



## 2.9 Spending Limits

### Policy Statement

Spending limits enable management to provide cardholders with the purchasing power to accomplish the needs of the job without exposing the State or the University to unnecessary risk. Spending limits should be based on job responsibilities of the cardholder and/or of the job title.

Spending limits that are available are:

1. Cycle (Credit) Limit (CL) – The credit limit is a mandatory spending limit that restricts the amount of purchases a cardholder can make in one billing cycle (the 28th of the current month through the 27th day of the following month; however, if the 27<sup>th</sup> is on a weekend, then the cycle will end the Friday before the weekend and the new cycle will start on Saturday).
  - i. The credit limit cannot be less than the cardholder's Single Transaction Limit.
  - ii. The University has established a standard monthly CL of \$10,000 per month. Higher limits may be requested and justification will be required. A cardholder's CL cannot be more than \$25,000 without UGA Procurement receiving prior written approval from the State Purchasing Division.
2. Single Transaction Limit (STL) – The STL is a mandatory spending limit imposed on each transaction made by the cardholder.
  - i. By law, the maximum single transaction limit on PCard purchases is \$4,999; however, under UGA's program the standard single transaction limit is \$1,000. Any STL greater than \$1,000 must be justified. In addition to the justification, if the STL is >\$2,499 but <\$5,000 an exception must be granted by UGA PCard Administrators or Coordinators.
  - ii. For information on how to request an exception for a STL >\$2,499, see the section titled UGA Cardholders (P-Card) on the [Security and Immigration Compliance Act \(E-Verify\)](#) website.

### Reason for policy

To provide an understanding of the various types of spending limits and to provide guidance regarding the appropriate amounts for the limits

### Procedures

Sections 5.3 of the [UGA P-Card Manual](#) provide the procedures for setting a CL and STL for each p-card. The CL and STL for each cardholder's p-card are designated on the New P-Card Request form or these limits may be changed permanently by utilizing the P-Card Change Request form, or temporarily changed by using the Temporary Change to Spending Limits Form.

### Forms/Instructions

New P-Card Request Form: [http://www.busfin.uga.edu/forms/pcard\\_reqform\\_new.pdf](http://www.busfin.uga.edu/forms/pcard_reqform_new.pdf)

P-Card Change Request Form: [http://www.busfin.uga.edu/forms/pcard\\_change.pdf](http://www.busfin.uga.edu/forms/pcard_change.pdf)

Temporary Change to Spending Limits

Form: [http://busfin.uga.edu/procurement/pdf/temporary\\_change\\_to\\_spending\\_limits.pdf](http://busfin.uga.edu/procurement/pdf/temporary_change_to_spending_limits.pdf)

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#### Additional contacts

Dawn Cowart

**Phone Number:** 706-542-2361

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#### Policy definitions

CL – Cycle (Credit) Limit

STL – Single Transaction Limit

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#### Responsibilities

**Responsible University Senior Administrator:** Vice President for Finance & Administration

**Responsible University Administrator:** Procurement Officer

**Policy Owner:** Procurement

**Policy Contact:** Dawn Cowart

**Phone Number:** 706-542-2361

**Responsibilities:** The Dean/VP/Department Head is responsible for approving the issuance of new p-cards which includes setting the single transaction and monthly credit limits.

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#### Related information

**[UGA P-Card Manual](#)**

Date Reviewed: 11/05/2018

[◀ Obtaining a P-Card](#) | [Allowable Purchases \(Things I CAN buy With a P-Card\)](#) ▶

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#### Policy Dates

Effective Date:

Date Last Updated: 11/05/2018

Date of Last Review: 11/05/2018

Date of Approval:

Previous Version of Policy: