

Indiana University Office of Procurement Services

STANDARD OPERATING PROCEDURE

SOP NO:	SOP-PCARD-01				
SUBJECT:	Roles and Responsibilities				
SOURCE:	University Procurement Services				
ORIGINAL DATE OF ISSUE:					
DATE OF LAST REVISION:	02/13/2024				
DISCLAIMER:	The information provided in this Standard Operating Procedure (SOP) is designed to provide helpful information on this procedure. Purchasing reserves the right to determine on a case by case basis if a SOP should be adjusted for a particular situation. This SOP is not intended to cover each and every situation nor can it anticipate specific circumstances.				
RATIONALE:	To provide Indiana University employees a guide to the roles and responsibilities associated with the P-Card program.				
PROCEDURES	<p>ROLES</p> <p>Responsible cardholders (cardholders for short) are responsible for authorizing P-Card users within their department(s). Reconciliation and review of P-Card expenses in Chrome River must be completed in a timely manner to ensure policy compliance.</p> <p>Roles have been established to facilitate these responsibilities in accordance with IU's separation of duties requirement that at least two employees must be involved in the reconciliation process to help prevent error and misuse.</p>				
	Role	System Where Role is Established	Make Purchase	Create Expense Report	Approve Expense Report
	Purchaser	N/A	Yes	Yes, if added as a Reconciler for Cardholder	No
	Cardholder	Chrome River	Yes	Yes	Can approve if a Reconciler reviews and submits the expense report
	Transaction Approver	KFS	Can purchase if a Reconciler reviews and submits the expense report	Yes	Yes
	Reconciler	Chrome River	Yes	Yes, this role is available to help the cardholder complete reconciliation, especially in instances where the cardholder is the approver	Yes, a Reconciler can also hold the P-Card Transaction Approver role

	<p>RESPONSIBILITIES</p> <p><u>Purchaser</u> It is the responsibility of the purchaser to substantiate any purchase made with the P-Card. In the case of an audit, purchasers/departments will be called upon to explain and prove the legitimacy of an expense.</p> <p>Purchasers are also responsible for ensuring sales tax is not charged as appropriate. For the convenience of IU’s P-Card holders, the sales tax exemption number is printed on the face of all P-Cards. If sales tax is charged, contact the merchant, and request a credit for that amount.</p> <p><u>Cardholder</u> Cardholders must demonstrate prudent judgement and ensure funds are always used for university benefit, never for the purpose of personal benefit or privilege of a university employee. All procurement card expenses must meet the criteria of a bona fide <i>business expenditure</i> under the university’s accountable plan.</p> <p>The following help ensure the responsible use of university funds:</p> <ul style="list-style-type: none"> • Becoming familiar with the National Association of Educational Procurement (NAEP) Code of Ethics to align your procurement standards with IU Procurement Services. • Being mindful that IU is a publicly funded university and that its employees have a duty to ensure that its resources are spent in a responsible and efficient manner. • Contacting Card Services via the Support Form for guidance if you are unsure about the appropriateness of an expense. <p>Cardholders must complete the P-Card Essentials training course before a P-Card will be issued. This includes new cardholders added to existing P-Card accounts. The cardholder will not be updated until training compliance is verified by Card Services staff. P-Card Essentials should be completed prior to applying for a P-Card or requesting changes to an existing account.</p> <p><u>Transaction Approver</u> Fiscal officers, and by extension transaction approvers they put in place, are responsible for ensuring the propriety and reasonableness of all procurement card expenditures in adherence with policy FIN-PURCH-07: Procurement Card Program as well as policy FIN-ACC-620: Reimbursement Under the Accountable Plan.</p> <p><u>Reconciler</u> A reconciler is established when the cardholder and transaction approver are the same individual. Reconcilers are created by granting delegate access to the cardholder’s Chrome River eWallet. Reconcilers review and substantiate P-Card transactions so they may be reviewed and approved by transaction approvers.</p> <p>INAPPROPRIATE USE The university will seek restitution for any inappropriate charges made to the card. Fraudulent or intentional misuse of the card may result in disciplinary action up to an including employee termination and/or revocation of P-Card privileges. Violation of state statutes may result in civil or criminal penalties.</p> <p>The Associate Vice President of Procurement Services reserves the right to restrict or revoke credit card delegation to specific departments or individuals for failure to adhere to purchasing policies and regulations or as circumstances warrant.</p>
<p>DEFINITIONS</p>	<ul style="list-style-type: none"> • Cardholder: Employee whose employee ID is tied to the card and on file with US Bank. • Purchaser: Employee authorized by responsible cardholder to use the card. • Reconciler: Employee charged with attaching receipt and supporting documentation to the expense report to complete the audit record and to document and rectify any non-compliant transactions. • Transaction Approver: Fiscal officer, or individual put in place by the fiscal officer, who reviews and approves reconciled transactions.
<p>CROSS REFERENCE</p>	<ul style="list-style-type: none"> • National Association of Educational Procurement (NAEP) Bylaws and Code of Ethics • FIN-PURCH-07: Procurement Card Program • FIN-ACC-620: Reimbursement Under the Accountable Plan • KFS Document Acronyms and Hierarchy

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| | <ul style="list-style-type: none">• Using the Account Delegate Document• Add Chrome River Delegates• Indiana University ST-105 Indiana State Sales Tax Exemption Form• Reference Material Library (location of other state sales tax exemption forms)• Sales Tax Purchase Reference Documentation• Players in the Process (video)• Sales Tax (video)• So, You Were Charged Sales Tax (video)• Card Program Management Best Practices (video) |
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