1. OVERVIEW

1.1 Definitions.

1.1.1 **Budget Authority:** A UO dean, director, division or department head who is responsible for the budget of the department or division of UO that has authorized one or more PCards for the purchase of appropriate goods and/or services.

1.1.2 **Card Custodian:** The individual who is responsible for safeguarding the PCard of a department or division of an institution, maintaining complete and accurate records of PCard use, and preparing reconciliations between the documents supporting charges on the PCard and the statement of charges received from the PCard vendor in compliance with institution and OUS policies.

1.1.3 **Card User:** An individual authorized to procure goods and/or services with a PCard of a department or division of an institution.

1.1.4 **Central Travel System Accounts or CTS Accounts:** A centralized billing system that allows departments to make travel purchases with awarded travel agencies. There are no physical cards issued under this system.

1.1.5 **Credit Limit:** The dollar limit on total credit card charges allowed during one month that is established for each PCard. The dollar limit may vary from PCard to PCard.

1.1.6 **Corporate Travel and Entertainment Card:** A personal credit card issued to an individual UO employee under the US Bank Corporate Travel Card Program. These credit cards are administered through UO Business Affairs and may be used to pay for reimbursable business expenses.

1.1.7 **Institution:** University of Oregon.

1.1.8 **OUS:** Oregon University System.

1.1.9 **PCard:** Procurement Card.

1.1.10 **PCard Authorization:** The form titled ‘University of Oregon Procurement Card Authorization Agreement.”

1.1.11 **PCard Program Administrator or Program Administrator:** The individual who is responsible for the administration of the PCard program of an OUS institution/the Chancellor’s office. Program Administrator is responsible for ensuring that the institution PCard policies are compliant with the OUS policy, that the policies established by the institution are implemented, and that the PCard procedures are being followed.
1.1.12 **Program:** Procurement Card Program.

1.1.13 **PCS:** UO’s department of Purchasing and Contracting Services.

1.1.14 **Single Purchase Limit:** The dollar limitation for an individual purchase on a PCard.

1.1.15 **Statement of Account:** The monthly listing of all account transactions for a PCard, issued by US Bank directly to Card Custodian.

1.1.16 **Team Card:** A PCard specially issued to select departments solely for use by that department for team travel and related team travel expenses. Specific rules governing the allowable use of Team Cards if found under Team Card Procedures – see [http://pcs.uoregon.edu/content/statutesregulationspolicies](http://pcs.uoregon.edu/content/statutesregulationspolicies).

1.1.17 **UO:** University of Oregon.

1.1.18 **Vendor:** A company from which a Card User is purchasing materials, minor equipment and services under the provisions of this policy.

1.2 **Who Should Know This Policy.** All Budget Authorities, Card Custodians, and Card Users need to read and understand PC01 UO Procurement Card Policy and Procedures ("UO PCard Policy").

1.3 **Background.** Oregon University System (OUS) has established the Program to provide for the rapid acquisition of primarily low dollar value items without a significant portion of the costs inherent in public purchasing. The primary purpose of the Program is to streamline operations and eliminate unnecessary administrative costs.

OUS maintains a system-wide contract with US Bank to provide Visa credit cards called PCards for the Program. The Program is administered by OUS subject to OUS Fiscal Policy Manual 70.100 and is implemented at the institution level. US Bank issues PCards to PCS for use by UO campus departments. Each card is assigned to a departmental Card Custodian. Authorized departmental Card Users purchase goods and services using the PCard.

1.4 **Authority.** The UO Vice President for Finance and Administration has authorized UO department of Purchasing and Contracting Services to implement and maintain the campus wide Program. The Director of Purchasing and Contracting Services acts in the role of Program Administrator and will implement the Program as established by OUS.

Within each UO department, Budget Authorities are responsible for designating departmental employees’ purchasing authority. Budget Authorities wishing to implement the Program in their department shall designate a Card Custodian as well as Card Users.

Card Custodians and Card Users are responsible for compliance with the Program policies and procedures. Card Custodians are responsible for training Card Users with regard to the UO PCard Policy.
Card Users charge purchases for the department to the PCard. Such purchases must comply with OUS and UO policies and UO Administrative Rules (OARs) governing purchasing and PCard usage.

Violations of the OARs, OUS, or UO PCard Policy are subject to sanctions as defined within this policy.

1.5 References.

1.5.1 UO Procurement Card Policy -
http://pcs.uoregon.edu/content/statutesregulationspolicies

1.5.2 OUS Purchasing Rules Division 60 through 63 -
http://pcs.uoregon.edu/content/statutesregulationspolicies

1.5.3 OUS Fiscal Policy Manual Procurement Card 70.100 -
http://www.ous.edu/cont-div/fpm/proc.70.100.php

1.5.4 OUS FASOM 70.400 – Purchasing - Purchasing and Account Payable
http://www.ous.edu/dept/cont-div/fpm/proc-70-400

1.5.5 OUS FASOM 02 - Summary of Tax Reportable Tax Codes
http://www1.ous.edu/owfp/plsql/fpm.result_list?p_val_defn=reportable

1.5.6 OUS FASOM 2.12 - Capital Outlay
http://www1.ous.edu/owfp/plsql/fpm.result_section?p_fs_key=02.12

1.5.7 UO Property Control –
http://ba.uoregon.edu/staff/property-control

1.5.8 UO Travel Guidelines (include Central Travel System Accounts) -
http://ba.uoregon.edu/staff/travel

1.5.9 OUS Financial Irregularity Policy –
http://www.ous.edu/dept/intaudit/irreg

1.5.10 VISA Application –
http://pcs.uoregon.edu/content/forms

1.5.11 PCard Authorization -
http://pcs.uoregon.edu/content/forms

1.5.11 PCS PCard Intake-
http://pcs.uoregon.edu/content/forms
1.5.13 Conflicts of Interest – 
http://www.leg.state.or.us/ors/244.html

1.5.14 Ethics –
http://arcweb.sos.state.or.us/pages/rules/oars_500/oar_580/580_061.html

1.5.15 Training Materials -
http://pcs.uoregon.edu/content/training

2. HOW TO PARTICIPATE IN THE PROGRAM

2.1 Obtain a PCard. To obtain a PCard, the department or division must complete and submit a PCS PCard Intake Sheet (“Intake Sheet”) to PCS. The department must specify on the Intake Sheet the address that US Bank should use for forwarding the department’s monthly PCard statement. The address specified must be to secure location within the department.

Based on the Intake Sheet, PCS will initiate a Visa application and forward to the department for signature. Both Card Custodian and Budget Authority must sign the Visa application. Once the application is completed and signed by the department, the department must submit the original signed application to PCS. PCS will submit the application to U.S. Bank and request a PCard be issued for the department or division.

2.2 PCard Authorization. In addition to the Intake Sheet and Visa application, Budget Authority, Card Custodian, and any authorized Card Users must complete and sign a PCard Authorization. Signing the PCard Authorization not only attests to a review and understanding of PCard policy/procedures, but also documents the completion of required OUS online training. Once completed and signed, the department must submit the PCard Authorization to PCS.

NOTE 1: A Card Custodian may also be a Card User.

NOTE 2: A Budget Authority may not be a Card User.

NOTE 3: A Budget Authority Designee may also be a Card User.

NOTE 4: PCS will not release a department PCard to Card Custodian until PCS receives a completed, fully-signed PCard Authorization and all individuals listed on the PCard Authorization have completed the required online training (see Section 10.)

2.3 Changes to PCard Authorization

2.3.1 Card Users.

   a. Adding Card Users. To add Card Users, enter the additions on an Intake Sheet and on a copy of the department’s PCard Authorization. Both Card Custodian and Budget Authority must sign the Intake Sheet and revised PCard Authorization to authorize the addition. The newly added Card User(s) must also read and sign the revised PCard Authorization and successfully complete required training. Once all the
revisions are made, training is complete, and all required signatures obtained, submit
the revised PCard Authorization (entire PCard Authorization) to PCS. Electronic
submission to pcard@uoregon.edu is strongly preferred.

b. Deletions or Other Modifications to Card Users. When a UO employee
authorized as a Card User terminates/separates from a department or the department
otherwise wishes to delete a Card User, Card Custodian must remove such employee
from the list of authorized Card Users on the PCard Authorization. Card
Custodian will, not later than 24 hours after such termination/separation, notify PCS by email to
pcard@uoregon.edu and notify Budget Authority and of such
termination/separation.

In addition to notifying PCS by email to pcard@uoregon.edu, Card Custodian must
submit an Intake Sheet and a revised PCard Authorization reflecting the change to PCS
within 1 (one) week of a Card User’s termination/separation. If an updated PCard
Authorization is not submitted within 1 (one) week, department’s PCard will be
suspended until PCS receives new PCard Authorization.

2.3.2 Card Custodian or Budget Authority. To add, delete or otherwise modify
either Card Custodian or Budget Authority, including changes due to a Card Custodian or
Budget Authority separating from their position, the department or division shall notify the PCS
by email to pcard@uoregon.edu within 24 hours after such change. PCS will suspend the
PCard account upon receipt of such notice. All PCard activity must stop until a new PCard
Authorization is submitted to PCS, any required training is complete, and a new PCard is
issued to replace the existing department PCard.

In order to reactivate the department’s PCard, Budget Authority, Card Custodian and any
authorized Card Users must sign and submit a new PCard Authorization.

2.4 Individual Transaction and Credit Limit Information.

Individual transaction limit: Default $5,000.
Daily number of transactions allowed: No Limit
Monthly credit limit: Default $5,000

Based upon departmental request and justification, Program Administrator may approve higher
monthly credit limits. Submit an Intake Sheet to pcard@uoregon.edu to initiate the process for
establishing credit limits higher or lower than $5000.

3. USING YOUR PCARD

3.1 General. Purchases from vendors that accept credit card payments may be charged to
a PCard except as prohibited by this policy. The Program permits the purchase of goods, from
a vendor of choice, if their value is below the individual transaction limit for the applicable
PCard ($5,000.00 or less). However, UO policy also requires departments to secure the
maximum or best value purchase at all dollar levels. Competitive quotes may not be required,
but they may be a means of ensuring a best value purchase.
3.2 Immediately Available. All purchases should be immediately available at the time of PCard use. Items may be back-ordered, but only if no charges are placed against the PCard until shipment of such back-ordered item. If, after placing an order, Card User is notified the merchandise is on back-order, Card User must cancel the order.

3.3 Typical Allowable PCard Uses. Typical allowable uses are as follows:

3.3.1 Office supplies

3.3.2 Teaching and research supplies

3.3.3 Materials for minor repairs (Not the servicing/repairing itself)

3.3.4 Conference registration (not entertainment)

3.3.5 Allowable dues and memberships

3.3.6 Subscriptions to newspapers, journals and periodicals

3.3.7 Reference materials such as books, particularly those purchased from another country due to exchange considerations

3.3.8 Software

3.3.9 Common Carrier travel fares

3.3.10 Conference hotel lodging (deposits only)

3.3.11 Car rental reservations (not payments)

3.4 Prohibited Use and Non-Chargeable Account Codes.

3.4.1 General. The PCard cannot be used to back order merchandise, for cash advances, or for personal or non-business related purchases. See Section 3.2 above.

3.4.2 Non-chargeable Account Codes – Travel.

   a. Except as provided in this section, do not use the PCard for payment of travel costs (39000 account codes as more particularly set forth below). The PCard may be used for conference hotel lodging reservations (deposits only), rental car reservations and common carrier charges, such as airline, bus and train fares. Common carrier charges do not include taxis and airport shuttles. While UO policy allows for the use of either the PCard or CTS Accounts for the purchase of common carrier fares, only the use of the CTS Account will provide insurance coverage.

Specifically, the following account codes are prohibited:
   (i) 393xx-397xx: Travel (charges for common carrier fares, deposits on conference hotel lodging and car rental reservations allowed);
(ii) 28612: Hosting Groups and Guests; and
(iii) 28610: Entertainment.

b. Do not use the PCard for food purchases or at restaurants. Restaurant or food purchases may be charged on the Travel and Entertainment Card. For an application, contact UO Travel Coordinator.

c. Do not use the PCard to purchase gas if it is associated with travel; provided, however, the PCard may be used to purchase gas for operating equipment.

3.4.3 Non-Chargeable Account Codes - Capital Outlay. Except for library purchases under account code 40190, do not use the PCard for capital outlay (40xxx account codes) due to fixed asset inventory recording requirements. Further, as allowed under the OUS Purchasing Procurement Card Policy, UO’s Director of Business Affairs has adopted procedures allowing for the use of the PCard for purchases associated with account code 40199 (Construction in Progress [Equipment]). See http://ba.uoregon.edu/sites/ba/files/forms/icce.pdf for details.

3.4.4 Non-Chargeable Account Codes – 1099 Reportable. Except as allowed for vendors that are incorporated and pre-approved by PCS, or as listed below in NOTE 1 below, do not use the PCard for the purchases under account codes listed below.

(i) New Employee Moving Costs (10780, 10790)
(ii) Maintenance and repairs (23501, 23502, 23503, 23504, 23510, 23511, 23512, 23530 and 23531)
(iii) Fees and Services performed by others (245XX – 25199 account codes).
(iv) Purchases of awards and prizes guest speakers or employee recognition (20168, 20169)
(v) 21008 Animal Care
(vi) 21070 Agricultural Services
(vii) 23080 Utilities and Maintenance – Non-Employee
(viii) 24001 and 24002 Equipment – Rental and Leases – these codes include tables at conferences and exhibition displays
(ix) 24050 Land – Rental and Leases
(x) 24051 Building – Rental and Leases
(xi) 24052 Housing Rentals – Non-Employee
(xii) 24053 Storage Rentals/Fees – Non-Employee
(xiii) 24602 Duplicating and Copying
(xiv) 24606 Printing and Publishing
(xv) 24604 Developing Film
(xvi) 28532 Hiring Incentive
(xvii) 28540 Dependant assistance - Tuition and Fees- Non-Employee
(xviii) 28541 Dependant assistance - Other – Non-Employee
(xix) 28542 Temporary Living and Supplemental Allowance– Non-Employee
(xx) 28543 Settling in Allowance - Non-Employee
(xxi) 28544 Storage of Household Goods - Non-Employee
(xxii) 39712 Employee Travel – Taxable
(xxiii) 39713 Dependent of Employee Travel - Taxable
NOTE 1: Blanket Exemption for Certain Tax Reportable Transactions. Departments may use their PCard to make tax reportable purchases as listed below:
  - Software lease costs, or renewals.
  - Silk screening services or the like to create customized or printed t-shirts or merchandise
  - Key cutting or creation.
  - Booth Space and Equipment Rental such as booth space at a conference, a helium balloon canister, generator or tents for an event.
  - Developing film
  - Advertising, such as job postings or advertisements.

3.4.5 Prohibited Items/Other. Do not use of the PCard for the following purchases and account codes:
  (i) Flower Purchases
  (ii) 28610 Entertainment
  (iii) 28612 Hosting Groups and Guests (this includes no hotels or food)
  (iv) Gifts
  (v) Personal Purchases
  (vi) Alcohol

3.5 Problem Purchases.

  3.5.1 If purchases using the PCard are found to be unacceptable, not satisfactory, received wrong, damaged and/or defective, duplicate order, etc., Card User is responsible for returning the unacceptable items or for making other satisfactory arrangements to remedy the issue(s).

  3.5.2 If an item purchased using the PCard is returned, Card Custodian is responsible for verifying the appropriate credit is reflected on the department's PCard monthly statement. If the vendor has not replaced or corrected the item by the date Card User receives his/her monthly statement, then the purchase of that item will be considered in dispute. Card Custodian must contact PCS by email to pcard@uoregon.edu about any dispute within thirty (30) days of receipt of monthly statement of account.

4. DOCUMENTING USE OF YOUR PCARD

4.1 General. For each purchase on the PCard, Card User making the purchase shall obtain and provide to Card Custodian purchase documentation, including a clear business purpose. Examples of such documentation include sales slips, cash register receipts, invoices, order forms, reconciliation records, receiving reports and shipping address. The documentation maintained generally arises out of the normal course of business and it should support a clear determination of what was ordered, what was paid for and what was received. **Charge slips that do not include an itemization of purchases are inadequate documentation.**

4.2 Inadequate Documentation. When no other adequate documentation exists, such as when making a telephone purchase, the following information shall be maintained to support
PCard transactions: date of purchase, vendor name, item description, amount, shipping address, and the name of Card User.

4.3 Multiple User Log. PCards with multiple Card Users (more than one) must be signed in and out via a Multiple User Log. Use of the PCard account number without the physical presence of the PCard is not allowed. The Multiple User Log may be maintained by Custodian in either a hard copy or electronic format. In addition to the requirements under section 4.1, the following must be tracked on a Multiple User Log: the date; Card User name; vendor name; and the dollar amount of the transaction.

4.3.1 If the Multiple User Log is maintained in an electronic format, Custodian shall ensure the Multiple User Log is only accessible by Custodian. Additionally, Custodian shall be responsible for obtaining all required information from Card Users and completing the electronic Multiple User Log each time the PCard is checked in or out.

4.3.2 If the Multiple User Log is maintained in a hard copy format, either Custodian or Card User may be responsible for completing the Multiple User Log; provided, however, it shall be the Custodian’s responsibility to ensure the Multiple User Log is completed each time the PCard is checked in or out.

4.3.3 Each time the PCard is used to make a purchase the following, at a minimum, must be tracked on the log: the date; the name and vendor; and the dollar amount of the transaction. This requirement also applies to a Card Custodian acting as a Card User.

4.3.4 After purchases are made and the PCard returned, the return date must also be entered on the log.

NOTE 1: Except as noted in NOTE 2 below, Card Users shall not in any circumstance store a copy of the PCard account number.

NOTE 2: Exemption for Automatic Charges for Subscriptions with a Standard Monthly Fee: Departments may use the PCard to purchase recurring subscriptions where the vendor processes a set, fixed fee at a set, fixed, agreed upon interval. Examples of this type of transaction are; Mail chimp, Lynda.com, Survey Monkey. There are several similar subscriptions in the marketplace and this exemption allows for efficient processing of these types of electronic subscriptions. Departments may use their PCard to make these types of subscription purchases subject to the following:

- The PCard number is stored with the vendor to allow charges of the agreed upon amount or rate at regular intervals
- The account is set-up in the name of the University and not as an individual account
- Departments must monitor the use of the PCard number and resulting charges.

Please note, this exemption does not allow storing the PCard with vendors such as Amazon, iTunes, etc. for future purchases. In those cases the PCard number should be removed from the account each time the PCard is used.

4.4 Documentation & Monthly Statement. Budget Authority and Card Custodian are responsible for ensuring that the documentation required under this section is attached to the department’s monthly PCard statement, as required under Section 5.
5. MONTHLY STATEMENTS

5.1 Master Billing. Each month, Business Affairs receives and pays a “master bill” from U.S. Bank for all campus PCard charges. Business Affairs will allocate all charges and credits shown on the master statement to the applicable, individual departments.

5.2 Departmental Monthly Statement. At the end of each billing cycle, US Bank sends a monthly statement of account that lists the department PCard transactions for that billing period to the department’s Card Custodian. Card Custodian must ensure that the department’s monthly statement is received in a secure location.

5.3 Reconciliation of Charge Receipts. Within thirty days of receipt of the monthly statement, Card Custodian must reconcile Card User charge receipts and charges reported by U.S. Bank on that monthly statement.

To reconcile charges to the monthly statement Card Custodian shall check each transaction listed on the monthly statement against the purchase documentation. (See Section 4 Documenting Use of Your PCard.) The original sales documents (packing slip, invoice, cash register tape and credit card slips, etc.) for all items listed on the monthly statement MUST be neatly attached to the statement, in statement sequence.

5.4 Verification of Reconciliation Completion and Review.

5.4.1 Card Custodian is responsible for ensuring a monthly PCard statement reconciliation is prepared for all charges and credits. After completing the reconciliation, Card Custodian must sign and date the monthly statement attesting to the fact that all charges are valid and were initiated by an authorized Card User. If Card Custodian cannot attest to all charges, Card Custodian must not sign the statement and must immediately notify PCS by email to pcard@uoregon.edu and notify the applicable Budget Authority of the outstanding issues.

In NO case may a Card Custodian review his/her own charges. If a statement contains charges made by a Card Custodian, then Budget Authority or designee must review, sign and date Card Custodian’s charges. In all circumstances, the designated reviewer must not be supervised by the person whose charges are being reviewed.

5.4.2 Budget Authority must review the monthly statement and the monthly reconciliation prepared by Card Custodian. After reviewing the reconciliation against the monthly statement Budget Authority must sign the monthly statement to verify their review and approval of all charges listed. If Budget Authority cannot attest to all charges, Budget Authority must not sign the statement and must immediately notify PCS by email to pacard@uoregon.edu noting all of the outstanding issues.

5.5 Journal Vouchers. For all expenditures, it shall be the responsibility of each department to process journal vouchers quarterly, (recommend monthly), to debit or credit appropriate accounts. See the Journal Voucher Schedule for JV posting deadlines at: http://pcs.uoregon.edu/content/procurement-card-program
5.6 **Credits for Disputed Items.** Any refund or adjustment obtained from the vendor for a disputed item will be credited to the department expense accounts.

6. **CARD SECURITY**

6.1 **PCard Physical Custody.** Card Custodian is responsible for the physical custody of the PCard. Card Custodian is also responsible for the physical security of the PCard account number. These security duties of Card Custodian shall not be delegated. However, a department may designate a back-up Card Custodian to maintain physical custody of the PCard and PCard account number in the event Card Custodian will be absent for one or more business days. Any designated back-up Card Custodian will be required to sign a PCard Authorization as a Card Custodian and will be required complete all applicable training.

6.2 **Procurement Card Physical Security.** The PCard shall be stored in a locked space when not in use. The PCard account number and related documentation, including the monthly PCard statement, shall be secured in the same manner as the PCard.

6.3 **Card User Security Responsibilities.** It is Card User’s responsibility to safeguard the credit card and the account number when using the PCard. Card User must not allow unauthorized individuals to have access to or use the PCard or its account number. Card User should only have physical custody of the PCard for a period of time sufficient to make a scheduled purchase for the department. A Card User cannot maintain physical custody of the PCard for more than 24-hours, unless Budget Authority has provided written authority for a specific non-reoccurring purchase that must be made over a weekend or holiday period.

6.4 **Card Verification.** “See UO Staff ID” must be entered on the signature block of the PCard to ensure Card User verification.

6.5 **Lost or Stolen Cards.** If the card is lost or stolen Card Custodian must immediately (within 24 hours) notify PCS at 541-346-2419/ pcard@uoregon.edu and US Bank at (800) 344-5696.

6.6 **Close or Cancel Account.** To close or cancel an account or card, submit an Intake Sheet to PCS at pcard@uoregon.edu.

7. **POST AUDIT & INTERNAL REVIEWS**

7.1 **Audits.** The Oregon Secretary of State Audit Division, other third parties, the OUS Internal Audit Division may conduct periodic audits and transaction reviews.

7.2 **PCS Internal Reviews.** These reviews may include onsite reviews of PCards and supporting documentation, and a monthly review of selected UO PCard transactions. Both the on-site and the monthly review will require review of actual purchase documentation.

7.2.1 **Onsite Review.** When a department PCard is selected and scheduled for review by PCS, Program Administrator and/or designated staff will visit the department and review its PCard transactions and supporting documentation. Budget Authority will be copied on all correspondence concerning the review.
PCS will provide the department Card Custodian with notification of the on-site review and requirements via a pre-review communication. The review will be guided by a standard checklist (a link to this checklist is found below). At the conclusion of the onsite review, Card Custodian will be asked to sign the checklist reflecting the results of the review and will be offered a copy. This interaction provides an opportunity for immediate feedback and improved program compliance through face-to-face communication and education.

A written report of the review results will be sent to Budget Authority and Card Custodian. Budget Authority will be asked to confirm receipt of the report. If the review reflects that Budget Authority is not signing off on Card Custodian’s charges or the monthly statement, Budget Authority will receive a written communication to confirm their understanding of these policy requirements.

Whenever two or more policy violations are noted during an onsite review process, depending on the violations, sanctions may be imposed and/or additional reviews may be scheduled until all problems have been resolved.

PCard Pre-Review Information -
http://pcs.uoregon.edu/sites/pcs/files/Procurement_Card_Pre-Review.pdf

PCard Review Checklist -
http://pcs.uoregon.edu/sites/pcs.uoregon.edu/files/PCardReviewCklstrev111308.pdf

7.2.2 Monthly Review of Procurement Card Transactions. The monthly listing of all UO PCard transactions will be reviewed by Program Administrator and/or designated staff to identify obvious potential violations of PCard policy, including but not limited to: gift shops, flower shops, restaurants, gas stations, large hotel purchases that appear to include more than deposits, rental car agencies and service vendors.

If a transaction is selected for review, PCS will ask the department to submit copies of purchase documentation to PCS designated staff via email to pcard@uoregon.edu or fax. Email submittal is strongly preferred.

If the documentation confirms that the transaction is a violation of this policy, the department will be informed of the violation, and educated as to appropriate card use. Sanctions also may be applied. Communications with the department regarding violations, resulting reviews and sanctions will be copied to Budget Authority. Budget Authority acknowledgement may be required.

8. PROCUREMENT CARD MISUSE & VIOLATIONS

8.1 PCards are designed for business use only and may not be used for personal purchases. A misused PCard may be cancelled. PCS, in consultation with department management, is responsible for taking appropriate disciplinary action consistent with applicable UO policies.

8.2 A violation is any action that is not in accordance with one or more of the following: OUS and UO policies, state law, OARs, and/or reasonable business expenditures. Violations can
differ in nature and degree of risk and seriousness. Violations will be evaluated on a case by case basis.

8.2.1 In evaluating questioned transactions to determine if they are violations of policy and procedures Program Administrator and/or designated staff will follow-up with Card Custodian and Budget Authority, if necessary.

8.2.2 If the transaction is determined not to be a violation, the review is documented, a copy of the review is provided to the appropriate Budget Authority and Card Custodian, and the review is deemed complete.

8.2.2 If the transaction is determined as a violation of policy or procedures, Program Administrator may consider, but is not limited to, the following in determining the appropriate course of action:

• What actions has Card Custodian taken regarding the violation?
• Would the item be an allowable purchase if not purchased on the PCard?
• Does the business purpose seem reasonable?
• Does the purchase appear to be personal in nature?
• Have there been previous violations of a similar nature related to this PCard?
• Have there been previous violations of a different nature related to this PCard?
• Has Card Custodian provided Card User required training?

8.3 If external fraud (i.e. not by the department) is identified on a PCard, Program Administrator and/or designated staff will facilitate the resolution of the fraudulent transaction(s). The compromised PCard account will be closed and Program Administrator will have US Bank issue a new PCard with a new account number to replace the compromised PCard. The new PCard will be released to Card Custodian once the transaction(s) is confirmed as external fraud, Program Administrator has determined that the department is in compliance with Program policies, appropriate reports are filed, and, if necessary, required credits are applied to the account.

9. PROCUREMENT CARD SANCTIONS

9.1 General. Sanctions are actions that will be taken in response to violations of policy and procedures. Program Administrator has authority to impose sanctions in response to violations of Program policy and procedure. Sanctions provide Program Administrator an approved framework to address Program violations. Sanctions also clarify for Program participants what actions they will be subject to if they violate Program policy and procedure.

9.2 Violations. Improper use of the PCard will result in sanctions being imposed against the department by Program Administrator. Common violations are listed below.

9.2.1 Minor Violations. Any of the following are minor violations of this policy:

a. Failure to maintain required purchase documentation including lost charge slips - first violation within the immediate prior two years;

b. Incomplete Multiple User Log entries - first violation within the immediate prior two years; and
c. Purchase of an excluded/prohibited item - first violation within the immediate prior two years.

9.2.2 Intermediate Violations. Any of the following are intermediate violations of this policy immediate prior two years:

   a. Second occurrence of any minor violation within the immediate prior two years of the first occurrence of any minor violation;

   b. Failure to keep all names current on the PCard Authorization - first violation within the immediate prior two years;

   c. Failure of Card Custodian or Card User to safeguard the PCard or the PCard account number at all times - first violation within immediate prior two years;

   d. Failure within thirty days of receipt to reconcile monthly departmental statement against purchase documentation - first violation within immediate prior two years;

   e. Failure of Budget Authority to sign monthly statement indicating review and approval of all charges - first violation within immediate prior two years;

   f. Failure of Card Custodian to sign monthly statement attesting to all charges and indicating completion of the monthly reconciliation - first violation within immediate prior two years; and

   g. Any accidental use of the PCard for personal purchases provided that Card User notifies Card Custodian, Budget Authority and Program Administrator of the mistake – first violation within immediate prior two years.

9.2.3 Major Violations. The following are major violations of this policy immediate prior two years:

   a. Next occurrence of any intermediate violations within the immediate prior two years of a prior occurrence of an intermediate violation;

   b. Failure to notify US Bank if the PCard or PCard account number is lost or stolen;

   c. Accepting cash back from merchant/vendor when item is returned or credit is due;

   d. Any use of the PCard for personal purchases that do not meet the criteria listed in 9.2.2.g; and

   e. Any internal (i.e. departmental) fraudulent use of the PCard.
9.3 **Common Sanctions.** Sanctions for the above-listed common violations are as follows.

9.3.1 **Sanctions for Minor Violations.**

   a. If department self-reports a minor violation under 9.2.1.c. to Program Administrator and the department is able to correct the violation so that the violation does not appear on any monthly statement, the transaction will not be treated as a violation.

   b. Other than as provided in subsection 9.3.1, all minor violations listed in Section 9.2.1 are subject to the sanction of written report by Program Administrator detailing the violation(s) and forwarded to Card Custodian and Budget Authority.

9.3.2 **Sanctions for Intermediate Violations.**

   a. If department self-reports an intermediate violation under 9.2.2.a. or 9.2.2.g. to Program Administrator, and it is the second violation under 9.2.2.a. or the first violation under 9.2.2.g. on a PCard within the immediate past two years, then the violation will be documented as provided in Section 9.3.1, but the card may also be suspended for less than ninety (90) days.

   b. Other than as provided in this Subsection 9.3.2, all intermediate violations listed in Section 9.2.2 are subject to the sanction of immediate temporary suspension of department’s PCard for a period not less than ninety (90) days. The violation(s) and the imposition of sanctions under this section will be documented in writing, a copy of which will be forwarded to Card Custodian and Budget Authority.

9.3.3 **Sanctions for Major Violations.** All major violations listed in Section 9.2.3 are subject to the sanction of the immediate suspension of department’s PCard for a period not less than six (6) months. Additionally, if circumstances warrant, the individual that caused the violation(s) may have his/her rights under the Program permanently revoked by Program Administrator. The violation(s) and the imposition of sanctions under this section will be documented in writing, a copy of which will be forwarded to Card Custodian and Budget Authority.

9.4 **Communication of Violations & Sanctions.** As provided above, Program Administrator will notify, in writing, Card Custodian and Budget Authority of any violations and corresponding sanctions. Card Custodian is responsible for communicating violations and sanction requirements to Card Users.

9.5 **Account-Wide Violations.** The violations listed above are not counted solely against any one individual, but against each PCard account as a whole. For example, if one Card User purchased an excluded item and one year later a different Card User using the same PCard account purchased an excluded item, the second purchase would be an intermediate violation and result in the corresponding sanction of suspension of the department’s affected PCard for at least ninety (90) days.
9.6 Other Sanctions. In addition to the sanctions listed above, depending on the severity of the violation, other sanctions including those listed below are available to Program Administrator.

9.6.1 Requirement to attend a new training session.
9.6.2 Require reimbursement to UO, for unallowable expenses.
9.6.3 Notification to appropriate UO and OUS authorities regarding violations which may result in disciplinary action.

Program Administrator also reserves the right to apply sanctions against a department as a whole, including all PCards of the department, if violations are such that there are department wide activities that are not in compliance with the Program policy and procedures. Violations may also be grounds for personal liability; disciplinary action, up to and including dismissal; and criminal sanctions.

9.7 Appeal Rights. If for any reason, the department does not believe a violation warrants the imposition of the listed sanction, Budget Authority along with his/her supervisor may request, in writing, the listed sanction not be imposed. The request must include a detailed explanation of how the violation(s) occurred, why the sanction(s) is not appropriate, and what corrective actions the department will take in order to ensure no further violations occur.

10. PROCURMENT CARD PROGRAM TRAINING

10.1 Card Custodians must be trained by Program Administrator and/or designated staff before they can act in this role. Departments can contact PCS to schedule Card Custodian training. In addition, Card Custodians must also successfully complete the PCard online training and test.

10.2 Card Users must be trained by Card Custodian. Such training must include successful completion of the PCard online training and test.

10.3 Budget Authorities shall review and successfully complete the PCard online training and test.

NOTE 1: Completion of the PCard online training must be documented on the PCard Authorization. All individuals listed on the PCard Authorization must have successfully completed the PCard online training and test prior to submitting the PCard Authorization to PCS. PCard Authorizations will not be accepted nor cards released if all individuals on a PCard Authorization have not successfully completed the PCard online training and test.

11. DETAILED ROLES & RESPONSIBILITIES

11.1 Card User. Specific PCard Program responsibilities include but are not limited to:

11.1.1 Checks PCard in and out via written documentation. (Not required for PCards with a single authorized Card User.)
11.1.2 Secures the PCard and account number when in Card User’s possession.

11.1.3 Makes PCard purchases in compliance with Program Policy and Procedures.

11.1.4 Collects and submits to Card Custodian appropriate purchase documentation for each PCard transaction.

11.1.5 Informs Card Custodian of transaction disputes and PCard administrative changes (i.e. when they will no longer act as an authorized Card User for the department).

11.1.6 Informs Card Custodian, PCS by email to pcard@uoregon.edu and US Bank immediately (within 24 hours) regarding lost/stolen PCards.

11.1.7 Resolves purchase returns and problem purchases.

11.1.8 Personal responsibility for non-business charges.

11.2 **Card Custodian.** Specific PCard Program responsibilities include but are not limited to:

11.2.1 Manages physical custody and security of the PCard and account number.

11.2.2 Ensures cards with multiple Card Users are checked in and out via Multiple User Log.

11.2.3 Maintains complete transaction records.

11.2.4 Reconciles monthly statement of PCard transactions.

11.2.5 Provides signature on monthly statement indicating final approval of monthly reconciliation.

11.2.6 Trains all authorized Card Users.

11.2.7 Maintain records of department training.

11.2.8 Notifies PCS by email to pcard@uoregon.edu of any changes to PCard Authorization.

11.2.9 Resolves problem purchases/disputes.

11.2.10 Communicates all necessary information with Card Users including violations.

11.2.11 Ensures compliance with UO PCard Policy and Procedures.

11.2.12 Monitor department PCard transactions for appropriate use and potential fraudulent activity.

11.2.13 Journal Voucher all expenditures quarterly (recommend monthly) to appropriate account from 28995.
11.3 **Budget Authority.** Budget Authorities are accountable for the following:

11.3.1 Making sound business decisions based on financial resources allocated to the unit.

11.3.2 Ensuring that financial matters are conducted in accordance with sound business practice, generally accepted accounting principles, and in compliance with applicable laws, regulations and procedures.

11.3.3 Maintaining and reviewing adequate records that document decision-making, in accordance with Program requirements and good judgment.

11.3.4 Ensuring that any delegation of authority, if allowed, is judiciously made, formally documented and communicated to the appropriate offices at the UO.

11.3.5 Specific Program responsibilities include but not limited to:

   a. Authorizes by signature initial PCard application.

   b. Identifies Card Custodian and Card Users.

   c. Reviews Card Custodian PCard transactions (unless delegated).

   d. Reviews monthly reconciliation and monthly statement and signs the monthly statement.

   e. Ensures overall compliance with Program policy and procedures.

11.4 **Procurement Card Program Administrator.** Delegates Program duties as necessary. Specific Program responsibilities include but are not limited to:

11.4.1 Acts as primary liaison with US Bank and UO administration.

11.4.2 Approves initial PCard application.

11.4.3 Requests PCards from US Bank via US Bank application.

11.4.4 Disseminates PCards to Card Custodians.

11.4.5 Trains Card Custodians.

11.4.6 Provides PCard training materials to departments.

11.4.7 Processes Lost/Stolen PCards and updates.

11.4.8 Performs transaction reviews and follow-up.
11.4.9 Communicates review results to Card Custodians, Budget Authorities and other UO staff as appropriate.

11.4.10 Addresses potential fraudulent transactions, including reporting, analysis, determinations, resolution and follow-up.

11.4.11 Revokes, suspends or cancels PCards.

11.4.12 Maintains records of:

   a. PCard requests.
   b. Credit Limits.
   c. PCard Authorizations.
   d. PCard Training.
   e. Budget Authorities, Card Custodians and Card Users including changes/additions/deletions.
   f. Lost/Stolen/Destroyed PCards.
   g. Onsite and Monthly Reviews.