

GENERAL INFORMATION
DEFINITIONS

Audit	Review of procurement card transactions by Purchasing, internal (College) and external auditors for compliance with sound business practices and procedures
BANNER	The financial system used by the College to record and audit financial transactions. BANNER contains the permanent accounting records of the Colorado College
Cardholder	College employee who has been issued a procurement card and is authorized to make purchases in accordance with P-Card policies and procedures
Capital Equipment	Capital equipment is defined as equipment, computer systems, furniture and/or fixtures generally costing more than \$500; the item has a "useful life" normally greater than 1 – 2 years and does not get consumed like office supplies and instructional supplies. There are some items that cost less than \$500 that also have a life beyond 1 -2 years, however, because of their low cost, they are treated like consumables (i.e., calculators).
Declining Balance Cards/Project Cards	Used for a fixed amount of spend over a specific duration of time. The accounts are post-paid; once the time frame or maximum spend has been reached the card cannot be "reloaded."
Default Codes	Every card has default Fund-Organization (and optional Account) codes; transaction charges are not limited to this set of fields. Cardholders have the ability to disburse purchases among numerous FOAP's if/as needed (see definition of FOAP below)
Department Head	Approval authority which includes President, Vice President, Dean, Director, Department Head and Department Chair
FOAP [Fund – Org – Account – Program]	The FOAP defines where charges are placed in the accounting structure: <ul style="list-style-type: none"> • The FUND defines <u>where</u> the money is kept (restricted, operating, etc.) • The ORG defines <u>who</u> uses the money (Mathematics, Admissions, etc.) • The ACCOUNT describes <u>how</u> the money is being used (airfare, office supplies, etc.) • The PROGRAM categorizes activities. This is defaulted for all cardholder transactions. <p>*Departments may also use Activity and Location codes if/as needed for reconciliation</p>
UMB Commercial Card	The UMB VISA Spend Management Tool used for online reconciliation of cardholder transactions
Merchant Category Codes (MCC)	MCC's are four-digit codes assigned to a supplier by their merchant bank. The MCC identifies the type of business conducted by the supplier.
Procurement Card (P-Card)	A credit card issued to an employee in his/her name; the card has limitations of dollars and commodities
Program Administrator	Director of Purchasing or designee (also referenced as "Procurement Card Program Administrator")
Proxy	Person within the department designated to approve transactions in lieu of the Department Head
Pyramiding/Splitting Transactions	Making one purchase into two or more purchases to stay within single transaction limits. PYRAMIDING IS NOT PERMITTED UNDER THIS PROCUREMENT CARD PROGRAM
Reconciler	The Colorado College employee who reconciles the procurement card transactions in the online UMB VISA system. The reconciler may also be the cardholder or the person designated to reconcile for cardholders within the department; reconcilers are not required to have a UMB Procurement Card in order to reconcile transactions for others.
Reconciliation	The act of assigning an account string (or FOAP) AND indicating the business purpose on EACH transaction; reconciliation is performed on a monthly basis by the cardholder or reconciler for cardholder transactions
Statement	The monthly listing of transactions to and for individual cardholders (issued by UMB Bank)
Statement Period	Date of statement cut-off
Summary Statement	The monthly listing of all Cardholder transactions to the Program Administrator (issued by UMB Bank)
Transaction	The act of making a purchase with the procurement card
Transaction Limits	Cardholders have individual single and monthly total purchase amounts as authorized by their Department Head
UMB Bank	Procurement card provider for the College