



Procurement Card Agreement

GRAND RAPIDS COMMUNITY COLLEGE
MASTERCARD PROCUREMENT PROGRAM
PROCEDURES

1.0 OBTAINING A MASTERCARD

Call your GRCC Mastercard Program Administrator (listed below) and request an application form, "Commercial Card Classic Account Form." (See Attachment 1). Complete this form, have your BCO approve it, and return it to the Administrator.

Upon arrival, your Mastercard application form will be processed with the Bank. The Mastercard will be sent to the Administrator who will then schedule a time for you to be trained. After completion of the training and signing the GRCC/JPMorganChase Mastercard User Agreement, the card will be given to you.

The GRCC/Mastercard Program Administrator is:

Mansfield Matthewson
Director of Purchasing
180 N. Division/PPPB
Room 303
(616) 234-3851

2.0 GUIDELINES FOR CARD USE

Issuance of the Mastercard represents GRCC's trust in and empowerment of the Cardholder to act as a responsible agent to safeguard and protect college assets.

Use suppliers approved by your Budget Control Officer and Purchasing. Examples of the types of purchases your Mastercard should be used for include:

- MRO (Maintenance, Repair Order)
- Seminar fees (job related)
- Books or journals (job related)
- Wherever a Check Request might be used
- General Services
- Subscriptions
- Trade shows

Do not use the Mastercard in place of other established purchase systems (i.e., Office Max, Food Services, Printing Service items)

Mastercard is intended for low-value, low frequency, approved expense purchases that benefit GRCC. Procards should not be used for recurring purchases, especially those that are expected to exceed \$10,000 per fiscal year. Transactions that may require additional involvement by Purchasing include: Use of general contractors, leases, freight charges, employment agencies, rentals and contractual commitments.

Never use your Mastercard for the following transactions:

- Capital equipment (greater than \$250.00)
- Tuition reimbursement
- Food
- Alcohol
- Chemicals w/o MSDS
- Entertainment
- Gasoline
- Travel related expenses
- Air Fare
- Consulting services

Procard use is governed by all GRCC administrative policies related to reimbursement standards and allowable expenses.

Any exceptions to this agreement require the advance approval of the Program Administrator or Director of Purchasing.

Use of your Mastercard for personal purchases, cash advances or cash refunds is strictly prohibited!

Warnings will be given by the Program Administrator as follows:

1st offense – verbal

2nd offense – written

3rd offense – revocation of card

3.0 CONSEQUENCES FOR FAILURE TO COMPLY WITH PROGRAM GUIDELINES

- Permanent revocation of card!
- Campus Police Notification to investigate matter further.
- Assignment of wages.
- Disciplinary measures that may include termination and legal action.

4.0 GENERAL INSTRUCTIONS

- Choose supplier.
- Give the Mastercard number and expiration date.
- Have supplier ship according to terms.
- (IMPORTANT) Give the supplier your address, mail-station location, and user name. Make sure the supplier incorporates this information on the shipping label if the material is to be shipped.
- Confirm pricing. Request the supplier enclose a copy of the sales slip with each shipment, listing itemized pricing.
- Log the order on a log sheet. (See attachment 2)
- Ensure that the supplier immediately processes the credit card authorization with the Bank.
- Before you finish with the supplier, check one last time to make sure that all the information needed on the log sheet has been completed.
- Keep a copy of the charge slip, sales receipt, or any other information related to your purchases; staple it to your requisition and file with the applicable log sheet.
- Reconcile log/file with your monthly JPMorganChase Statement
- Provide log, receipts, statements to Budget Control Officer and/or Purchasing Administrator upon request. The Purchasing Administrator will request this information every thirty days for the purpose of account reconciliation. Accounts with un-reconciled transactions greater than 60 days old are subject to revocation at the discretion of the Program Administrator/Director of Purchasing.
- Maintain all documentation in a safe place for a period of one fiscal year.
- In case of returns, Mastercard holders are responsible for coordinating returns directly with the supplier.
- Should you need to add new suppliers to the “Approved Supplier Listing” please contact the Program Administrator.
- The bill will be paid automatically! The statement you receive is for information and audit purposes only.

5.0 FOR WHOM CAN A CARDHOLDER PURCHASE?

The cardholder whose name appears on the Mastercard may make purchases for any employee that reports to the cost center associated to the card, providing they have approval of their Budget Control Officer.

6.0 WHAT CAN BE PURCHASED USING MASTERCARD?

The Mastercard may be used to purchase items or services that are for GRCC use, with the categories on page 3 paragraph 2.0 being exceptions for which the Mastercard may NOT be used.

7.0 WHICH SUPPLIERS CAN BE USED?

Your credit card is a Mastercard product. As such, any supplier or merchant that accepts Mastercard can accept this product.

8.0 WHAT IF THE SUPPLIER DOES NOT ACCEPT CREDIT CARDS?

- Thank the supplier for his time and search for one that will accept your order.
- You may also refer the supplier to the Director of Purchasing/Program Administrator for further clarification.
- Complete a Purchase Requisition and send it to Purchasing.

9.0 AUDITS

To ensure the continued success of the Mastercard Program and meet GRCC's audit requirements, periodic audits of a cardholder's transaction file and monthly summaries will occur. The primary purpose of the audit is to ensure that the correct information is being captured and that the Mastercard Program procedures are being adhered to.

10.0 CREDIT CARD SECURITY

The Mastercard should always be treated with at least the same level of care that you treat your own personal credit cards.

- **STORAGE OF THE MASTERCARD** – Keep your Mastercard in an accessible but secure location. Since you, as the Cardholder, should be the only one using the card it needs to be accessible only to you.
- **ACCOUNT NUMBER** – Guard the Mastercard account number carefully! Do not post it at your desk or write it in any other place that is easily accessible by others.
- **SHARING (OR USE BY SOMEONE OTHER THAN THE CARDHOLDER)** – The only person authorized and entitled to use the Mastercard is the person whose name appears on the face of the card. Do not lend your card to another person for use. If the Cardholder is going to be absent from the office for an extended period, the department manager may request that a new card be issued to a different person for the duration of the absence. Purchasing also has the capability, unlike any other department, to place orders on behalf of another department. A department may send their completed requisitions to Purchasing for processing.
- **LOST OR STOLEN CARDS** – Like your personal credit cards, if the Mastercard is lost or stolen you must immediately notify the Bank by phone.

You must also immediately notify the Director of Purchasing/Program Administrator in writing at purchasing@grcc.edu and place a call to the following:

Director of Purchasing	616-234-3851
(or)	
GRCC Buyer	616-234-3853

11.0 WHAT IF THE CARDHOLDER LEAVES THE COMPANY?

When a cardholder leaves GRCC, the card must be surrendered to the cardholder's Budget Control Officer. The BCO is responsible for ensuring the card is cut in half and returned to the GRCC/Mastercard Program Administrator for cancellation. The Program Administrator will cancel the card immediately by calling JPMorganChase at (800) 316-6056.

12.0 WHAT IF THERE IS AN ERROR ON THE STATEMENT OR OTHER PROBLEMS?

In case of an exception or disputed charge, you should first contact the supplier. Most exceptions or issues can be resolved between the cardholder and the supplier. If you cannot reach an agreement with the supplier, the next step is to contact the JPMorganChase at their customer service center at (800) 316-6056. The staff is experienced in dealing with exceptions and should be able to help you. Nearly all exceptions can be managed using these two steps. If you are unable to obtain an acceptable resolution, you should call the Purchasing Department at 616-234-3851 or 616-234-3853.

13.0 DUPLICATE STATEMENT REQUEST

To get a duplicate statement or copy of the actual record of a charge, you may call 800-316-6056. PLEASE NOTE: A \$5.00 fee will be assessed to your cost center for each request.

14.0 RETURNS, CREDIT, AND DISPUTED ITEMS

If you have a problem with a purchased item or billing request from use of the Mastercard, you should first try to reach a resolution with the supplier or merchant that provided the item; in most cases disputes can be resolved directly between the cardholder and the merchant.

- RETURNS – If you need to return a purchased item for any reason, contact the Shipping and Receiving Department at 616-234-3764 for pick up.
- CREDITS – The supplier or merchant should issue credit for any item that has been discussed and agreed to for return. This credit will appear on a subsequent statement.

- DISPUTED ITEMS – If you have a disputed charge and cannot reach resolution with the merchant, complete the form entitled “Statement of Questioned Item” (See Attachment 3) or write a letter within 60 days of the date the charge first appeared on your monthly statement. This should be sent to:

JPMorganChase
Email: ccs-disputes@jpmchase.com
PO Box 2015
Elgin, IL 60121-2015
Ph: (888) 297-0768 Fax: (847) 931-8861

CC: Mansfield Matthewson – Program Administrator,
Room 303, CPPB

15.0 HOW ARE CHARGES ALLOCATED TO THE CORRECT DEPARTMENT AND ACCOUNT?

Each Mastercard is assigned to an individual cost center (department). Charges will automatically be allocated to the cardholder’s department and will appear on user’s monthly “Detail Report”.

16.0 CONTROL MECHANISMS WITHIN MASTERCARD

Our Mastercard is a special type of credit card with control factors as follows:

- Number of times a cardholder can use the card per day.
- Number of times a cardholder can use the card per month.
- Maximum dollar amount of a single transaction. (Pyramiding – Segmenting large purchases into smaller purchases is strictly prohibited).
- Total spending limit per month per cardholder.
- Total spending limit per month per organization.
- Transactions as defined by a MCC (Merchant Category Code). (This means that GRCC has the ability to control all transactions by category – i.e., hardware stores, subscriptions, services, etc.).