

The Ohio State University Extension  
**Internal Control Structure**  
University Purchasing and Travel Card Program

## OVERVIEW

In order to more closely meet the expectations and responsibilities placed on The Ohio State University, Extension has expanded the policies and procedures governing the University Purchasing and Travel Card Program. In addition to the policies written here, applicable policies include but are not limited to:

- Purchasing Card Policy - [http://purchasing.osu.edu/pcard/PurchasingCardPolicy\\_May2008.pdf](http://purchasing.osu.edu/pcard/PurchasingCardPolicy_May2008.pdf)
- Travel Card Policy - [http://purchasing.osu.edu/pcard/TravelCardPolicy\\_May2008.pdf](http://purchasing.osu.edu/pcard/TravelCardPolicy_May2008.pdf)
- Purchasing Policy - <http://purchasing.osu.edu/policies/PurchasingPolicy.pdf>
- Expenditure Policy - [http://www.ctrl.ohio-state.edu/webhelp/Financial\\_Policies.htm](http://www.ctrl.ohio-state.edu/webhelp/Financial_Policies.htm)
- Travel Policy - <http://busops.osu.edu/travelforms/TravelPolicy.pdf>

All policies can be found at: <http://osuebusiness.ag.ohio-state.edu>

The Extension Purchasing and Travel Cards are subject to a maximum standard transaction limit of \$1,000 and a maximum monthly spending limit of \$3,000.

Purchasing Cards are for use by authorized individuals as dictated by completed and approved OSU Extension Card User Agreement Form(s). While the card is in their possession, users must not allow anyone else to use it. Applications for Purchasing Cards must be approved by Extension Business Operations, and supported by a completed OSU Extension Purchasing Card Manager Agreement Form. Assignment of multiple managers to the same card is prohibited.

Travel Card assignment is restricted to Assistant Director, Regional Director, System Specialist and higher positioned employees of Extension. Applicants must show their job requires frequent travel, which is defined as 10 or more overnight trips in a fiscal year. The Travel Card cannot be used for meals, personal incidentals or any travel expenses besides airfare, hotel (lodging and associated business expenses) and rental vehicle.

## APPROVALS

All purchases must be pre-approved by the appropriate signature authority. It is the responsibility of each unit to specify the form pre-approval takes (ie. verbal, email, or signature) for Purchasing Card transactions. T# assignment serves as pre-approval for Travel Card transactions.

## CARD SECURITY AND PURCHASING CARD LOG

At no time should the Purchasing and Travel Card numbers be faxed or photocopied. Every transaction, including credits and transactions made in the office, must be recorded on the Purchasing Card Log. The Log cannot be typed. "Card Out" information, "Description of Purchase", "Supplier" and "Estimated Purchase Amount" must be completed before the transaction takes place. Entries should not be whited-out or made illegible. Errors should be documented and the explanation attached to the log.

## DOCUMENTATION REQUIRED

- **Purchase of Goods**  
Completion of the Purchasing/Travel Card Transaction Form must include a legitimate business reason for the purchase and a detailed description of the item(s) purchased ("see attached" is not acceptable). Advanced signing of blank transaction forms (Section IV "Certification of Transaction" and Section V "Approval") is prohibited. A Food and Beverage Documentation Form can be completed and attached if necessary in order to meet Expenditure Policy requirements.

- **Changes to Account**

A completed OSU Purchasing Card and Travel Card Maintenance Form is required to make the following changes: transaction and monthly limits, office mailing address, default chartfield (excluding account), name embossed on card, card cancellation, Reallocator and Approver. Changes to the Card Manager require cancellation of the card and submission of a new application for the replacement manager.

The maintenance form must be signed by Purchasing Card Manager or Travel Card Holder; faxed, scanned or mailed to the Extension Business Office; and approved by the Purchasing and Travel Card Program Coordinator and by the CFAES Senior Fiscal Officer.

## **REALLOCATION**

The original transaction form, receipt and other back-up documentation must be forwarded to the assigned Reallocator as soon as possible to meet the monthly deadline for reallocation. At the request of the Reallocator, paperwork can be faxed in order to meet the deadline on the second to last business day of each month. However, faxes do not replace the original paperwork which must be forwarded as soon as possible to the Reallocator for record retention compliance.

## **CANCELLATIONS**

If an account is being cancelled, the card should be cut up and forwarded with the maintenance form to the Extension Business Office. The Extension Business Office will forward the cancellation documentation and cut-up card after all transactions on that card are reallocated.

## **BANK STATEMENTS**

The Purchasing Card Manager or Travel Card Holder must review, sign and forward the original Bank Statement to the Reallocator as soon as possible. For Purchasing Cards, a copy of the Purchasing Card Internal Tracking Log listing the corresponding transactions must be attached to the statement for submission.

## **MISUSE OF CARD**

OSU Extension reserves the right to suspend or terminate card privileges without notice for significant non-compliance with University, FAES, or Extension policies, guidelines and procedures. Three instances of failure to comply with established policies, guidelines and procedures could result in revocation of the card. Misuse of the card will result in corrective action including but not limited to:

1. Verbal notification to cardholder.
2. Notification in writing to cardholder and supervisor.
3. Temporary loss of privileges.
4. Permanent revocation of the card.
5. Required reimbursement of inappropriate expenses.
6. Additional progressive disciplinary steps up to and including dismissal.

## **ADDITIONAL RESTRICTED PURCHASES**

The following purchases cannot be made with an Extension Purchasing Card:

- Alcohol
- All transactions requiring the Purchasing Card to be logged out overnight
- Any commodity listed in the OSU Purchasing policy entitled "Special Approvals/Review"
- Computers
- Equipment that will be used off-site

## **EXCEPTIONS**

Any exception to the policies and procedures written in this document must be approved by the Extension Purchasing and Travel Card Program Coordinator. This approval must be received before the exception takes place.

## **EXTENSION ROLES AND RESPONSIBILITIES**

### Purchasing Card User

An individual authorized to use a Purchasing Card to purchase approved goods and travel services.

1. Agrees to abide by all state laws, Board of Trustee resolutions, University Financial Code of Ethics, Purchasing Card Policies, University Expenditure Policies, Travel Policies, Extension Internal Control Structure, and the Extension Card User Agreement Form.
2. Must read, sign and submit the Extension Card User Agreement Form to the Unit Approver before using the card.
3. May not approve his/her own purchases.
4. Must review and stay up-to-date with changes in University policies.
5. Attends Purchasing Card training sessions and program update sessions.

### Travel Card User

An individual personally assigned a Travel Card to purchase allowed travel expenses.

1. Agrees to abide by all state laws, Board of Trustee resolutions, University Financial Code of Ethics, Travel Card Policies, University Expenditure Policies, Travel Policies, Extension Internal Control Structure, and the Extension Card User Agreement Form.
2. Must read, sign and submit the Extension Card User Agreement Form to the Unit Approver before using the card.
3. May not approve his/her own purchases.
4. Must not allow another individual to use the Travel Card.
5. Must review and stay up-to-date with changes in University policies.
6. Attends Purchasing Card training sessions and program update sessions.

### Purchasing Card Manager

An individual personally assigned to the Purchasing Card via the Purchasing Card Application and is primarily responsible for the day-to-day operations of the card program within a unit.

1. Agrees to abide by all state laws, Board of Trustee resolutions, University Financial Code of Ethics, Purchasing and Travel Card Policies, University Expenditure Policies, Travel Policies, Extension Internal Control Structure, and the Extension Card User Agreement Form.
2. Must read, sign and submit the Extension Purchasing Card Manager Agreement Form to the Unit Approver before using the card.
3. Maintains the safe keeping of the Purchasing Card.
4. Monitors and maintains the Internal Tracking Log.
5. Maintains a list of authorized Purchasing Card Users; Distributes card only to authorized users.
6. Denies use of the card if proper policies and procedures have not been met.
7. Assists the Purchasing Card User with documentation compliance.
8. Attends Purchasing Card training sessions and program update sessions.

### Unit Approver

An individual with authorized signature authority for a unit, often the Unit Director.

1. Must read, sign and submit the Extension Unit Approver Agreement Form to their Supervisor and the Reallocator assigned to the Purchasing or Travel Card.
2. Sets internal control policy for pre-approvals.
3. Pre-approves purchases in accordance with unit's internal controls.
4. Post-approves all purchases in writing.
5. Authorizes usage and assignment of Purchasing Cards by signing Card User and Purchasing Card Manager Agreement Forms.
6. Maintains agreement form records for users and managers.
7. Monitors policy and procedure compliance within unit.

**Reallocator**

An individual assigned by Extension Purchasing and Travel Card Program Coordinator to complete reallocation duties within the University Reallocation System.

1. May not reallocate his/her own transactions.
2. Reviews transactions for policy compliance.
3. Works with managers and users to resolve discrepancies and comply with policy.
4. Maintains infraction file and reports misuse to System Approver.
5. Maintains agreement form records for users and managers.
6. Maintains documentation according to the University's records retention schedule, and forwards necessary documentation to System Approver when requested.

**System Approver**

An individual assigned by Extension Purchasing and Travel Card Program Coordinator to complete approval duties within the University Approval System.

1. May not approve transactions he/she reallocated.
2. Monitors policy and procedure compliance for all Extension Purchasing and Travel Cards.
3. Quarterly notifies Extension Purchasing and Travel Card Program Coordinator of infractions.
4. Resolves the transactions that are not reallocated by the monthly deadline.

**Extension Purchasing and Travel Card Program Coordinator**

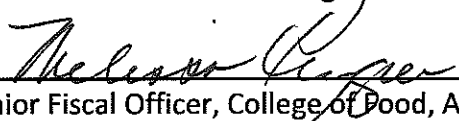
An individual assigned to oversee all Extension Purchasing and Travel Card policy and procedure compliance and enforcement.

1. Monitors segregation of duty compliance with units.
2. Reports significant infraction findings to Extension Administration.
3. Makes program recommendations to the Extension Business Operations Manager for administrative consideration.

**SIGNATURES**

X   
Signature of Extension Business Operations Manager

X   
Signature of Associate Vice President – Agricultural Administration and Director of Extension

X   
Signature of Senior Fiscal Officer, College of Food, Agricultural and Environmental Sciences