

## Procurement Card Violations

**Summary/Purpose:** Below are the 5 types of Cardholder violations and an explanation of what is an appropriate consequence for a specific violation. **The department as well as the Office of Procurement Services has the authority to cancel a card at any time.**

### 1. PERSONAL PURCHASE(S)

**Definition:**

A personal purchase is anything that is not purchased for use and ownership by the University.

**Violation:**

It is a cardholder violation to make ANY personal purchases or transactions with the Procurement Card or any other purchase method. It is against the law to use government funds, state or federal, to purchase items for personal use. Even though the Cardholder may have paid the University back, or intends to pay back the amount of the purchase, it may be considered a fraudulent act.

**Consequence:**

The University must be reimbursed immediately for the amount of the personal purchase. The Card may be canceled. Any violation of this policy may be investigated and could result in termination and/or criminal prosecution. In the event of willful or neglectful default of these obligations, the University shall take any recovery action deemed appropriate, that is permitted by law.

### 2. CASH OR CASH TYPE TRANSACTIONS

**Definition:**

Cash, cash in addition to purchase, cash in lieu of credit to the account, travelers checks, money orders, gambling, ATM transactions, etc.

**Violation:**

A cash or cash type transaction made using the Procurement Card (this includes accepting cash rather than credit for returned items).

**Consequence:**

Card may be canceled and any violation of this policy may be investigated and could result in termination and/or criminal prosecution. In the event of willful or neglectful default of these obligations, the University shall take any recovery action deemed appropriate, that is permitted by law.

### 3. SPLIT PURCHASES

**Definition:**

Split transactions are defined as single items costing more than \$5,000.00 which are split between multiple transactions to circumvent the \$5,000.00 limit.

**Violation:**

A split purchase is defined above.

**Consequence:**

Card may be revoked and the Cardholder will be required to obtain further training before the card is reinstated.

#### **4. INAPPROPRIATE PURCHASES**

**Definition:**

Any purchase that is a violation as set forth in this guide, the purchasing policies and procedures of the University or State of Mississippi purchasing regulations. The Procurement Card is to be used mainly for small dollar purchases of commodity items. NO professional fees or 1099 reportable items or any other purchases not allowed by the intent and purpose of the Procurement Card Program shall be allowed.

**Violation:**

Purchase of any inappropriate items or services on the Procurement Card.

**Consequence:**

Any violation of this policy may be investigated and could result in termination and/or criminal prosecution. At a minimum, the Cardholder will receive a warning and may be required to obtain additional training on use of the program. Chronic abuse may result in cancellation of the card and will be investigated as a personal purchase.

#### **5. FAILURE TO PROVIDE SUPPORTING DOCUMENTATION**

**Definition:**

Each transaction on the Procurement Card must be represented by an itemized receipt or other acceptable means of documentation that verifies the date of purchase, the vendor or merchant name, each item purchased and the price of each item.

**Violation:**

Lack of supporting documentation for every transaction is a cardholder violation.

**Consequence:**

Any violation of this policy may be investigated and could result in termination and/or criminal prosecution. Human error and patterns of chronic abuse will be considered. At a minimum, the Cardholder will receive a warning and may be required to obtain additional training on use of the program. Chronic abuse may result in cancellation of the card and will be investigated as a personal purchase.