reconciliation Program allows for daily reconciliation of transactions. The Cardholder is notified via e-mail each time a transaction is posted from the Bank and allows for immediate reconciliation in lieu of waiting for the monthly bank statements to reconcile the charge.

R. Reconciliation in the Absence of the Cardholder

If the Cardholder will be absent from his/her office for more than four days after the statement of account is received, he/she should notify the Agency P-Card Administrator if no system delegation has been made to another employee in the program area to reconcile the account. The P-Card System is set-up to enable daily reconciliation by the Cardholder. The System allows delegation to another employee for reconciliation purposes as well. If the absence is extensive and no delegation has been made, the Cardholder's Supervisor shall review the receipts/documentation and sign the statement of account with an explanation as to why the Cardholder could not process the statement of account in a timely manner. The statement of account with receipts/documentation will be forwarded to the Agency P-Card Administrator for processing the reconciliation. The Agency P-Card Administrator shall provide training for an administrative alternate in the program area. Failure to review and/or process the statement of account in a timely manner will be grounds to suspend and/or terminate the P-Card.

S. Responsibilities

In accordance with SC P-Card Policy & Procedures, section III.A, the "Agency Head" (President) has delegated authority in the following manner:

The responsibilities of the VP of Finance / Chief Financial Officer (CFO) include:

1. Supervision and authority of the Program Administrator
2. Authorization to approve STLs over \$2,500, as appropriate

The responsibilities of the "Program Administrator" (Director of Procurement) include:



1. Development of the internal policy governing the use of the P-Card, to include the following minimum requirements:

- a. Ensure compliance with the State P-Card Policy;
- b. ii. Provide for unique needs based on Agency mission;
- c. iii. Define responsibilities of Agency P-Card Program personnel and establish process for changes in personnel;
- d. iv. Define criteria for obtaining a P-Card;
- e. v. Define acceptable use of the P-Card that cannot be less restrictive than State P-Card Policy;
- f. vi. Provide a method for reporting suspected misuse or fraudulent use;
- g. vii. List in detail consequences of misuse or fraudulent use;
- h. viii. Create a provision for review of the internal policy for adequacy at least annually; and
- i. ix. Create a provision for audit or other independent review of all areas of program administration and transactions at least annually.
- j. x. Establish written internal procedures covering properly setting up the profile for each P-Card (including all blocked merchant category codes; see "C" above) and how to use the P-Card, including telephone, fax, and Internet orders in order to maintain security over P-Card account information.
- k. xi. Monitor Cardholder accounts for inactivity and promptly close accounts and cards that are no longer needed.
- l. xii. Establish written internal procedures for compliance with State Policy regarding documentation of transactions.

2. Work with management throughout the University to determine the appropriate spending limits for the Program as a whole and for individual Cardholders based on budget constraints, Cardholder job responsibilities, knowledge, skills and abilities, historical spending patterns, and overall procurement practices.

3. Designate the following Program administrative positions as needed and ensure coordination among the positions:



a. P-Card Administrator; the central Administrator located in the University's Procurement Department who coordinates the P-Card Program

b. Department Liaison: an employee in each department who is responsible for reviewing transactions of individual Cardholders to make sure the transactions are legitimate public expenditures, are classified properly and comply with this policy.

c. Internal Auditor: an employee responsible for auditing agency compliance with the State and agency P-Card Policy and notifying the P-Card Administrator of any discrepancies, including delinquent reconciliations and paperwork.

d. Provide written designation of P-Card Program Administrator to the Division Of Procurement Services P-Card Coordinator.

e. Work with management to identify job titles/positions within the organization that require a P-Card or that would be good candidates for use of the P-Card.

f. Develop written internal procedures for requesting P-Cards and approving Cardholders. Agency Head approval delegates transaction authority to the Cardholder.

g. Ensure that a credit limit is assigned to each P-Cardholder Account and record the dollar amount of this credit limit on the employee Cardholder Agreement to be acknowledged by the prospective Cardholder upon receipt of a P-Card Account.

h) Develop default accounting codes for purchases on the P-Card.

4. Program Compliance

a. Establish written procedures to ensure compliance with, or request exceptions to, the Code, the State P-Card Policy, and the internal P-Card policy.

b. Coordinate any requests for exceptions to the State P-Card Policy with the Division Of Procurement Services P-Card Coordinator or office of contract governance, as appropriate. Document review of the status of all exceptions at least annually to determine if the exceptions should still be granted and notify the Division Of Procurement Services P-Card Coordinator or office of contract governance, as appropriate, of any revocations.

c. Ensure that the Agency has sufficiently documented internal controls and other measures (e.g. audits) to prevent and/or detect misuse or fraudulent use of the P-Card.

d. Establish written procedures to ensure security over P-Card account information to include:



- e. Ordering and receiving new and replacement cards;
- 5. Reporting lost or stolen cards to the Bank and to the P- Card Administrator;
- 6. Collecting and destroying cards when cardholders transfer to jobs not requiring a P-Card, resign, or are terminated; and
- 7. Deactivating cards in the banking system immediately upon notification of theft/loss of the card or upon termination of Cardholder's employment for any reason.
- a. Establish written procedures to ensure that intentional misuse, or persistent negligent misuse (collectively "misuse") or fraudulent use of the P-Card is documented.

Minimum requirements include:

- a. Documentation of the transaction (e.g. copies of receipts, invoices);
- b. Evidence of who conducted the transaction, who approved the transaction, and when and how the misuse or fraud was discovered;
- c. Documentation of personnel actions taken (e.g. Cardholder was terminated);
- d. Notifying the Bank immediately when fraud or card misuse occurs in order to properly meet the Bank's guidelines regarding Bank reimbursement of transactions related to fraud or card abuse, or misuse; and
- e. Notifying the S.C. Office of Inspector General immediately when fraud or card misuse occurs;
- f. Immediately reporting split purchases made to avoid the STL to Division Of Procurement Services at pcard@MMO.sc.gov

8. Assign Cardholders to Supervisors/Liaisons

Establish appropriate limits on the number of Cardholders assigned to a supervisor/ approving official and Liaison in order to ensure adequate review of business need and documentation (receipts/invoices, business purpose explanation for each transaction, and cardholder monthly bank statements) for each purchase.

9. Training

Develop and administer a documented, Agency-specific training program that must be



completed for all prospective Cardholders, Supervisors/approving officials, and Liaisons prior to issuance of the P-Card.

a. Level I training is the initial training all prospective Cardholders must receive prior to issuance of a P-Card. This training permits purchases up to the “no compete” threshold. Level I training shall include:

i. Mandatory Cardholder Agreement specifying terms and conditions for use of the card; and written acknowledgement of receipt and training on:

a. State P-Card Policy;

b. Internal P-Card policy and/or user manual; and;

c. familiarity with relevant forms.

b. Level II training, also referred to as “Procurement Official” training, is in addition to Level I training. This training permits purchases requiring simple quotes for items/services without statements of work for requisitions exceeding the “no compete” threshold. Level II training shall include:

i. Prior completion of Level I training (or have the components of subsection 4.a) above included in Level II training);

ii. Review of the Code for authority/limitations for purchases above the “no compete” threshold;

iii. Certification of understanding of Level II authority and agreement to abide by Code policies and procedures.

10. Accounting Requirements

a. Designate the storage location for all original transaction documentation.

b. Establish billing discrepancy procedures, including disputed transactions.

c. Establish reconciliation procedures between cardholders, supervisors/approving officials, and agency accounts payable unit to ensure timely payment of the monthly P-Card billing statement.

d. Agencies are required to maintain travel receipts and cannot delegate this responsibility to the travelers.



T. Supervisors / Approving Officials Responsibilities:

Supervisors or other persons assigned the responsibility of reviewing Cardholder transactions (reviewer) must have a thorough knowledge of the job responsibilities of the Cardholders under his/her supervision in order to determine if purchases are reasonable and proper. Before approving the cardholder monthly bank statements, the supervisor/reviewer must carefully review all documentation. Supervisor/reviewer responsibilities also include:

1. Attend Level I training.
2. Attend Level II training if supervising a Cardholder with Level II authority.
3. Maintain knowledge of State P-Card Policy and internal policies and procedures on use of the P-Card.
4. Request P-Cards for employees under his/her supervision.
5. Notify the P-Card Administrator when a Cardholder resigns, transfers, or is terminated from employment and confirm cancellation of the P-Card within three business days from the event date.
6. Monitor transactions and card activity to ensure that all purchases are for legitimate State business use.
7. Review all documentation to ensure:
 - a. Invoices/receipts have the required information;
 - b. State sales or use tax is applied if necessary;
 - c. Purchases were for legitimate State business use;
 - d. Cardholder Monthly bank Statements contain the Cardholder's original signature;
8. Sign the cardholder monthly bank statements signifying review and approval for payment. This responsibility cannot be delegated to another person;
 - a. All signatures are original signatures. Signatures made with rubber stamps are prohibited;
9. Submit all documentation and cardholder monthly bank statements for payment according to internally established procedures to ensure timely payment of the P-Card billing statement.

U. Liaison Responsibilities

The liaison reviews the transactions for all cardholders assigned to him/her to determine that the cardholder and supervisor/approver are complying with this State P-Card Policy; i.e., no prohibited transactions, no split transactions, purchases are made from contract vendors when available, no deliveries to other than the business address(s), no blocked merchant category codes, etc.

1. Attend Level I training
2. Attend Level II training if reviewing transactions of a Cardholder with Level II authority. Perform documented monthly reviews of all transactions for assigned Cardholders to verify that there have been no non-allowable transactions
3. Notify P-Card Administrator of any non-allowable transactions identified in monthly transaction review.
4. Maintain documentation as assigned by the P-Card Administrator.
5. Assist in resolving disputed transactions.

V. Cardholders

All Cardholders are de facto purchasing agents for the State and their individual employers. Accordingly, all Cardholders must have a minimum understanding of State purchasing laws and regulations as contained in the Code, and internal purchasing rules.

1. Cardholder responsibilities and procedures include:

a. Prospective Cardholders must attend a Level I training course. The Cardholder and Card Approving Official (e.g. the Cardholder's supervisor) will sign the Terms and Conditions for Use of the P-Card confirming that he/she has been fully trained and understands and will abide by all policies and procedures regarding the card usage prior to receiving a P-Card.

b. A Level II training must be taken in order to make purchases above the "no compete" threshold. Cardholders must certify that they understand and will abide by the additional policies and procedures of the Level II training.

c. Maintaining security of the account number, expiration date, and security code at all times.

d. Maintaining knowledge of State P-Card Policy and internal policies and procedures.

e. Ensuring all purchases are allowable purchases according to State and internal P- Card policies.

f. Ensuring all purchases comply with purchasing requirements of the Code.

g. Ensuring that funds are available prior to making any purchase

h. Obtaining "best value" for the State when making purchases with the P-Card.

i. Maintaining all documentation required by State and internal P-Card policies for a



minimum of twelve months following each purchase. Minimum documentation requirements are:

- i. Monthly acquisition file for audit and/or review;
 - ii. Itemized receipt or invoice;
 - iii. If receipt has been lost and a duplicate cannot be obtained, the P-Card Administrator can determine if internal policy will allow use of a Lost Receipt Affidavit. If allowed, a single Cardholder can use the form no more than three times in one fiscal year.
 - iv. Use of the affidavit more than three times in one fiscal year will result in suspension of card privileges.
2. Ensuring the supplies or services are described in sufficient detail so the vendors and/or merchants have a clear understanding of what is being acquired. Some requirements, because of their complexity, may not be suitable for purchase using the P-Card and may necessitate the use of a written Purchase Order.

W. Online Retailers

P-Card holders must use Winthrop University's business account for making purchases on Amazon.com and Walmart.com. Further, P-Card holders should contact the P-Card Administrator before making online purchases with other large retailers in case other business accounts are added.

4. Procedures:

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5. Resources:

[South Carolina Purchasing Card Policy and Procedures](#)

6. History of Revisions:

02/17/2025 Policy first established