

Texas Tech University
Animal and Food Sciences

MEMORANDUM TO: All AFS Employees

SUBJECT: Procurement Card Use & Restrictions

PURPOSE

The purpose of this Operating Policy/Procedure (OP) is to outline a standardized procedure for Procurement Card Charges for typical Animal and Food Sciences purchases.

This OP has been reviewed by John Haynes from Procurement Services, and Nancy Ruiz from Procurement Services on April 16, 2007.

Summarized from <http://www.depts.ttu.edu/purchasing/docs/procurementcardguidelines.doc>

POLICY/PROCEDURE

1. The Procurement Card is issued in an individual's name, not a department. Only the person whose name is on the card should use that card. Each account manager and cardholder will be held responsible and accountable for the appropriate use of the cards. **If a supervisor or business manager assigns their procurement card to be used by an employee for a specific purchase, this will be considered legitimate card sharing. The cardholder remains responsible and accountable for the appropriate use of the card.** These instances must be formally documented, including the relationship of the cardholder and card user.
2. The Purchasing Card may be used at any vendor that accepts MasterCard and for purchases of items not on the restricted list provided. It may be used for in-store purchases, mail, telephone, fax or internet orders.
3. The Purchasing Card may be used to purchase non-restricted items within the delegated limit. Single purchases are limited to \$5000 per vendor.
4. Cardholders will be contacted if their card has been inactive for the past six months. They will be given the option of canceling their card or the card will be temporarily closed for a 30-day period. If the card is not used within that 30-day period, the card will be automatically canceled.
5. **Principal Investigators are responsible for complying with any purchasing restrictions specific to their grant.** All charges to grant and contract accounts (funds 1300-1502) will need to have appropriate object and subobject codes assigned and include a statement of benefit to the project. If unallowable purchases are made, the principal investigator will be responsible for finding an alternate account or reimbursing the University. If you have any questions concerning allowability, please contact Sponsored Programs Accounting & Reporting 742-2970.
6. Foundation funds are not subject to the same restrictions as University and System funding. **Principal Investigators are responsible for complying with any purchasing restrictions specific to their restricted accounts.** All charges to endowed or restricted University accounts (funds 1503-1799), endowed or restricted System accounts (funds

- 5500-5699), or foundation accounts (4100-4599 and 5900-5999) will need to comply with the criteria for those accounts. If unallowable purchases are made, the principal investigator will be responsible for finding an alternate account or reimbursing the University or the Foundation. If you have any questions concerning allowability, please contact Financial Accounting and Reporting at 742-2970.
7. The Purchasing Card is to be used for TTU official business only. The Purchasing Card will have the State of Texas emblem and the wording, "Official Use Only" imprinted on the card. **Personal purchases will be considered misappropriation of state funds that may result in personnel action, criminal charges, or both. Personal purchases must be paid when the procurement card statement is sent to Purchasing.**
 8. The Purchasing Card must be returned to the University's Procurement Card Administrator immediately upon transfer or termination.
 9. Written approval will need to be obtained from the Procurement Card Administrator or the Director of Purchasing for any exception to purchasing items that are listed on the Restricted Purchases list in the Procurement Card Guidelines.
 12. Sales and Use Tax
Texas Tech University is tax exempt. The cardholder is responsible for ensuring that sales and use tax are not charged. TTU's tax identification number is 3-733733733-3. A vendor specific tax exempt certificate can be obtained from the Purchasing Department. If you are charged tax you must get the tax credited back or pay for the tax.
 13. **Security of the Procurement Card:**
The cardholder is responsible for the security of the Purchasing Card. This card shall be treated with the same level of care as the cardholder would use with his/her own personal credit cards. The card should be maintained in a secure location. The only authorized individual to use the Purchasing Card is the cardholder whose name appears on the card. The card is to be used for business purposes only.
 14. **Restricted Purchases: Email Nancy Ruiz prior to purchasing item to see if it can be approved.**

The Procurement Card **may not** be used for the following purchases:

- Any single purchase exceeding \$5000 (including freight)
- Advertisements for Staff
- Alcoholic beverages
- Ammunition
- Animals
- Cameras (exceeding \$500)
- Cash advances
- Computers (exceeding \$500)
- Consulting or professional services
- Controlled substances or prescription drugs
- Cylinder gases
- Dues
- Entertainment
- Fabrications of equipment
- Gasoline
- Hazardous chemicals or materials
- Insurance of any type
- Leases or rentals

- Memberships
- Network equipment (hubs, switches, routers, wireless access points, etc.)
- **Personal items**
- Postage (stamps)
- Printers (exceeding \$500)
- Projectors (exceeding \$500)
- Prizes, gifts and awards (plaques are allowable)
- Purchases outside the USA
- Purchases involving equipment trade-ins
- Radioactive materials
- Services
- Stereo systems (exceeding \$500)
- Telephone services and equipment
- Temporary personnel
- Travel and related expenses (including registration fees)
- Used equipment
- Utilities
- Video recorder/players (including TV, VCR Camcorder - exceeding \$500)
- Weapons

It is the policy of Animal and Food Sciences that if you purchase items from the restricted list your card will be suspended.

Contacts:

Nancy Ruiz - 742-3818

nancy.ruiz@ttu.edu

Effective Date:	5/1/07	Replaces:	New	Review Date:	JAN ANNUAL
Responsibilities:	Review-	Chair & Administrative Counsel	Policy/Procedure-	AFS Business Office	
Approved:	Kevin Pond				