



**OBJECTIVE**

To ensure that all purchases made with a university purchasing card, travel card or group/extended travel card are authorized and documented, and in compliance with all applicable university policies.

**POLICY**

Applies to: All university personnel who make or authorize purchases on behalf of The Ohio State University, using the purchasing card, travel card or group/extended travel card.

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**I. General Overview**

As a large public institution, The Ohio State University is held to a high degree of public scrutiny and accountability for its business practices. Issuance of a purchasing card, travel card or group/extended travel card is a privilege and every reasonable effort must be made to ensure that funds are used responsibly and in a manner consistent with the university's mission, applicable laws and ethical practices. All business related purchases made with a university issued purchasing card, travel card or group/extended travel card must comply with The Ohio State University [Expenditure Policies](#), [Travel Policy](#), [Purchasing Policy](#), [Internal Controls Policy](#) and [Human Resource Policies](#).

**II. Card Type Options and Use**

<b>Card Type/Purpose</b>	<b>Considerations</b>
<p><b>Purchasing Card</b> Issued to departments for small dollar purchases of goods/services necessary to conduct university business.</p>	<ul style="list-style-type: none"> <li>• Issued in a department's name and administered by a card manager; shared use by department staff.</li> <li>• Purchasing Card Tracking Log is required.</li> </ul>
<p><b>Travel Card</b> Used for business travel expenses and business meals for faculty and staff whose job responsibilities require frequent travel for university business.</p>	<ul style="list-style-type: none"> <li>• Issued in an individual's name; card expenditures are exclusive to travel expenses and business meals for the individual named on the card.</li> </ul>
<p><b>Group/Extended Travel Card</b> Used for business travel related expenses for 2 or more travelers or for an individual's travel that spans 7 or more consecutive days. Valid for one specific trip only.</p>	<ul style="list-style-type: none"> <li>• Issued in an individual's name; use of card may accommodate multiple travelers</li> <li>• ATM use permitted with authorization.</li> <li>• May be used for purchases on sponsored programs.</li> </ul>



- A. The purchasing card, travel card and group/extended travel cards are used to support Ohio State's purchasing and payable processes.
- B. Card issuance is limited to employees of the university.
- C. Units are not authorized to sign contracts for goods/services unless specifically delegated by the Office of Business and Finance.
- D. Cards are subject to the prevailing single transaction and monthly spending limits.
  - 1. Purchases must not be split to avoid the established single transaction limit.
  - 2. On an exception basis and with proper documentation, including college/vice presidential authorization, single transaction and monthly spending limits above the prevailing rate may be considered.
- E. Transactions must be documented on the applicable [Transaction Form](#) or [eRequest](#), completed in its entirety and supported by original, itemized receipts or equivalent documentation.

### III. Approval

- A. Transactions must be approved for appropriateness and policy compliance consistent with the university's [Internal Controls Policy](#) and the college or vice presidential area's internal control structure. Appropriate segregation of duties must be maintained.

### IV. Card Security

- A. The purchasing card, travel card or group/extended travel card must always be stored in a secure place.
- B. Persons with access to a purchasing card, travel card or group/extended travel card or any documentation showing a card number must protect the account number.
- C. For the purchasing card only:
  - 1. If the purchasing card is used by an individual other than the purchasing card manager, the transfer of custody must be recorded on the [Purchasing Card Tracking Log](#). The purchasing card manager is responsible for maintaining this log.



2. The individual using the purchasing card is responsible for its security while the card is in his/her possession.

#### **V. Sales Tax**

- A. The university does not pay sales tax or use tax in Ohio and other states that have a sales tax exemption. Purchasers are responsible for making every reasonable effort to ensure that tax is not charged. If sales tax is charged, reasonable attempts to recover the charges must be documented.
- B. A list of the states and their sales tax status along with a Blanket Certificate of Tax Exemption are available on the Controller's web site.

#### **VI. Record Retention Requirements**

- A. The applicable [Transaction Form](#) or [eRequest](#), required documentation, and the bank statements are the official record for card transactions and must be retained by the department consistent with the university's record retention schedule and must be available for review and audit.

#### **VII. Misuse of Card**

- A. Disciplinary actions for card infractions are outlined in each college/vice presidential area's internal control structure.
- B. Fraudulent use of the card will result in immediate revocation of the card and may result in corrective action up to and including termination and/or criminal action. In addition, the university will seek restitution for any inappropriate charge.



## PROCEDURE

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### I. Definitions

Purchasing Card Manager – individual designated by the department as custodian of the purchasing card.

Travel Card Holder – custodian of the travel card for his/her use in purchasing business related travel expenses and business meals.

Group/Extended Travel Card Holder – custodian of the group/extended travel card for his/her use in purchasing business related travel expenses.

Card User – individual assigned temporary use of the purchasing card by the purchasing card manager.

Reallocator – individual responsible for moving the transaction expense from the default account to the appropriate chartfield in the financial system.

Financial System Approver – individual responsible for approving the transaction expense for policy compliance and appropriateness in the financial system.

Application – required form to initiate request for a new card. Must be completed in full and include the signature approval of the senior fiscal officer.

Acceptance Form – required form that ensures dispute rights with the bank. Acceptance Form must be signed by Purchasing Card Manager or Travel/GET Card Holder for each new card account.

Purchasing Card Tracking Log – required form to track the whereabouts of the purchasing card when it is not in the purchasing card manager's possession.

Transaction Form or eRequest – required method to document transactions and approval.



## II. Application Process

- A. The [Application](#) must be submitted with each request for a card. A fully executed [Acceptance Form](#) must be retained by the department for each card.

## III. Transaction Documentation

- A. Purchases must be documented on the applicable [Transaction Form](#) or [eRequest](#), and supported by original, itemized receipts or equivalent documentation. Any applicable "T" number must be clearly referenced.
- B. If the required documentation is not available, an explanation must be recorded on the applicable [Transaction Form](#) or [eRequest](#).
- C. If an item is returned to the supplier, a credit must be applied to the account. Cash or a due bill cannot be accepted for a returned item.

## IV. Reallocation

- A. Card activity is charged to a default account.
- B. It is the department's responsibility to move the expenses from the default account to the appropriate chartfield by the reallocation deadline. Any applicable T# number should be entered.
- C. The completed [Transaction Form](#) or [eRequest](#), and supporting documentation are required to complete the reallocation process.
- D. With use of the Group/Extended Travel Card only, charges may be reallocated to the sponsored project chartfield during the reallocation process.

## V. Approval

- A. Transactions are approved for appropriateness and policy compliance on the applicable [Transaction Form](#) or [eRequest](#), and in the financial system consistent with the university's Internal Control Policy and the college or vice presidential area's internal control structure.



- B. Transactions must be approved in the financial system no later than 30 days from the end of the month in which the transaction was made. For travel related expenses, approval must occur within 30 days from the end of the month in which the trip was completed.
- C. Transactions marked as “not approved” (e.g. disputed or fraud charges), must be documented with the actions taken to rectify the transaction.

#### **VI. Cancellation of Cards**

- A. If a department chooses to cancel a card prior to the card’s established expiration date, a completed [Maintenance Form](#) must be sent to the PCard Office.
- B. This cancellation process should not begin until all outstanding expenses have been reallocated.

#### **VII. Disputes**

- A. The purchasing card manager or card holder is responsible for resolution of disputed charges.
- B. If the purchasing card manager or card holder is unable to reach an agreement with the supplier, a formal dispute must be filed with the bank within 60 days of the transaction date.

#### **VIII. Lost, Stolen or Fraudulently Used Cards**

- A. The purchasing card manager or card holder is responsible for notifying the bank, the senior fiscal officer and the PCard Office if a card is lost, stolen or fraudulently used. For stolen or fraudulently used cards, the local or campus police should be contacted.
- B. The PCard Office will issue a new card as appropriate.

#### **IX. Bank Statements**

- A. Each month the bank issues a statement to the name and address associated with the account, if transactions were made within that month. The billing cycle is from the 25th day of one month to the 24th day of the next month.
- B. Internal departmental procedures should be followed regarding reconciliation processes.



## RESOURCES

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The Ohio State University, [Expenditures Policy](#), [Travel Policy](#), [Purchasing Policy](#), [Internal Controls Policy](#) and [Human Resource Policies](#).

The Ohio State University, [PCard Office](#), 614-292-9290

The Ohio State University, [PCard Reallocation Schedule](#)

The Ohio State University, [PCard Forms](#)