



## ❖ P-CARD (PURCHASING CARD) MANUAL ❖ POLICIES & PROCEDURES

This program has been implemented by and is solely regulated under the authority of the PBCC Administrative Services: Controller's Office and Purchasing Office.

Implementation Date: 11/18/02

**Revised 08/08**

## OVERVIEW

PBCC has implemented a Purchasing Card Program to serve as an alternate and more efficient method for purchasing small dollar goods. Non-Purchase Order Method will allow departments to make a single transaction, which cannot exceed \$999.00 (Note: This amount includes the total cost of the transaction and any associated shipping and handling costs) without having to submit a purchase requisition for the issuance of blanket purchase order or a payment request.

The Non-Purchase Order method reduces the need for petty cash funds and the inherent risks of the money being mishandled or stolen. It also reduces the number of direct pay requests.

Each Card issued will have its own specified dollar amount limits (i.e. per transaction, per day, per month, etc.) and specified restrictions (i.e. various categories of purchases allowed/not allowed, known as MCC Codes). Each Card can be tailored to fit a department's unique or specific needs.

## REQUEST FOR CARD ISSUANCE

All requests for Card issuance must be submitted via the Card Application and Employee Agreement form, which must have final approval of the Administrator. The requesting Department Head must request the dollar limitations for the Card and any special restrictions to be added to the regular ones automatically imposed.

Any College employee authorized and approved to use a Card shall be required to sign and date the Card Application and Employee Agreement form plus attend mandatory training prior to being issued the Card. This agreement serves to duly inform the employee of cardholder responsibilities in the use and safeguarding of the Card, including the consequences. Serious or repeated misuse or abuse of the card will result in the revocation of the card as well as disciplinary actions up to and including termination of employment and prosecution to the extent permitted by law.

## RESPONSIBILITIES

### ❖ CARDHOLDER

The Cardholder is responsible for the following:

1. Checking to ensure adequate budget appropriations exist **before** incurring any Card charges.
2. Safeguarding the Card at all times.
3. Ensuring that the cardholder is the sole user of the Card.
4. Using the Card strictly according to the policies and procedures set forth in this manual.
5. Remaining informed of any updates to these policies and procedures.
6. Notifying Bank of America, the Coordinator and the Administrator promptly when the card has been lost, stolen, or misused.
7. Restricting purchases to only those authorized for College-related purposes.
8. Surrendering the Card upon the request or order of the respective Department Head, Coordinator or Administrator.
9. Keeping all transaction documents (i.e. charge tickets, credit slips, invoices, delivery tickets, etc.) and submitting and reconciling them as required to the Coordinator. Transactions not supported by the proper documentation are the responsibility of the Cardholder.
10. Processing payment within PantherNet and verifying approval within the specified time.
11. Notifying the Administrator and respective Coordinator of any problems (i.e. Card denial, sales tax exemption, etc.) experienced when using the Card.
12. Ensuring that the vendor provides a transaction document whenever the transaction is done by phone, mail or fax.
13. Ensuring all deliveries are made to a PBCC department, and note "PCard"/Your Name on delivery documents (shipping address fields etc). Deliveries are not to be sent to residences etc.
14. Notifying the Administrator and Coordinator promptly of any purchase mistake made contrary to this manual.

15. Giving all charge slips or receipts, including any credit slips, to the Coordinator prior to going on leave. This also includes processing any outstanding P-Card transactions within PantherNet and sending them for approval.
16. Accepting only a credit slip whenever an item has to be returned to a vendor; however if the vendor cannot issue a credit slip, then notify the Administrator before going any further with the vendor. **(Cannot accept cash credits)**

❖ DEPARTMENT HEAD

The Department Head is responsible for the following:

1. Timely approvals within PantherNet, certifying the legitimacy of the listed transaction; and assuming the overall responsibility for any employee's use of a card.
2. Assigning an "alias approver" prior to going on leave.
3. Reviewing and signing the reconciled monthly billing statement for overall legitimacy of the transactions.
4. Approving all requested changes to Cards within their dept and requesting said changes be made with the Finance Dept.

❖ CONTROLLER'S OFFICE & PURCHASING OFFICE

The Controller is responsible for the following:

1. Approving the issuance and replacement of all Cards requested by a Department Head.
2. Approving requested Card dollar limitations and restrictions of Department Heads.
3. Approving any necessary Card dollar limitation or restrictions overrides to the Provider as a result of an emergency situation occurring.
4. Canceling or overriding MCC codes as needed.
5. Maintaining a record of any failures by a Cardholder or a department to comply with the policies and procedures of the program; and, determining how many noncompliances and the seriousness of each noncompliance, and if it (they) should result in the surrender of a Card(s).

❖ FINANCE DEPARTMENT / PCARD SPECIALIST

The PBCC PCard Specialist oversees the program and assists cardholders with problem resolution. The PCard Specialist is available to handle problems and to lend guidance to Cardholders with short notice.

1. Purchasing Card Specialist is responsible for:
  - a. Verifying accuracy of submitted documentation prior to payment
  - b. Assisting users to facilitate reconciliations
  - c. Paying the Card Vendor in a timely fashion
  - d. Performs monthly/periodic review of all cardholders' statements or purchases to ensure compliance and look for trends.
2. Purchasing Card Specialist will follow certain summary and detailed reviews as directed by the Controller to further audit the programs compliance and efficiency.
  - a. Major areas to monitor will be Travel, Limit compliance, restricted or declined authorizations, unusual purchase patterns, etc.
  - b. The Card Providers software will be utilized as appropriate for periodic review as directed by the Controller.

**PAYMENT PROCEDURES**

1. Cardholders must maintain their transaction and send for approval within 3 business days of the purchase. It takes 3-5 days for charges to appear in PantherNet. "Maintain Purchasing Card Transactions" **(CM-PC-BA)**
2. Check vendor ID to see if automatically filled. If not, search list of approved vendors (F1).
3. In the description field write: What was purchased and for what purpose the item was used. For travel related transactions: Purpose, city and dates of travel.

4. Allocate by assigning the appropriate Account (ORG) and general ledger (GL) codes to the P-Card transaction. **Always verify this field.**
5. Send for approval. It is the cardholder's responsibility to make sure the transaction has made it through the approval process and gets to finance within one week of the transaction being loaded into the application.
6. Be sure to resolve any backorder issues within one billing cycle (one month from date of purchase).

### **RECONCILIATION**

Statements are sent to the Cardholders near the first week of each month. Cardholders shall reconcile their receipts, invoices, charge slips, and credits to PantherNet before the end of each month. The total dollar amount of the receipts, including any credits issued, must equal the total of the statement. Statements should then be sent to your Dean/Dept Head for review/signature and forwarded onto Finance Dept, PCard MS #59.

### **RECEIPT REQUIREMENTS**

Receipts are the critical part of the PCard program. Accurate, detailed records of PCard purchases allow PCard administrators and State auditors to verify and audit your purchases for compliance with College and State policy, rules and statutes.

Your receipt must include specific information:

- Unit Cost of each item purchased
- Description of each item purchased
- Total cost of purchases
- Vendor name and address
- Date of purchases and/or date of goods received

Remember a receipt may be an original:

- Cash register receipt
- Fax confirmation
- Email
- Complete web order form
- Completed mail order form

### **DISCREPANCIES**

If you have a problem with a billing, try to reach a resolution with the merchant that provided the item. Your receipt will be your proof of purchase.

The cardholder must first attempt to reach a resolution directly with the merchant. The cardholder must document all attempts to resolve the problem. If you cannot resolve the issue, contact the PCard Office for assistance.

NOTE: Do not remove or cross out the item on the statement, or delay processing the payment because of credits or disputes.

### **RESOLVING BILLING PROBLEMS**

The Cardholder is responsible for resolving any disputes or outstanding issues, clearing erroneous charges and requesting credit for returned merchandise directly with the vendor. Most billing problems can be resolved expeditiously in this manner. If this cannot be achieved, then notify your Dean/ Department Head.

If a vendor issues a credit to the College for a returned item, the Cardholder is responsible for ensuring that proper credit is given on subsequent monthly billing statement.

**IMPORTANT:** Any use of the PBCC PCard for personal expenses may result in the surrender of the Card, and disciplinary action, up to and including termination.

## CAN & CANNOT DOs

The PCard Program is more a form of payment, rather than any change to purchasing rules, and as such does not seek to change current purchasing guidelines such as bid limits, capitalization requirements, or types of items allowed to be purchased by the College. Budget/Encumbrance restrictions, supervisor approval, etc are all still in place, and are not meant to be circumvented.

If there are any doubts as to what can and cannot be purchased, the Cardholder must contact the Coordinator or Administrator for clarification prior to purchase. Supervisory approval is a must. If an emergency situation exists, the current emergency purchase procedures should be followed.

### **SPECIAL ATTENTION NEEDS TO BE PAID FOR THE FOLLOWING ITEMS:**

- ❖ TRAVEL – All Travel must be PRE-approved and the appropriate forms must be filed with the Travel office. PCard should NOT be used to reserve airlines or rental cars. This should still be done through the Travel office.
- ❖ GASOLINE – Must have PBCC vehicle # on receipt and in PantherNet description. NEVER TO BE USED FOR PERSONAL VEHICLES.
- ❖ COMPUTER EQUIPMENT/SOFTWARE – Must get pre-approval through Central IT. Usually not allowed.
- ❖ CAPITAL EQUIPMENT – Not allowed without special permission and must coordinate with Inventory.

### **THE FOLLOWING ARE UNAUTHORIZED PURCHASES, INCLUDING BUT NOT LIMITED TO:**

- Cash advances
- Contractual Services
- Telecommunications
- Employee benefits
- Decorative items
- Renewals that are automatic (i.e. subscriptions, etc.)
- No Tips of any kind

## SALES TAX

The College is exempt from paying local, county and state sales taxes. A copy of PBCC's Tax Certificate should be provided to the vendor whenever a transaction is made, if the vendor does not have it on file already (see approved vendor list from Purchasing). Sales Tax certificate for College use (ONLY) is available at <http://www.pbcc.edu/x12945.xml> Pocket sized tax exemption certificates are also available.

## CARD CHANGES

All requests for changes (i.e. additions, deletions, cancellations, etc.) to Card limits/restrictions must be authorized by the respective Department Head and approved by the Administrator, and implemented with the PCard Provider.

### ❖ CANCELLATION/REPLACEMENT

All requests for Card cancellation or replacement must be handled with the Administrator and Coordinator; this request must be authorized by your respective Dean/ Department Head. The Card and the exit sign-off sheet must accompany any cancellation, termination or retirement to the Administrator. A written memorandum must accompany any request for a replacement of a Card, which was lost, stolen or damaged, from the Department Head explaining what happened that resulted in the request for replacement.

### ❖ EXPIRED CARDS

As your cards expire, you should receive new cards. Once you receive - and successfully activate card, please do the following with the OLD Card:

1. Cut the card lengthwise through the numbers.
2. Send the bottom half (or half with name) securely to the PCard Office so we may verify destruction, and log for audit purposes.
3. Destroy/discard top half, and make any note for your records such actions.

If your card is about to expire, and your new card hasn't arrived, please call card company and simultaneously coordinate with both the PCard Office to ensure safe delivery.

### LOST/STOLEN CARDS

Upon discovery that a Card has been lost or stolen, the Cardholder is responsible to immediately notify the Provider at 800-798-6125, respective Department Head, Coordinator and the Administrator of the circumstances. The Department Head will be required to send a memorandum to the Administrator with an explanation as to what happened attached to a Card Change Request form requesting a card cancellation and replacement.

### MISUSE OF CARDS

Any Cardholder, who purchases any merchandise deemed by the Department Head or Administrator as inappropriate or unnecessary, may be required to pay for said purchase.

If a department is found to have (a) not reported a misuse, (b) one or more misuses occur within a 12 month period of time, or (c) failed to submit its statement as required for payment to the Accounts Payable section, the Administrator has the authority to terminate the use of all Cards issued to employees of that department.

Any Cardholder found to have misused a Card may be subject to (a) loss of card and/or disciplinary action by the respective Department Head, (b) dismissal from College employment, or (c) the College filing criminal charges against the employee with the local District Attorney's Office.

### LATE FEES/PENALTIES

If the Provider assesses any late fees or penalties due to making payment after the due date, the department(s) responsible for not meeting the due date shall be billed for said late fees or penalties.