



Chapter 7: General Finance Provisions

Purchasing Cards

Adoption:	1/18/02
Revised:	5/7/2019
Last Reviewed:	4/6/16 (SGC)
President Approved:	5/16/16
Next Review Date:	5/16/21
Authority:	Minn State Board Policy 7.3
Custodian of Policy:	Vice President of Administrative Services

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PROCEDURE STATEMENT

Authorization

The President of the College is authorized by the Board of Trustees of the Minnesota State Colleges and Universities (Minn State) to establish a Purchasing Credit Card Program (Program) for College business purposes only. Only individuals with budget authority as delegated by The College President are authorized to have a purchasing card. The College will establish procedures and forms for implementing and monitoring this Program.

Purpose

The purpose of the Purchasing Credit Card Program is two-fold:

- To provide an alternative method for purchasing items from vendors who do not issue invoices or do not accept purchase orders, and
- To provide a convenient and cost-effective method for making purchases while streamlining the purchasing process.

Requirements

The Purchasing Card will be customized to each cardholder's needs and will include:

- A dollar limitation on the credit card as stated on the delegation of authority form approved by the President.
- Merchant category blocking.

If credit limits need to be increased, temporarily or permanently, the necessary increase will need to be approved by the President or her/his designee.

Responsibility and Accountability

It is the responsibility of each individual cardholder to:

- Ensure funds are properly encumbered prior to using the purchasing card.
- Safeguard the credit card and credit card account number at all times; lost or stolen credit cards must be reported immediately in accordance with College procedure;
- Not allow anyone else to use the credit card and/or credit card account number;
- Obtain and retain original, itemized receipts for goods purchased. An employee may be allowed to file an affidavit in lieu of a receipt if the original receipt is lost or a receipt is not obtained;
- Review in a timely manner monthly statements from the financial institution provider.



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- Attend annual training and obtain passing score on test.
- Submit the statement and documentation in a timely manner to the business office for payment processing. A timely manner is within 10 calendar days from the statement end date.
- Surrender the credit card and corresponding support documentation to the Card Administrator or Coordinator prior to separation from the college, university or office of the chancellor as requested;
- Take any other steps necessary to ensure that the credit card is used only for authorized purposes.

Each cardholder is responsible for the card issued to her/him, and the College shall conduct periodic reviews/audits of credit card records.

Authorized Credit Card Purchases

Cardholders are authorized to use the card to purchase merchandise required as a function of their duties at the College.

A purchase made with a credit card may be made in-store, by telephone, fax, or Internet. A requisition form is required in order to issue a purchase order for the estimated annual credit card purchases.

Unauthorized and/or Inappropriate Credit Card Use (Restrictions)

Credit cards must never be used to purchase items for personal use or for non-College purposes, even if the cardholder intends to reimburse the College. The cardholder needs to also adhere to other MinnState policies regarding allowable purchases (e.g. conflicts of interest, etc.).

Unauthorized and/or inappropriate card use includes, but is not limited to:

- Items for personal use;
- Items for non-College purposes;
- Alcoholic beverages;
- Food and beverages for individual employee(s) (Authorized cards may allow for food and non-alcoholic beverages for business-related meetings in compliance with College procedures and after obtaining supervisory approval);
- Cash or cash advances;
- Entertainment;
- Local travel related, reimbursable expenses (Authorized cards may allow for airfare, room and related taxes, vehicle rental, and conference and seminar registration pending supervisory approval);
- Recreation;



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- Relocation expenses;
- Weapons of any kind or explosives;
- Sensitive items as defined in MinnState System Procedure 7.3.6, Capital Assets;
- Equipment without prior approval from the Business Office;
- IT technology purchases will follow established guidelines.

A cardholder who makes an unauthorized purchase with the card or uses the card in an inappropriate manner will be subject to revocation of the credit card, disciplinary action including restitution to the College for unauthorized purchases, possible card cancellation, termination of employment at the College and criminal prosecution.

Sources:

MinnState Procedure 7.3.3, Credit Cards

MinnState System Procedure 7.3.6, Capital Assets