

GRCC

GRCC Procurement Card Agreement

Last Revised: 03/19



143 Bostwick Avenue, NE • Grand Rapids, Michigan 49503-3295 • ph: (616) 234-GRCC • grcc.edu

MISSION • GRCC is an open access college that prepares individuals to attain their goals and contribute to the community.
VISION • As a college of distinction, GRCC inspires students to meet the needs of the community and the world.

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/BMO Harris Bank Mastercard User Agreement, the card will be given to you.

The GRCC/Mastercard Program Administrator is:

Mansfield Matthewson
Director of Purchasing
415 Fulton St E.
Room 100C
(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 \$15,000 per fiscal year. Transactions that may require additional involvement by Purchasing include: use of general contractors, leases, 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/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 GRCC's shipping address, your name and your location. 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, with itemized pricing.
- Ensure that the supplier immediately processes the credit card authorization with the Bank.
- Keep a copy of the charge slip, sales receipt, or any other information related to your purchases on the GRCC Procurement Card Google drive.
- Reconcile log/file with your monthly BMO Harris Bank 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 on the GRCC Procurement Card Google drive.
- In case of returns, Mastercard holders are responsible for coordinating returns directly with the supplier.
- Should you need to add restricted 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 exceptions (as listed prior) 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 Procurement Specialist	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 contacting BMO Harris Bank.

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 BMO Harris Bank at their customer service center at -(888) 267-1838. 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 STATEMENT REQUEST

Each month you will receive an email stating that your monthly statement is available. Log into Spend Dynamics (<https://www.bmospenddynamics.com>) to print your monthly statement. You may also request a copy of your statement or copy of the actual record of a charge, you may call (888) 267-1838 .

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:

BMO Harris Bank
Email: bsclientservices@bmo.com
Ph: 888-267-7838

CC: Mansfield Matthewson – Program Administrator, Room 100C, Administration Building

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 the monthly “GRCC Procard 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.).