

Dear Valued Customer,

This manual is intended to be used an example of Purchasing Card policies and procedures. You are encouraged to make changes as determined by your company or organization. As with all policies/procedures your internal audit, legal counsel or other approving authority should be included in the discussion and development process. In addition to this sample manual, other examples may be found on the internet.

Highlighted areas have been included which may require specific company or organization information.

As always, if you have any questions contact your local bank representative or call Security BankCard Center at 800-356-8085.

Sincerely,

Security BankCard Center, Inc

PURCHASING CARD POLICY & PROCEDURES HANDBOOK

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1. INTRODUCTION

(Company/Organization) has entered into an agreement with Security BankCard Center to provide qualified employees with a Visa Purchasing Card.

- A Purchasing Card is credit card that enables employees to purchase authorized goods and services on behalf of the Company. The Purchasing Card works like any other credit card. However, the differences are as follows:
 1. Cardholders may have online access to real-time transaction information.
 2. The Coordinator of the Program can make real-time changes such as, increase limits, close cards, as well as, review authorizations and declines.
 3. Additional information about the transaction may be available. For example, what was actually purchased at Lowe's.
- Purchasing cards can be used anywhere VISA is accepted, except for unauthorized vendors that have been specifically blocked from use by the Company. Any vendor from whom you currently purchase goods should be considered a potential vendor of the Purchasing Card.
- **(Supervisor, Manager, etc)** with the appropriate approving authority may request cards for employees responsible for providing goods and services by completing a Purchasing Card Request Form (Appendix A). Dollar limits for purchases will be set on this form. Cardholder's will be required to sign the Cardholder Agreement (Appendix B)
- Automatic restrictions may be setup on individual cards..
 1. For instance: Sam Smith is only allowed to purchase Office Supplies. Therefore, if Sam tries to use his card at a gas pump, it will be declined by Visa and the company will be able to view the decline online.
- The purchasing cards are NOT for personal use or unauthorized purchases.
- All purchasing cards are issued through the **(Dept./Office/Other)**.
- Card usage will be audited and may be rescinded at any time. The authorized cardholder is the only person who may use the Purchasing Card. After completion of a training session with the Purchasing Card Coordinator, you will receive your card.
- Recordkeeping is essential to ensure success of this program. Standard payment policies require retention of receipts, and other documentation. As with any credit card, you must retain original, itemized sales slips, cash register receipts, invoices or any other pertinent documentation.
- The Purchasing Card is to be used in accordance with the guidelines established within this Handbook. You are to treat this program with the same sense of responsibility and security you would use with your personal credit cards.

2. CARD PROCEDURES

How to Obtain a Card

- Your supervisor must indicate approval by completing and signing the Purchasing Card Request Form (Appendix A) and submitting the form to the Purchasing Card Coordinator in the **(Dept./Office/Other)**.
- The Purchasing Card Coordinator will order the card, arrange for cardholder training, and will notify you when it is available to be picked up. Prior to receipt of the card you must read the Purchasing Card Procedures Handbook and sign the Purchasing Card-Cardholder Agreement Form (Appendix B).
- When you receive the card, you must sign the back of the card immediately and always keep it in a secure place. Although the card is issued in your name, it is the property of **Company** and is only to be used for **Company** purchases as defined in this Handbook.

How to Cancel a Card

- Contact your Supervisor or the Program Administrator for instructions.

Card Renewal

- A renewal card will automatically be mailed to the Purchasing Card Coordinator. You will be notified when the card is available. (As determined by the Company, cards can be mailed to the individual or a specific person within the organization. Edit this section as needed.)

Reporting a Lost or Stolen Card

- The cardholder must notify his or her immediate supervisor of the lost or stolen card within one (1) business day after discovering the card missing.
- Should a lost or stolen card be subsequently discovered by the cardholder, the card shall be cut in half and sent to the Purchasing Card Coordinator.

Cardholder Separation from Service

- Prior to separation from the Company, the cardholder shall surrender the purchasing card with the proper receipts and expense report documenting each transaction.
- The supervisor shall cut the card in half, and notify the company Purchasing Card Coordinator.

Purchasing Card Security

- Always keep the card in a safe place. The Purchasing Card will have the employee name embossed on the card and shall only be used by the authorized cardholder. **NO OTHER PERSON IS AUTHORIZED TO USE THE CARD.**
- The cardholder is responsible for all transactions procured with their card. Cards and card numbers must be safeguarded against use by unauthorized individuals in the same manner that a cardholder safeguards his or her personal banking information. Although the card is issued in the individual's name, it is the property of **Company**.

Card Cancellation

- The Company reserves the right to cancel any card at any time. Cardholders who misuse the Purchasing Card may be subject to disciplinary action, legal action, and/or termination. (Add or delete items as needed.)

Misuse of the purchasing card includes:

1. Purchase of unauthorized item(s).
2. Use of the purchasing card by someone other than the cardholder.
3. Fraudulent or inaccurate recordkeeping.
4. Failure to obtain original, itemized receipts.
5. Failure to maintain the Purchasing Transaction Log.
6. Failure to reconcile the monthly statement by (day of the month/week, etc..)
7. Purchasing items for personal use.

3. ACCEPTABLE VISA CARD PURCHASES

- The following information provides examples of purchases that are appropriate for the purchasing card: (Company should add/delete as needed)
 1. Travel, conference expenses
 2. Approved supplies for your building, department or program
 3. Conference and seminar registrations
 4. Craft supplies
 5. Book stores
 6. Instructional games and toys
 7. Federal Express, United Parcel Service, United States Postal Services expenses
 8. Other miscellaneous items that apply to your budget
 9. Hardware stores and Discount stores

This list is not intended to be all inclusive. If you have specific questions, please call the Purchasing Card Coordinator for assistance.

4. UNACCEPTABLE VISA CARD PURCHASES (Company should add/delete items as needed)

- The following items define where the purchasing card is NOT appropriately used:
 1. Alcoholic beverages
 2. Tobacco
 3. Lottery Tickets
 4. Cash Advances
 5. ATM withdrawals
 6. Gift certificates or gift cards
 7. Any personal purpose

This list is not intended to be all inclusive. If you have specific questions, please call the Purchasing Card Coordinator for assistance.

5. PROGRAM RESTRICTIONS

- Each VISA Purchasing Card has been assigned a transaction and/or monthly credit limit determined by the supervisor of the cardholder. All limit changes must be submitted to the Purchasing Card Coordinator using the form Appendix A.
- The Purchasing Card will be accepted for purchases of generally approved goods and services .
- Levels of credit authorization are in place to clearly define the individual purchasing limit controls. Each cardholder will have a transaction limit and/or monthly limit. Transaction limit options are listed on the Request for a Visa Purchasing Card form.
- Certain company-wide cards may have unlimited transaction amounts. Transactions falling outside the assigned level will be declined at the point of sale.
- If your card is declined by a merchant and you feel the decline should not have occurred, contact the Purchasing Card Coordinator. Do NOT ask the cashier to “try it again”. This is a fraud red-flag and could (after 3 times) lock your account from any other charges. If this occurs Security BankCard Center must unlock the account.

6. RECOURSE FOR IMPROPER USE

- In the event that improper usage of the Purchasing Card is discovered, written notification will be sent from the Purchasing Card Coordinator with a copy given to the supervisor of the cardholder.
- Corrective action may occur up to and including termination.

7. CARDHOLDER RESPONSIBILITIES

- As the person whose name appears on the Purchasing Card, you are responsible for keeping track of how the card is used, and for keeping it safe. And just like any credit card, you should protect against fraudulent use of the card.
- You must keep the original receipts for ALL purchases made with your Purchasing Card. Specifically, be sure to keep original, itemized cash register tapes, invoices showing detail of items purchased, or other relevant documentation. Your receipts help you reconcile account activity to your monthly Cardholder Statement.
- Training will be provided prior to a Purchasing Card being issued to the cardholder. During the training session, cardholders must read and sign the Acknowledgement of Receipt of the VISA Purchasing Card and Terms of Revocation Form prior to cards being issued. When the card is received, the cardholder must immediately sign the back of the card.
- When utilizing the card to purchase supplies and materials, the cardholder will check as many sources of supply as reasonable to assure best price and delivery.

- If an item is not satisfactory, received in error, damaged, defective, duplicate order, etc., the following steps should be followed:
 1. The cardholder contacts the vendor to obtain authorization to return the item(s). Every vendor is different for return policies; make sure the return meets the vendor's criteria without incurring a restocking fee or shipping and handling fees. If available, the item(s) to be returned should be re-packed in original manufacturer's packaging.
 2. If a vendor has not replaced or corrected the item by the statement cutoff date, then the purchase of that item will be considered in dispute. Attach the completed Dispute form and send as instructed or go to www.securitybankcard.com. Click on COMMERCIAL CARDS and select the Disputes link. Complete the form and submit as requested. A copy of the dispute form should be sent to (Coordinator/Supervisor/ect...)
 3. Standard auditing procedures require retention of receipts and other documentation. As with any transaction you must retain the original itemized sales slips, cash register receipts, invoices, order forms and receiving documents.
 4. Statement cut-off is (Enter day of month). Every cardholder must review their statement for all transactions made on the VISA Purchasing Card.
 5. Reconciled, approved statements and appropriate documentation are due to the Business Office by the *xxth day* of each month.
 6. If a transaction receipt is misplaced or not received, the cardholder shall be responsible for contacting the vendor and obtaining a duplicate copy of the receipt.
 7. Disputed billing can result from failure to receive goods or services, fraud or misuse, altered charges, defective merchandise, incorrect amounts, duplicated charges, credits not processed, etc.
 8. The cardholder is responsible for contacting and following up with the vendor on any erroneous charges or disputed charges as soon as possible. Most issues can be resolved this way. Attach the completed Dispute form and send as instructed or go to www.securitybankcard.com. Click on COMMERCIAL CARDS and select the Disputes link. Complete the form and submit as requested. A copy of the dispute form should be sent to (Coordinator/Supervisor/ect...)

8. PURCHASING CARD CONTACT INFORMATION

Contact	Name	Email Address	Phone Number
Program Administrator/Coordinator			
Security Bankcard Center	Customer Service	companycards@securitybankcard.com	800-356-8085

APPENDIX A

(Company Name or Logo)

REQUEST FOR A VISA PURCHASING CARD (or) REQUEST CHANGES MADE TO AN EXISTING CARD.

Use this form to request a VISA Purchasing Card or to make changes to an existing card. The form should be completed by the supervisor and sent to the Program Coordinator.

Check one:

___ New card request?

___ Changes to an existing card? If so, indicate below what changes you are requesting:



Employee Name: _____
(Please Print)

Address: _____

Email Address: _____

Office phone: _____ Cell phone: _____

Building or Work Location: _____

Department: _____

Expense Report Interim Approver(s) _____

Expense Report Final Approver(s) _____

OPTIONAL - INCLUDE ANY ACCOUNTING CODES, ETC... BELOW

Limits for the purchasing card are established by the cardholder's supervisor and should be based upon the business needs of that individual. I acknowledge and approve the Visa Purchasing Card request for the employee named above. I would like to request limits for this card as follows:

Monthly Credit Limit Required	Single Purchase Limit (Optional)	Daily Purchase Limit (Optional)	Transaction Purchase Limit – (Optional)

Administrator/Supervisor signature: _____ Date _____

APPENDIX B

ACKNOWLEDGEMENT OF RECEIPT OF THE VISA PURCHASING CARD AND TERMS OF REVOCATION FORM

I agree to accept responsibility for the protection and proper use of the Purchasing Card in accordance with the terms and conditions below and in accordance with the Purchasing Card Procedures Handbook.

1. I understand that I will be making financial commitments on behalf of Company and will seek to maximize the purchasing value.
2. I understand that personal purchases are not allowed on the Purchasing Card, and I agree to use the Purchasing Card for the purchase of items for use in official business only. All purchases must comply with the purchasing policies. I understand that examples of items not to be purchased with the Purchasing Card are included in the Purchasing Card Handbook; however, I also understand this list is not all inclusive and that if I have a question about a purchase I will go to my supervisor for approval.
3. I understand that I shall be personally liable for the inadvertent/improper use of the Purchasing Card, and I agree to pay the cost of such use, (other than improper use as the result of a **lost or stolen card** which was immediately reported as required in the Purchasing Card Procedures Handbook), including fees and interest assessed against the improper purchase.
4. I understand that improper use of the Purchasing Card may be cause for disciplinary action, including termination, and that improper use of the Purchasing Card may subject me to criminal prosecution.
5. I also understand that if there are amounts, which are attributable to my improper use of the Purchasing Card, I agree to reimburse the Company.
6. I agree to abide by the guidelines contained in the Company Purchasing Card Handbook.
7. I understand that failing to follow the Purchasing Card program guidelines may be deemed an improper use of the card and could result in revocation of the Purchasing Card and appropriate disciplinary action, which may include termination.
8. I agree to provide original, itemized receipts from the supplier for each transaction made on the Purchasing Card as required in the Company Purchasing Card Handbook. Failure to report or document any purchase may be deemed an improper use of the Purchasing Card.
9. I understand that should my employment with Company terminate for any reason, the Purchasing Card must be returned to the Purchasing Card Coordinator.
10. I also understand that Company may withdraw authorization to use the Purchasing Card and require the return of the Purchasing Card at any time for any reason. If the Purchasing Card is lost or stolen, I agree to notify my immediate supervisor and the Purchasing Card Coordinator immediately.
11. I have been given a copy of the Company Purchasing Card Handbook, have read the handbook, have received training on the Purchasing Card Program and understand the requirements for Purchasing Card use.

By signing below you are acknowledging you have read the Manual and will abide by the Policies and Procedures discussed herein.

Cardholder Signature _____

Date _____

Program Administrator Signature _____

Date _____

SECURITY BANKCARD CENTER INC.
Attn: Janice P.O. Box 6139 Norman, OK. 73070

Account Number: _____

Fax # (405) 217-7546 Attn: Janice _____

All disputes must be received **in writing**, within **60 days** of the error posting to your account. **Your signature is required**. Return this form along with all documentation required. **Only check one reason for the dispute**. Only one disputed transaction per page. If more space is needed for explanation, please attach a second sheet.

Transaction Date of Charge: _____ Amount of Charge: _____

Merchant Name: _____ Merchant Location: _____

___ **UNKNOWN CHARGE: Do not recognize this charge. I need more information to verify charge is valid.**
Merchant has 30 days to supply a copy of the transaction. **Date you contacted the merchant:** _____

___ **RECURRING CHARGE: Membership Cancelled.** If the charge is a recurring charge, i.e. Internet service accounts, monthly insurance, **you must cancel with the merchant prior to disputing charges. You must first attempt to resolve the dispute with the merchant.**
Date you contact the merchant: _____. Charge cancellation date: _____
Cancellation confirmation number: _____. You may send us a copy of the merchant's cancellation confirmation letter. **Only charges that post after your cancellation date may be disputed. Without proof of cancellation we are unable to remove this charge.**

___ **HOTEL/MOTEL CHARGE:** Hotel/Motel NO SHOW charges may be disputed **only** if you have the cancellation number that the merchant provided at the time you cancelled your reservation.
Cancellation Number & Date: _____
Without the cancellation numbers we are unable to remove this charge.

___ **MERCHANDISE NOT RECEIVED: You must first attempt to resolve the dispute with the merchant.**
Please describe what was ordered: _____
State the date you contacted the merchant: _____
Please list the date the merchandise was scheduled for delivery: _____
Please state the Merchants response: _____

___ **CREDIT NOT POSTED FOR CANCELLED ORDER: You must first attempt to resolve the dispute with the merchant. Merchants have 30 days to post a credit to your account.** Credit will not post to your account if the merchandise is in your possession.
Please state what was ordered: _____
Was the order canceled? _____
Please supply a copy of the credit receipt, or list the date the merchant stated the credit would be processed.

___ **CREDIT NOT POSTED FOR RETURNED MERCHANDISE: You must first attempt to resolve the dispute with the merchant. Merchants have 30 days from the day they receive the merchandise back to post a credit to your account.**
Return date: _____. Credit will not include shipping and handling cost. We must have proof of return, **without proof of return we are unable to remove this charge.**
What address was the merchandise returned to: _____
Who signed for the return: _____
Describe what was expected, what was received and reason for the return. _____

___**PAID FOR BY OTHER MEANS:** You must first attempt to resolve the dispute with the merchant. To dispute a charge on your credit card that you paid for by other means you must **supply us with a copy of your receipt**, if you paid cash; **or copy of front & back cancelled check**, if paid by check; or **copy of credit card statement**, if paid by different card. Without proof of other means of payment, we are unable to remove this charge.

___**AMOUNT DIFFERENT:** To dispute a charge for amount different, you must supply a copy of your receipt with the correct amount of the charge. Without your copy of the receipt, we are unable to remove this charge.

The correct amount of charge is _____.

The amount charged to your account is _____.

___**NOT AS DESCRIBED OR DEFECTIVE MERCHANDISE:**

What was purchased? _____

How is it not as described? _____

How is it defective? _____

Please state how you have attempted to resolve the dispute with the merchant:

FRAUDULENT CHARGE: Please contact our fraud department at 1-800-356-8085.

Cardholder's Signature

Date

Home Telephone # _____

Work Telephone # _____