

EFFECTIVE DATE:

August 19, 2016

PURPOSE

To establish procedures for the enforcement of policies and procedures related to the Liberty University Purchasing Card (P-Card).

SCOPE

These procedures apply to all activities related to Liberty University Purchasing Cardholders and Administrators.

RESPONSIBILITY

Vice President for Finance: The Vice President for Finance has primary responsibility for administering these procedures and may delegate this authority to the Director of Purchasing.

Director of Purchasing: The Director of Purchasing is responsible for the administration of these procedures, establishing and maintaining University procedures associated with Purchasing Cards, as well as providing training for all procurement personnel.

Purchasing Card Officers: The P-Card Officers are responsible for the daily administration of the P-Card Program as designated by the Director of Purchasing.

Division Leaders: Division Leaders are responsible for ensuring compliance within their organizations concerning all aspects of these procedures.

P-Card Review Committee: The P-Card Review Committee is responsible for reviewing policy violations and determining an appropriate disciplinary course of action for offenders.

Purchasing Card Approver: The P-Card Approver is responsible for notifying the Cardholder upon discovery of a policy violation, taking corrective action, and reporting any incidents of misconduct to a P-Card Officer.

Purchasing Card Reconciler: The P-Card Reconciler is responsible for reporting any suspected policy violations made by the Cardholder to a P-Card Approver.

Purchasing Cardholder: The P-Cardholder is responsible for immediately reporting any policy violations, unintentional or deliberate, to the P-Card Approver.



PROCEDURES

1. **Audit.** All transactions incurred on the P-Card can and will be reviewed by P-Card Officers, P-Card Approvers, Financial Planning and Budgeting, and internal and external auditors.
2. **Violation Discovery.** Any transaction or activity appearing to fall outside University policy must be reported to the Cardholder's Approver and/or P-Card Officers as noted:
 - **Cardholder Discovery.** A Cardholder who discovers a self-incurred violation must report the violation to the Cardholder's Approver.
 - **Reconciler Discovery.** A Reconciler who discovers or is made aware of a policy violation by a Cardholder must report the violation to the Cardholder's Approver.
 - **Approver Discovery.** Approvers who discover or are made aware of a policy violation incurred by a Cardholder or Reconciler must take corrective action towards the offender and notify a P-Card Officer of the violation, citing the corrective action taken. Approvers may request additional corrective action through the P-Card Officer if deemed necessary. P-Card Officer contact information: pcard@liberty.edu.
 - **Third Party Discovery.** Anyone who discovers or is made aware of a policy violation committed by a Cardholder, Reconciler, or Approver must notify a P-Card Officer.
3. **Investigation.** When notified of a violation, a P-Card Officer will contact the Cardholder and the Cardholder's Approver by email. The Cardholder may be asked to provide a detailed explanation and documentation to justify the purchase or action.
4. **Review.** A P-Card Officer will present all documentation to the P-Card Review Committee, which will review the circumstances and documentation surrounding the alleged violation. After review, the P-Card Review Committee will collectively determine the appropriate course of action based upon 1) the severity of the violation, 2) the number of previous violations incurred by the offender, 3) any corrective action already taken, and 4) other factors deemed as relevant.
5. **Notification.** The offender and the P-Card Approver will receive written notification detailing the violation and the determined disciplinary course(s) of action.
6. **Appeals.** P-Card Approvers have the right to appeal any decision made by the P-Card Review Committee in writing to the Vice President for Finance.

**** Personal and Other Purchases Requiring Reimbursement to Liberty University:**

Use of the P-Card for personal or non-University business transactions must be reported to Purchasing (pcard@liberty.edu) within **five (5) business days** of the date the purchase was discovered. Cardholders must ask the vendor to reverse the transaction and credit the amount back to the P-Card. Cardholders must reconcile both the charge and credit in Infor.

If the vendor is unable or unwilling to reverse the transaction, the Cardholder will receive an invoice for the amount of the personal transaction(s). The Cardholder must submit the invoice



with full payment to the Cashier's Office (in the Student Service Center in Green Hall) within **five (5) business days** of the invoice date.

Failure to report personal purchases within five (5) business days of the date the purchase was discovered or failure to reimburse the University for personal purchases within 5 days of the invoice date may result in immediate P-Card suspension or revocation, Cardholder employment termination, and/or criminal prosecution.

DISCIPLINARY COURSES OF ACTION

The following disciplinary courses of action will be enforced by the P-Card Review Committee. Division leaders should also use this section as a guideline for appropriate actions if violations are discovered at the departmental level.

Disciplinary action can be taken on Cardholders, Approvers, Reconcilers, or any other individual performing the violation. The action taken is dependent on the severity of the violation, the number of previous violations incurred by the offender, corrective action previously imposed, and any other factors deemed as relevant. ***Liberty University reserves the right to forgo any of these steps at any time and pursue a violation criminally if deemed necessary by University officials.***

- **Written Warning:** Offender receives an email notification, detailing the transactions and/or activities in violation of P-Card Policy, including a warning to abstain from any further transactions or activities of the same nature.
- **Mandatory Retraining:** Offender attends Finance 100, P-Card Travel Training, and/or P-Card General Training as directed.
- **Temporary P-Card suspension:** The P-Card of the offender is suspended for a specified period of time up to 90 days, depending on the severity of the violation. The offender must attend Mandatory Retraining as defined above before his or her P-Card is reactivated.
- **Permanent P-Card Revocation:** The P-Card of the offender is permanently revoked, and all future requests for P-Card privileges are denied.
- **Employment Termination:** Human Resources is notified of the violation and the offender is terminated from employment with Liberty University.
- **Criminal Prosecution:** Local police authorities are notified of the violation.