TITLE: Small Purchase Charge Card (SPCC)

EFFECTIVE DATE: December 1, 2023

I. Purpose and Definitions

The SPCC Policies and Procedures manual provides a detailed description of the SPCC program and outlines the rules and regulations of SPCC purchasing.

This policy contains the guidelines governing the Virginia Community College System (VCCS) SPCC program. It is the responsibility of all Cardholders, Approvers, and College Level Program Administrators to read and understand the contents of this policy. For this policy, an employee's direct supervisor may or may not be considered their Approver. The Approver role may be delegated to another employee by a supervisor provided the delegate is not a direct report of the cardholder. Delegation should always move up the chain of command.

This policy covers all Cardholders, Approvers, College Level Program Administrators, College Level Backup Program Administrators, Agency Program Administrator, and Agency Backup Program Administrator participating in this program. The VCCS Shared Services Center (SSC) Procurement Compliance and Audit Office is responsible for oversight of this policy and is the contact for any policy-related questions.

II. Introduction

VCCS participates in the SPCC Program administered by the Commonwealth of Virginia. Under this program, VCCS manages cards issued to employees and establishes operating procedures for the SPCC.

The SPCC is designed to enable authorized individuals to make allowable business purchases of small dollar goods and services up to a maximum of $10,000 per transaction. Regardless of dollar amount, it is expected that cardholders will exercise good stewardship of VCCS resources and make no excessive or unnecessary purchases.

VCCS accepts the liability for all charges made with the SPCC that are consistent with VCCS policies and procedures governing purchases and means of payment. This policy shall be followed for all SPCC purchases, **regardless of funding source**.

All purchases made with the SPCC must comply with state and/or local fund guidelines. Local funds are college-controlled funds that are not appropriated by the state, or revenue derived from student fees. Regardless of fund source, all items purchased on the SPCC must comply with Procurement Policies and Procedures.

The SPCC may be used for allowable business purchases in support of VCCS. The SPCC is a means of payment, not a mechanism or substitute for proper procurement procedures (CAPP Manual Topic 20355, Introduction). The SPCC may not be used for personal expenditures or cash advances under any circumstances, regardless of the intent to reimburse VCCS (CAPP Manual Topic 20355, Purchase Card Use).

Cardholders, Approvers, and College Program Administrators are responsible for following all guidelines governing the use of the SPCC.

Role Definitions

Agency Program Administrator (Agency PA)

This individual at the SSC is registered with the purchasing card vendor and the Department of Accounts (DOA) as the primary person authorized to make changes (e.g., add or cancel cards, change card controls) for the SPCC program at the agency level for all in-scope colleges. The Agency PA is designated by the agency head or similar authorizing officer using a Program Administrator Form available on the DOA Charge Card Administration web page.

Agency Backup Program Administrator (Agency BPA)

This individual at the SSC is registered with the purchasing card vendor and the DOA as the secondary person authorized to make changes (e.g., add or cancel cards, change card controls) for the SPCC program at the agency level for all in-scope colleges. The Agency BPA is designated by the agency head or similar authorizing officer using a Program Administrator Form available on the DOA Charge Card Administration web page.

College Program Administrator (College PA)

This individual serves as a liaison between the Agency PA, Agency BPA, and the SPCC cardholders at their respective college. One College PA shall be assigned to each participating VCCS college. This individual serves as the first point of contact for any cardholder issues/requests at their college and assists the Agency PA and Agency BPA with cardholder education efforts and compliance with VCCS SPCC policies and procedures.

College Backup Program Administrator (College BPA)

This individual serves as a secondary liaison between the Agency PA, Agency BPA, and the SPCC cardholders at their respective college. One College BPA may be assigned to each participating VCCS college. This individual serves as the second point of contact for any cardholder issues/requests at their college and assists the College PA, Agency PA and Agency BPA with cardholder education efforts and compliance with VCCS SPCC policies and procedures.

Charge Card Administration (CCA) Team: Department of Accounts (DOA)

These individuals are responsible for monitoring and reporting on statewide program activities for all purchasing card programs. The CCA Team processes Program Administrator Forms received from agencies, provides statewide training, resolves programmatic issues with the purchasing card vendor on behalf of the Commonwealth's agencies and institutions, and reviews written agency requests for exceptions to these accounting policies and procedures.

<u>Program Administration</u>

The SPCC program is administered by Program Administrators who are knowledgeable of procurement regulations.

Central Email Address for SPCC Inquiries
Pcard@ssc.vccs.edu

COLLEGE PA RESPONSIBILITY	AGENCY PA RESPONSIBILITY
The College PAs shall:	**The Agency PA shall:**

The College PAs shall:

- Review card applications for completeness prior to submittal to the Agency PA and a determination of employee need for a card

- Request changes to spending limits and other cardholder information and submit change requests to the Agency PA for processing

- Request the addition or removal, either permanently or temporarily, of industry restrictions from card accounts

- Notify the Agency PA to promptly cancel and suspend cards as appropriate

- Monitor and request cancellation of cards that are no longer needed and/or cards that have been inactive for a consecutive twelve (12) month period

- Assist the Agency PA in providing training to cardholders and supervisors regarding proper card usage, security, reconciliation procedures, and procurement procedures

- Assist cardholders as needed in managing vendor issues

- Promptly notify the card issuing company of any potential or confirmed fraudulent use of the SPCC

- Promptly notify the Agency PA of any confirmed fraudulent use of the SPCC and steps that are being taken to address the issue (e.g., card cancellation communication with the vendor and/or the card issuing company, notification of law enforcement officials as appropriate)

The Agency PA shall:

- Review card applications for completeness prior to completing the application process on the card issuer's website and a determination of employee need for a card

- Process changes to spending limits and other cardholder information from change requests submitted by the College PAs

- Process the addition or removal, either permanently or temporarily, of industry restrictions from card accounts submitted by the College PAs

- Process College PA requests to promptly cancel and suspend cards as appropriate

- Monitor and request cancellation of cards that are no longer needed and/or cards that have been inactive for a consecutive twelve (12) month period

- Assist the College PA in providing training to cardholders and supervisors regarding proper card usage, security, reconciliation procedures, and procurement procedures

- Assist cardholders as needed in managing vendor issues

- Maintain card guidelines, policies, and procedures and make them available to all cardholders, approvers, and College PAs

- Communicate directly with the card-issuing company to resolve programmatic issues and to develop/implement program enhancements

- Promptly notify DOA of any confirmed fraudulent use of the SPCC and steps that are being taken to address the issue (e.g., card cancellation communication with the vendor and/or the card issuing company, notification of law enforcement officials as appropriate)

- Promptly notify the card issuing company of any potential or confirmed fraudulent use of the SPCC

Acquiring a Small Purchase Charge Card

Eligibility for the SPCC program is limited to non-temporary full and part-time VCCS faculty and staff. Students, contractors, consultants, and visiting faculty are not eligible for a card. Cardholders should be limited to administrative positions within the department. A card application for an eligible employee may be refused at the discretion of the Agency PA and/or College PA based on anticipated spend or transaction volume, position type, or if the employee has committed a past procurement policy violation.

To apply for a new Purchase Card (PCard), please go to the [Shared Services Center website](#) and click on the plus sign by the "Apply for a PCard" banner. Using the SSC SPCC New Card Request Form is required as the SSC PCard Request Form has additional information fields that help streamline the application process. New cardholders must complete the [DOA SPCC Cardholder Training](#) available on the Commonwealth of Virginia Learning Center (COVLC) website. New approvers must complete the [DOA Cardholder Supervisor Reviewer Training](#) available on the COVLC website. Once completed, send the completed and signed SSC SPCC New Card Request Form and copies of the applicable training completion certificates to PCard@ssc.vccs.edu for processing. The PCard will be mailed directly from the bank to the college business office within 5 to 10 business days. Upon PCard receipt, the College PA or cardholder must contact the SSC at PCard@ssc.vccs.edu to confirm receipt of the new card. College Level PAs are responsible for entering the default accounting information associated with the new card in AIS.

A welcome email will be sent to the new cardholder from the Agency PA containing information needed to activate the new PCard and to access the card issuer's Works website. The welcome email also contains a link to the card issuer's Global Card Access website, a link to the SSC Internet site, and links to applicable regulations. Cardholders should retain this email for future reference.

In addition to initial training, all cardholders and approvers must complete annual online refresher training. The Agency PA will advise cardholders and approvers of the training deadline each year.

If there is a need for a non-cardholder or approver to have access to the card issuer's Works system, the potential applicant must complete the card issuer's Works Access Request Form. The Agency PA can supply the form via email. The applicant may be required to successfully complete SPCC training before access is granted. A written justification for system access by a non-cardholder is required.

Chip & PIN Information

The SPCC uses chip and PIN technology for all cards. The plastic card contains a small chip that transmits a unique code for each transaction as an additional security feature. To complete a purchase, cardholders must enter their card into an enabled chip reader and follow the on-screen prompts to complete the purchase by keying their 4-digit PIN. There is no change to the online or phone ordering process.

Cardholders must remember their PIN for point-of-sale purchases to avoid card declines. Entering the PIN may not be bypassed if the cardholder does not know the PIN. Every chip card issued will allow the cardholder to customize their 4-digit PIN at card activation. Cardholders may change or reset their PIN at any time simply by calling the Global Card Services number listed on the back of their SPCC.

Until an existing cardholder is reissued a new chip card, their existing PIN will remain unchanged, and the cardholder may retrieve their PIN by registering with [the card issuing company](#). Please note that this site

does *not* use the same credentials as the Works system. Cardholders must register with this site to retrieve a PIN. When prompted to enter user "Verification ID," cardholders will need to reference their initial SPCC Welcome email sent to the cardholder by the Agency PA following successful card application submittal on the card issuing company's website. If the cardholder no longer has the initial SPCC Welcome email for reference, please submit a request for your Verification ID to the Agency PA at PCard@ssc.vccs.edu.

III. Procedures

Spending Limits and Card Restrictions

Each card has individually established limits on the amount that can be spent per transaction (Single Transaction Limit) and the amount that can be spent per month (Cycle Limit). Spending limits are established on a case-by-case basis by the cardholder's supervisor and/or approver based on an analysis of the department's spending practices.

If a limit increase is needed after spending limits have been established, cardholders must complete the SPCC Change Request Form and send the completed form to PCard@ssc.vccs.edu. The form must include the following information:

- A justification for the increase

- Type of increase (Single Transaction Limit and/or Cycle Limit – please consider if an increase to the single transaction limit will warrant an increase to the cycle limit)

- If the increase is temporary, the date when the card should revert to the original profile settings (keep in mind cycle dates when requesting an increase to the cycle limit)

Cardholders will be restricted to a **maximum of $10,000 per transaction and $100,000 per month** based on spending analysis or unless significant justification exists to indicate higher monthly limits are appropriate.

Cardholders must request an increase to cycle or transaction limits when the cost of a purchase exceeds the cardholder's established spending limits. Cardholders may not make purchases that exceed their established transaction and/or monthly spending limits. Cardholders should know their limits and monitor their transactions to anticipate the need for limit changes and provide proper advance notice to both their supervisor/approver and the Agency PA.

Split transactions are prohibited. A split transaction occurs when the vendor processes multiple charges to pay a single amount due that is greater than the transaction limit on your SPCC and **whether at the request of the cardholder or the vendor**. It is also considered a split transaction if the vendor issues multiple invoices for the same program or event which are then processed on the SPCC. Splitting transactions for any purpose, including to circumvent transaction limits is not permitted and will lead to card suspension or cancellation.

Card Restrictions

All purchasing cards have six Industry Restriction tables associated with them. The six Industry Restrictions are Accommodations (e.g., Lodging), Car Rental, Fraud, Gas/Oil (e.g., Service Stations), Restaurant (e.g., Convenience Stores, Caterers, Fast Food Restaurants), and Travel (e.g., Airlines, Limo/Taxi, Charters, and Tour Busses) unless otherwise requested and approved. The Fraud restriction is required on all cards and cannot be removed.

These Industry Restrictions are based on Merchant Category Codes (MCCs). The restrictions allow agencies to have additional controls to prevent or limit the number of charges that are travel related and do not belong on the SPCC.

A detailed list of MCCs that fall under each Industry Restriction is on DOA's Charge Card Administration web page under Bank of America Information at this link.

Both temporary and permanent restriction removals are available to SPCC cardholders if necessary. To request a restriction removal, cardholders must complete the SPCC Restriction Lift Form and send the completed form to PCard@ssc.vccs.edu. The form must include the following information:

- A specific business justification for the restriction removal

- Specific type or types of restrictions to remove (Accommodations, Car Rental, Gas/Oil, Restaurant, Travel)

- If the request is temporary – a date when the restriction(s) should be replaced

Temporary Restriction Removal

- Temporary Restriction Removals (up to two weeks) may be lifted by the Agency PA without DOA approval.

- Temporary Restriction Removals (exceeding two weeks) shall be requested by the Agency PA through the CCA Form Database. CCA will review the request and, if approved, the card Spend Control Profile will be updated in the purchase card vendor's card management system.

Permanent Restriction Removal

- Between May 1st and May 31st of each year, permanent restriction removal(s) shall be requested by the Agency PA on the Annual Exception Request Form to cca@doa.virginia.gov. Once CCA has reviewed, approved, and returned the exception to the Agency PA, the Agency PA shall remove the requested restrictions.

- After May 31st of each year, all new requests for permanent restriction removal should be added to the existing annual exception template for each in-scope college. The Agency PA shall send the request to cca@doa.virginia.gov.

Examples of Prohibited SPCC Purchases Regardless of Funding Source

- Amazon Pay
- Ammunition
- Automobiles
- Boats
- Business meals over 200% of per diem
- Employee Parking
- Firearms
- Independent Contractor Payments
- Meals, Food, or Beverages for One College Employee
- Mobile Wallets (e.g., Apple Pay, Google Pay, Samsung Pay)

- Moving and Relocation expenses
- Purchases from a Commonwealth employee
- Purchases for personal use
- Travel Insurance

Contracts and Agreements

Colleges asked to approve/agree/sign vendor/contractor forms shall contact SSC Procurement via Customer Engagement for assistance. Cardholders do not have the authority to sign/authorize vendor agreement forms that legally bind VCCS. Only those individuals who have received written delegation of authority may sign contractual agreements on behalf of VCCS. Unauthorized individuals who sign contractual agreements on behalf of VCCS may be held personally liable for those contracts and may be subject to additional disciplinary action, up to and including termination of employment (APSPM 1.1).

Tax Exempt Status

As an institution of the Commonwealth of Virginia, VCCS is exempt from Virginia sales tax on all in-state purchases of goods and services excluding purchases of air/rail tickets and hotel rooms. It is the cardholder's responsibility to claim this exemption whenever using the SPCC. VCCS will not accept liability for such overpayments. **It is the cardholder's responsibility to contact the vendor to recover the tax if tax is incorrectly charged**. The State Sales and Use Tax Certificate of Exemption Form may be obtained from your college's Finance and Administration Office. Cardholders should be aware that VCCS is not exempt from taxes charged on many out-of-state purchases.

Gift Card Purchasing with the SPCC

Gift card and/or gift certificate purchases using the SPCC for purposes other than employee recognition as defined in DHRM's Policy 1.15, Employee Recognition and Engagement, require prior approval from DOA's CCA Team in advance of the charge. Cardholders shall complete the Gift Card Purchase Approval Request Form that is available upon request from the Agency PA. Completed forms shall be submitted to PCard@ssc.vccs.edu for review by the Agency PA. Upon Agency PA approval, the Agency PA shall submit the request to DOA CCA for review/approval. Gift card and/or gift certificate purchases using the SPCC shall only be made after receiving DOA CCA approval.

Payment of Past Due Invoices with the SPCC

Cardholders are prohibited from using the SPCC to pay a vendor invoice that is past due unless prior approval from DOA's CCA Team is received in advance of the charge. Past due vendor invoices are typically paid using check or EDI.

If an agency is paying an invoice that is within the guidelines of the Prompt Payment Act, then there is no need to seek approval from DOA's CCA Team to pay the invoice utilizing the SPCC. For additional information regarding the Prompt Payment Act, please see CAPP Section 20315.

https://www.doa.virginia.gov/reference/CAPP/CAPP_Topics_Cardinal/20315.pdf

Cardholders shall submit all requests to pay Past Due Invoices to the Agency PA at PCard@ssc.vccs.edu . All email requests for Past Due Invoice payments must contain the following:

- A copy of the invoice, with date stamp or with a copy of the vendor's email, to confirm date invoice was received.

- Email approval from cardholder's supervisor that provides detailed information to include: Vendor Name, Invoice Amount, Invoice Number, Invoice Date, Invoice Received Date, Invoice Due Date, Cardholder Name, Last 4 Digits of the card being used to pay the invoice, and reason invoice is being paid late.

After the Agency PA reviews all information in the Past Due Invoice Payment Request for completeness and all required information has been submitted, the Agency PA shall submit the Past Due Invoice Payment Request to DOA CCA for review/approval. Past due invoice payments using the SPCC shall only be made after receiving DOA CCA approval.

Prohibition Against Using the SPCC for the Cardholder's Own Personal Travel Expenses

SPCC Cardholders are prohibited from using the SPCC for the Cardholder's own personal travel expenses.

Allowable Prepayments for Goods/Services Using the SPCC

SPCC Cardholders shall reference CAPP Manual Topic Number 20310 regarding allowable advance payments prior to making any prepayments for goods/services using the SPCC.

Card Documentation and Reconciliation

All cardholders and approvers are required to complete reconciliation of SPCC transactions. Currently, there are two separate processes used by VCCS for reconciliation. Most colleges perform reconciliation of SPCC transactions outside of the Bank of America Works system utilizing a Purchase Card Log. A few colleges are currently using online reconciliation in the Bank of America Works application. Cardholders are strongly urged to reconcile transactions as they post to their account. Waiting until the cycle closes may not leave enough time for transactions to be reconciled by both the cardholder and approver.

Transaction Reconciliation Responsibilities are:

For Cardholders:
- Allocating transactions or confirming default / auto-matched allocations
- Providing supporting documentation (e.g., receipts, business justification, Business Meal Approval Request Form) with the Purchase Card Log submission or uploading supporting documentation in the Works system, as applicable
- Signing the Purchase Card Log or signing off on the transaction in the card issuer's reconciliation system, as applicable. All transactions require a receipt and/or supporting documentation before signing off.

For Approvers:
- Reviewing the Purchase Card Log or transaction, as applicable, and the attached documentation to ensure that it is a valid business purchase that follows VCCS procurement policies/procedures

- Checking the account codes on the transactions to ensure that the charges have been correctly allocated

- Signing off on the Purchase Card Log or transaction, as applicable. Signing off on the transaction in Works batches the transaction for audit review.

Transaction Reconciliation Processes for Purchase Card Logs are:

For Cardholders:

- As purchases are made during the billing cycle (typically the $16^{th} - 15^{th}$ of each calendar month), document all SPCC transactions on the Purchase Card Log and retain your original receipts and other supporting documentation. If receipts are lost, contact the vendor to request a replacement receipt. It is a best practice to immediately convert paper documentation to electronic format and save them to a folder on your computer to expedite the reconciliation process.

    o Assign the correct expenditure code for each transaction. If the coding is split between two departments, indicate them on a separate line with a brief description in the comments section

    o Indicate the eVA exclusion or PCO/EP number

    o If sales tax has been charged for a purchase, it is the responsibility of the cardholder to reach out to the vendor to have the tax amount credited back to the card

- On or around the 16th of each month, download the VISA Charge Card Statement within Bank of America Global Card Access.

- Cardholder is responsible for submitting a completed and signed Purchase Card Log, Card Statement, and all receipts and supporting documentation via email to PCard@ssc.vccs.edu by the 22nd of each month

- If a charge is left in the generic account after the open reconciliation period, an Agency Transfer Voucher (ATV) MUST be completed to redistribute charges out of the generic account code

- If there is no activity for a billing cycle, the cardholder shall send an email to their approver and the Agency PA at PCard@ssc.vccs.edu stating that there were no charges for the month

For Approvers:

- Approvers shall review and confirm the following regarding the monthly SPCC reconciliation package

    o Reconciliation received on time

    o Cardholder signature and date on reconciliation

    o Monthly bank statement attached

    o Transaction amounts on the bank statement match amounts documented on the Purchase Card Log

    o Grand total on the Purchase Card Log matches the amount due on the Bank of America statement

    o Transaction detail reviewed and all purchases are for valid business expenses

    o No sales tax was charged on any transaction

    o All accounting information is correct (e.g., Cost Code, Object Code)

- All issues that could not be resolved have been noted with documentation attached to the reconciliation
- If there are issues with any of the above steps, contact the cardholder to have them resolve issues
- Sign and date the reconciliation if there are no issues with the package
- Return signed and dated package to the cardholder for email submittal to PCard@ssc.vccs.edu by the 22nd of each month

Transaction Reconciliation Processes for Online Reconciliation (OLR) in Works are:

For Cardholders:

- As purchases are made, retain your original receipts and other supporting documentation. If receipts are lost, contact the vendor to request a replacement receipt. It is a best practice to immediately convert paper documentation to electronic format and save them to a folder on your computer to expedite the reconciliation process.

- As a transaction posts to your account, you will receive an automated email from the bank system notifying you that there is a transaction available for signoff. Clicking on the link for Works in that email will bring you to the system.

- On the Pending Sign Off tab of the Expenses screen, review the transaction by comparing the transaction information to supporting documentation. Ensure that totals match and that you have not been incorrectly charged tax.

- Contact the vendor immediately if you have been charged in error. Contact the Agency PA and card issuer's Fraud Department (1-888-500-8262) if any fraudulent transactions appear.

- After reviewing the transaction, click on the Document number in the line-item and select the Allocate/Edit option from the drop-down menu. This will open an allocation pop-up window. In this window you can:
  - Edit the item description field to change the description that will post to AIS
  - Edit the default index and auto-matched account code allocation and provide the applicable PCO/PO number or a valid eVA exclusion
  - Add additional lines if multiple line-item accounting is required
  - Add the specific business purpose and/or justification for the purchase in the Comment Section. Should the Comment Section provide insufficient space to contain the entire business purpose, it must be written on the receipt page prior to uploading the receipt (comments may also be added at sign off).

- Once edits are complete, click on the Save button to save changes. Next, click the Close button to return to the Expenses screen.

- To attach a receipt to a transaction, click on the Document number in the line-item and select the Manage Receipts option from the drop-down menu. This will bring up the Receipts pop-up window.

- On the Receipts pop-up window, click on the Add button and select the New Receipt option from the drop-down menu. This will open a new window where you can browse to the document on your computer. It is not a requirement to add a receipt date or description on this screen.

- The itemized invoice and paid credit card receipt must be uploaded to the transaction. The business purpose should also be added as a Comment if it is unclear from the uploaded documentation. A detailed list of required documentation to be submitted with food and travel-related expenses can be found in the section titled **Lodging and Non-Travel Business Meals** below.

- After locating the receipt to upload, click on the OK button on the Receipt Window. You will now see the receipt name listed in the File Name column of the Receipts pop-up window. From here you should view the receipt to ensure it was uploaded properly to the transaction. Once all receipts have been uploaded, click on the Close button to return to the Expenses screen.

- The last step in the cardholder reconciliation process is signing off on the transaction. This is done by clicking on the checkbox to the left of the line-item and clicking on the blue Sign Off button located at the bottom of the page. This will route the transaction to your Approver for review and sign off. Do not sign off on a transaction in Works if you have not uploaded a receipt and/or supporting documentation.

- Two days after cycle close you will receive an automated transaction report from the bank system. Use this report to ensure that you have completed reconciliation of all items listed on the report.

For Approvers:

- As cardholders sign off on transactions, they will be routed electronically to your account for review and final sign off.

- The Works Application will send you an automated email notifying you when you have a transaction available for sign off. Clicking on the link for Works in that email will bring you to the Bank of America Works system.

- Review the supporting documentation attached for the transaction to ensure it is a valid business purpose. This is done by clicking on the Document number of the line-item and selecting the View Receipts option from the drop-down menu.

- Comments for the transaction may be seen in your monthly report or by clicking on the Document number of the line-item and selecting the Allocate/Edit option from the drop-down menu.

- Confirm that the transaction has been allocated correctly by viewing the Allocation column of the Expenses screen. Allocation information for transactions containing multiple line-items can be viewed by clicking on the plus sign (+) next to the Document number and then clicking on the Allocation tab.

- The last step in the Approver reconciliation process is signing off on the transaction. Click on the checkbox to the left of the line-item, then click on the blue Sign Off button located at the bottom of the page. You can sign off on multiple transactions simultaneously by adding a check mark to multiple lines before clicking the Sign Off button.

- Do not sign off on transactions in Works if the cardholder's supporting documentation is not attached to the transaction. If you find that the transaction is not a valid business expense that complies with VCCS policies or procedures, please make a notation in the Comments section and/or flag the transaction in Works, sign off, and contact VCCS SSC Procurement for assistance regarding employee reimbursement or next steps.

- The system gives you the option to flag a transaction if you find that the transaction is allocated incorrectly, missing a receipt, or you need additional information to validate the business justification.

- To flag a transaction, click on the Document number of the line-item and select the Raise Flag option from the drop-down menu. Next, add a comment so the cardholder knows why the transaction was flagged and then click the OK button to return the transaction to the cardholder.

- Two days after cycle close you will receive an automated transaction report from the bank system. Use this report to ensure that you have completed review and sign off of all items listed on the report.

SPCC cardholders and approvers are responsible for ensuring that monthly reconciliation is complete by the 22nd of the month in which the cycle closes. Funds for unreconciled transactions will be withheld from the cardholder's available balance in the following billing cycle until reconciliation is completed by the cardholder and approver. **Accounts that remain unreconciled 60 days after the transaction(s) post date will be suspended.**

Lodging and Non-Travel Business Meals

In compliance with Commonwealth and Federal regulations, additional supporting documentation is required for the purchase of lodging and non-travel business meals. Questions regarding these requirements may be directed to the Agency PA.

- **Lodging (in instances where an exception is permitted)** – Purchases must comply with lodging rates, per travel guidelines. Maximum rate does not include taxes and surcharges. Documentation must include the following:
  - Receipt or Folio must show the room rate and taxes broken out separately by day
  - Approved Pre-Approval Form from Chrome River
  - If payment for lodging is made through the internet, print a PDF copy of the receipt for the electronic purchase showing the details (arrival/departure date, room rate, taxes) and the total costs and confirmed services
  - Agency Head or Designee appropriate for your department may approve lodging up to 200% of the maximum rate when circumstances warrant, in advance of travel. Approval must be granted in Chrome River.

- **Non-Travel Business Meals** – The completed and signed VCCS SSC Business Meal Approval Request form **must** be attached to the reconciliation log for all non-travel business meal and alcohol purchases to ensure the transaction contains all required documentation. Documentation must comply with travel guidelines and must include the original, itemized receipts for all transactions and the following information filled out completely on the Business Meal Approval Request Form:
  - A business justification documenting the specific purpose of the function
  - The type of meal (e.g., lunch, dinner, or other)
  - The number of attendees (List the full attendee names and their affiliation to the college)
  - Tip (up to 20%) and reasonable delivery cost must be included in the allowable per diem calculation
  - Local and State Funds – Can be used with an additional justification if the meal exceeds the allowable per diem limit with Department Head Approval
  - Alcohol MUST be allocated to Local Funds at reconciliation. $30 per person maximum including tax and tip with Department Head signature approval.

NOTE: If Dean/VP is the cardholder, the Agency Designee for signature must move up the chain of command

  o Meals exceeding 200% of per diem are not permitted

Months with Zero Transactions, Credit Balances, and Record Retention

- **Months with Zero Transactions** – If there are no charges made in a particular month, cardholders shall send an email to their approver and Agency PA at PCard@ssc.vccs.edu stating that there were no charges for the month.

- **Credit Balances** – If a credit remains on your BOA account at the end of the month, the credit will post to your BOA account and be credited to your default AIS account unless allocated otherwise. Credit balances do not carry forward from month to month on the BOA Visa statement.

- **Record Retention** – Cardholders, or their supervisor if the cardholder changes or leaves the employment of VCCS, must retain all transaction documentation within their department for a minimum of three (3) fiscal years after the fiscal year with which the last transaction occurred.

Merchandise Returns, Disputes and Erroneous Charges

- **Merchandise Returns** – Cardholders must specifically request a credit to the SPCC for any return that was originally charged to the card.

- **Disputes** – Disputes should be initiated within thirty (30) days of the purchase date to ensure that BOA will honor the dispute. Cardholders may initiate a dispute through the BOA Works system after attempting to communicate with a vendor to resolve a discrepancy. Questions regarding disputes should be directed to the Agency PA. Transactions involved in a dispute should still be signed off in a timely manner in Works by the cardholder and approver.

- **Erroneous Charges** – Any cardholder who places a charge on the SPCC in error should contact the Agency PA immediately for guidance on the correct procedure for resolving the error. Payment for erroneous charges should not be sent to VCCS Accounts Payable.

Card Cancellation, Renewal and Changes

- **Cancellation** – Cardholders must shred their cards immediately upon the request of their approver or the Agency PA. The SPCC must also be shredded when the cardholder is leaving VCCS employment. The SPCC must also be shredded whenever the cardholder changes positions and a SPCC will not be required in the new position. If the cardholder is moving to a new position within VCCS and a SPCC will be required in the new position, contact the Agency PA for guidance. Cardholders who wish to cancel their cards should contact the Agency PA via email at PCard@ssc.vccs.edu.

- **Card Renewal** – Active cards are automatically renewed every five years, and cards are valid through the last day of the month in which the card expires. Renewal cards are delivered to the address on file on the account.

- **Inactive Cards** – The Agency PA is required to cancel cards with no activity for a consecutive twelve (12) month period.

- **Status Changes** – Changes to the card status (e.g., cancellation, suspension, reinstatement) may be sent by email to the Agency PA at PCard@ssc.vccs.edu, advising the cardholder's name and the last four digits of the card number and the new status required/desired.

Card Security

The SPCC must be kept in a secure but accessible location. The account number on the SPCC must not be posted, photocopied, or left in a conspicuous place. The card may be used only by the person to whom the card has been issued. Cardholders may **never** lend their cards to another person or use another individual's SPCC for any reason. This is not a department issued card.

Cardholders must never fax, email, text or mail their card numbers to a vendor. If secure electronic transmittal or point-of-sale payment is unavailable, the cardholder may call the vendor and provide the SPCC information to the vendor by phone. The cardholder is responsible for notifying the vendor to securely dispose of the card information (shredding) once confirmation of payment has been received.

Internet purchases are allowed but must be made from secure web sites only. When procuring goods or services through the internet, it is the cardholder's responsibility to ensure that the vendor's website has a **Secure Socket Layer (SSL)**. The vendor must meet this security requirement before orders are placed. Website addresses begin with **"https://"** when the SSL is present. Information on the vendor's security certification can be found under the Help menu in the browser's toolbar. **If these conditions are not present, do NOT use your SPCC to place an order at that website.**

If the SPCC is lost or stolen, the cardholder must immediately notify card issuer's Cardholder Customer Service (1-888-449-2273) and the Agency PA.

Annual Review

Since VCCS assumes liability for all charges made with the SPCC that are consistent with VCCS policies and procedures, the Agency PA will conduct an annual review of cardholder activity to limit the risk associated with the card program. As a result of this review, cardholder limits may be increased or decreased, card restrictions may be replaced, and low volume cardholders may need to have cards closed to limit risk to the program. Exceptions to account changes may be made at the discretion of the Agency PA if the cardholder is able to justify the need for higher limits and/or existing exceptions.

SSC SPCC Internal Audit Process

The Agency PA shall conduct regular internal audits of PCard Reconciliation Logs, reviewing areas such as the following:

- Was the reconciliation log submitted by the published due date?

- Was the reconciliation log fully approved?

- Was the monthly statement attached to the reconciliation package?

- Do the transaction amounts on the monthly statement match the transaction amounts documented in the reconciliation package?

- Does the monthly statement amount due match the grand total in the reconciliation package?

- Were all purchases for valid business purposes?

- Was sales tax charged on any transaction?

Violations

All transactions made with the SPCC are subject to audit and, as such, must have appropriate business justification and be accompanied by required supporting documentation. Individuals who violate these SPCC procedures may have card privileges suspended or permanently revoked and may face additional disciplinary action up to and including termination of employment. Disciplinary action will be enforced by the Agency PA and/or VCCS SSC Procurement based on the severity of the violation. Typical suspension periods for misuse of the card will be 30 or 60 days. Severe infractions will result in card revocation.

If a cardholder's SPCC is suspended for any reason, any Works Approver roles will also be suspended until reinstatement or otherwise noted, if applicable.

Violations include, but are not limited to the following:

- Personal use of the SPCC or unauthorized purchases
- Fraudulent use of the card by the cardholder
- Authorizing a charge exceeding established transaction limits
- Splitting transactions to circumvent established transaction limits
- Card sharing
- Sharing your Works username and password
- Faxing, scanning, texting, or emailing full account numbers
- Failure to reconcile transactions, including missing documentation or business purpose explanations
- Failure to sign off reconciliations timely by cardholder or approver
- Failure to supply audit documentation
- Failure to properly report loss or theft of a card in a timely manner
- Failure to notify Agency PA of supervisor changes
- Failure to complete mandatory annual SPCC training

The SPCC may also be suspended and/or cancelled for the following:

- Request made by the cardholder's supervisor and/or approver
- Determination made by VCCS SSC Procurement due to continued violations of policies and procedures, or other conditions
- Termination of employment or change in employment

Small Purchase Charge Card (SPCC) Sanctions for Misuse/Mismanagement	
Violation	**Action**
• Splitting orders that consequently circumvent purchasing regulations • Exceeding transaction limits set by the SPCC Agency PA • Use of card, card number, or Works login/password by another individual	• 1st Offense: 30-day card suspension • 2nd Offense: Card cancellation
• Entering your full credit card number on a written document (e.g., email, text, mail, fax)	• 1st Offense: Courtesy email warning • 2nd Offense: 60-day card suspension • 3rd Offense: Card cancellation
• Misuse of any restriction (Accommodations, Car Rental, Oil/Gas, Restaurant/Food, and Travel) that has been lifted/removed	• 1st Offense: Courtesy email warning • 2nd Offense: Restriction permanently placed back on card
• Unauthorized or inappropriate purchases. Types of violations include, but are not limited to: o Incorrect allocation posting for transactions only allowable using Local Funds o Business meals over 200% of per diem o Alcohol purchases that exceed Local Funds policy allowance o Tip exceeding allowable amount (Transportation – 15% max using State Funds, up to 20% using Local Funds. Meals – 20% max using State or Local Funds	• 1st Offense: SPCC will be suspended until cardholder has reimbursed VCCS for non-allowable purchases • 2nd Offense: 60-day card suspension • 3rd Offense: Card cancellation
• Failure to submit documents or failure to meet required deadlines in accordance with SPCC Policies & Procedures. Types of violations include but are not limited to: o Failure to attach legible, required documentation to reconciliation packages (e.g., Business Meal Form, Itemized Receipts) o Failure to sign off timely on reconciliation packages by the 22nd of the month in which the cycle closes by both the cardholder and the approver. *(Accounts which remain unreconciled 60 days after post-date will be suspended for 30 days.)*	• 1st Offense: Courtesy email warning • 2nd Offense: 60-day card suspension • 3rd Offense: Card cancellation

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