



UO Procurement Card (PCard) Policy and Procedures Training



Purchasing and Contracting Services

December 19, 2016



PROGRAM BACKGROUND

- **The PCard Program is administered by the UO PCS department and is implemented at the institution level.**
- **U.S. Bank issues PCards to UO campus departments. Each PCard is assigned to a department Card Custodian.**
- **The PCards may be used to purchase goods and services to support UO business operations.**
- **PCard can be used to purchase anything (goods or services) in any amount provided that UO Purchasing Contracting Services (PCS) Policy requirements regarding competitive bid limits, contract coverage, etc. are met and the department's card credit limits are set accordingly.**



PROGRAM ADVANTAGES

- Designed to promote purchasing efficiency, flexibility, and convenience.
- Reduced time, paperwork and handling costs along with a more rapid and efficient receipt of goods.
- Traditional requisition payment cycle is greatly reduced.
- UO receives an increased spend rebate.



TERMS AND DEFINITIONS



Card User

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

Specific Card User responsibilities:

- Checks PCard in and out via written documentation. (Not required for PCards with a single authorized Card User.)
- Secures the PCard and account number when in Card User's possession.
- Makes PCard purchases in compliance with Program Policy and Procedures.

NOTE: The Budget Authority cannot be a Card User.

TERMS AND DEFINITIONS



Card
Custodian

Card Custodian: The individual who is responsible for training department staff, 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. **Card Custodian is not an automatic Card User.**

Specific **Card Custodian** responsibilities:

- Manages physical custody and security of the PCard and account number.
- Ensures multiple user log is maintained for PCards with multiple Card Users.
- Maintains complete transaction records.
- Reconciles monthly statement of PCard transactions.
- **Signs monthly statement** indicating final approval of monthly reconciliation.

TERMS AND DEFINITIONS



Card
Custodian

Specific **Card Custodian** responsibilities (cont.):

- Communicates all necessary information to and trains authorized PCard Users.
- Maintains records of department training.
- Notifies PCS PCard Program Administrator of any changes to user roles.
- Resolves problem purchases/disputes.
- Monitors department PCard transactions for appropriate use and potential fraudulent activity.
- Ensures journal voucher are completed for all expenditures quarterly (recommend monthly) to appropriate account from 28995 (39546 for Team Card).
- Ensures compliance with PCard Policy.



TERMS AND DEFINITIONS



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.

All Budget Authorities are responsible for:

- Making sound business decisions based on financial resources allocated to the unit.
- Reviewing and signing off on monthly PCard reconciliation statements prepared by Card Custodian(s) regarding conformance with PCS Policy and noting if/when non-conformance is found, and what corrective action has been taken.

NOTE: The Budget Authority cannot be a Card User.

TERMS AND DEFINITIONS



Budget
Authority

Specific **Budget Authority** responsibilities cont:

- Specific Budget Authority responsibilities include:
 - Authorizing the PCard Intake Sheet to obtain PCard.
 - Identifying Card Custodian and Card Users.
 - Reviewing any Card Custodian PCard transactions if Card Custodian is also a Card User.
 - May delegate review to a Budget Authority Designee
 - Reviewing monthly reconciliation and monthly statement and **signing the monthly statement.**
 - This may not be delegated
 - Signature indicates that PCard purchases made were in conformance with PCS Policy
 - If non-conformance was found on a particular PCard purchase, document the corrective actions taken



TERMS AND DEFINITIONS



PCard Program Administrator: The PCS employee who is responsible for the administration of the PCard Program.

Program Administrator is responsible for ensuring that UO PCard policies are compliant with both the OUS policy and UO PCard Policy. Delegates Program duties as necessary.



TERMS AND DEFINITIONS



- Statement of Account: This is the monthly listing of all account transactions, issued by the bank directly to the Card Custodian.
- Single Purchase Limit: A dollar limitation for an individual purchasing transaction.
- Monthly Credit Limit: A monthly dollar limit on credit card charges, per billing cycle, established for each PCard. This dollar limit may vary from card to card.
- Vendor: A company from which a cardholder is purchasing material(s) and/or minor equipment.



APPLYING FOR A PCARD

- Submit a ****NEW**** PCS PCard Intake Sheet to pcard@uoregon.edu, requesting a new account.
- In response to the request, PCS will provide a VISA Card application.
- The application is completed, read, and signed by the Card Custodian and Budget Authority.

APPLYING FOR A PCARD (CONT.)



- Return the VISA application to PCS by emailing pcard@uoregon.edu.
- PCS will submit the application to US Bank.
- PCS will notify the department when the PCard arrives, usually within seven business days.
- The Card Custodian needs to *personally* pick up the PCard and sign to verify that they received the PCard.

APPLYING FOR A PCARD (CONT.)



Authorized Card Users:

- The Budget Authority designates the Card Custodian and authorized Card Users on a PCard.
- PCard Intake Sheet – check all of the boxes that apply to the role of each individual involved in the account.
- Submit the fully signed PCard Intake Sheet via email to pcard@uoregon.edu.
- The PCard Program Administrator must approve the PCard Intake Sheet before it is in effect.



AUTHORIZED USES

- All UO business related goods and services
- PCard is a *means of payment* provided that PCS Policy requirements are met...
 - PCS Policy regarding:
 - » Competitive bid requirements
 - » Minority-owned, Women-owned, Emerging Small Business (MWESB)
 - » Contract coverage requirements
 - » UO Contract terms and conditions
 - » Health Insurance Portability and Accountability Act (HIPAA) and Family Educational Rights Act (FERPA)



Individual Travel

- PCard cannot be used to cover individual traveler's expenses related to UO business travel due to UO reporting responsibility and potential IRS tax withholding/reporting. Alternate forms of payment are available for individual travel expenses including booking with a UO contract travel agency who will charge the UO credit card they have on file, the UO Travel and Entertainment card which is issued in the traveler's name, personal credit card or requesting a UO travel advance. Individual business expenses are reimbursed through the travel reimbursement process.
- In emergency circumstances when no other payment option is available and an exception is required, document the circumstances and provide support documentation. Examples might include internet only airfare special (provide agency comparison quote).
- In cases where individual travel expenses are charged to PCard the travel arrangements must be made by department staff, subject to review by Card Custodian and Budget Authority for Policy compliance as part of the monthly PCard statement reconciliation process.



Group Travel

- Group travel expenses (examples include: student groups, team travel or contracted group hotel room blocks, motor coaches, meeting rooms, group meals) with a business purpose that benefits the University may be charged to the PCard. All Travel policy rules apply to any expenses charged to the PCard.



CAPITAL OUTLAY

- **Non-Chargeable Account Codes - Capital Outlay.**

In general, UO employees **cannot** use the PCard for capital outlay (**40XXX** account codes) due to tax exempt bond funding compliance requirements.

There may be exemptions to this prohibition on use of PCard for Capital Outlay items - specifically those that are *not* tax exempt bond funded. Past examples have included items purchased for Library 40190 and Construction in Progress (Equipment) 40199. Please contact PCS for review and written exemption.



Foreign Intangibles

- **Non-Chargeable Account Codes – Foreign Intangibles.**

P-Card may not be used for software, subscriptions, or royalties from a foreign vendor or services from a foreign person or entity to be used or performed domestically (USA) due to IRS 1042S compliance requirements.

P-Card may be used to purchase physical goods from foreign vendors. A useful rule is that if the item in question from a foreign vendor can be put in a box and shipped for delivery, P-Card may be used for payment.



PURCHASE DOCUMENTATION

The Custodian secures and retains documentation to support PCard purchases and business purpose (if not clear).

Examples of documentation

Sales slips	Order forms	Receiving reports
Reconciliation records	Invoices	Cash register receipts

Minimum Information

Date of Purchase	Vendor Name
Item Description	Amount
Shipping Address	Name of Card User

Charge slips that do not itemize are inadequate documentation. You may write in the items on a non-itemized receipt.



PURCHASE DOCUMENTATION – NO SUPPORTING DOCUMENTATION

When no other documentation exists, such as when making a telephone purchase, the following information shall be maintained on a purchasing log to support the transaction:

- Date of purchase.
- Vendor name.
- Item description.
- Amount.
- Name of purchaser/authorized Card User.

A purchasing log, although not required to record all PCard transactions, may be a method for organizing departmental PCard activity.



MULTIPLE USER LOG

- PCards with multiple authorized Card Users must be signed in and out via written documentation identified as a **Multiple User Log**.
- Each time the PCard is checked out to make a purchase, information collected must include, at a minimum, **the date, card user name, and the vendor name**.
- After purchases are made and the PCard returned to the Card Custodian, the PCard **return date must be entered on the log, along with purchase amount**.
- The log may be kept in an electronic format. If electronic, it must only be *accessible by the Card Custodian*.



RECONCILIATION

- Card statement reconciliation must be prepared monthly, at a minimum.
- The Card Custodian is responsible for ensuring monthly card statement reconciliation for all occurring charges.
- After completing the reconciliation, the **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.
- **The Budget Authority must sign and date the monthly statements** attesting to the fact that all charges were made in conformance with PCS Policy. If/when non-conforming purchases are found, note the nature of the non-conformance and the corrective action taken.



RECONCILIATION (cont.)

- **In NO case may a Card User reconcile his/her own charges.**
- If a statement contains charges made by a Card Custodian, then the **Budget Authority or designee must review, sign, and date the Card Custodian's charges.**
- The reviewer must not be supervised by the person whose charges are being reviewed.
- Card Custodian is responsible to JV all expenditures quarterly (recommend monthly) to appropriate accounts from 28995 (39546 for Team Card).



EXIT OF PCARD USER

- **The Budget Authority or Card Custodian shall contact PCS via email to pcard@uoregon.edu regarding the exit of a Card User from the PCard Program.**
- A PCS PCard Intake Sheet should be filed with PCS within one week.

EXIT OF INDIVIDUAL FROM PCARD ACCOUNT



- When an individual exits the department for which they have a role on the PCard account, the Budget Authority or Card Custodian shall submit a PCard Intake Sheet to PCS for processing.

ACCOUNT INFORMATION UPDATE



- ****NEW**** PCS PCard Intake Sheet needs to be used to update any information on your PCard account, such as:
 - Index.
 - Address.
 - Credit Limit.
 - Department Name.
 - PCard cancellation.
- Submit the Intake Sheet to PCS via email to pcard@uoregon.edu



PROBLEMS

- Incorrect data on the card itself (new cards)
 - **Contact PCS via email to pcard@uoregon.edu.**
- Card rejected at the point of sale
 - PCard department Budget Authorities, Card Custodians, and Back-up Card Custodians are set up by PCS with U.S. Bank data system (Access) credentials for the cards assigned in their areas.
 - Try to resolve by first contacting U.S. Bank
 - Check if your department is over it's card limit.
 - Give the name of the vendor, amount of intended purchase, the date, and your card limits (per transaction, monthly limit).
 - If the above fails, contact PCS by phone or email to pcard@uoregon.edu.
 - DOCUMENT ANY/ALL PROBLEMS!



TRANSACTION DISPUTES

- Transaction disputes include:
 - Overcharges for items
 - Charges the Card Custodian/Card User did not make
 - Items charged to account, but not received
- Contact the PCard Program Administrator about *any* dispute within 30 days of the discovery.
- The department, along with PCS, will contact U.S. Bank and/or the Vendor about the disputed transaction within 60 days of your monthly statement reflecting the disputed charge.
- If resolved, Card Custodian should ensure their accounts reflect any agreed changes in a timely manner (within two billing cycles).
- Maintain documentation of all disputes.



CONTROL AND SECURITY

- Card Custodian is responsible for control and security of the PCard, including its account number
 - The PCard must be secured in a locked space when not in use.
 - Make sure the statement is received in a secure location.
 - Turn in inactive or unwanted cards to PCS.
 - Document new cards and all purchases.
 - Ensure “See UO Staff ID” is on the back of your PCard.



CONTROL AND SECURITY (cont.)

- Do not let another department or unauthorized user make purchases with your PCard.
- Report lost or stolen cards immediately to US Bank and to PCS via email to pcard@uoregon.edu.
- Ensure proper security is used when purchasing online.



ONSITE REVIEW

- Notification of review to Card Custodian and Budget Authority.
- Standard Checklist.
- Immediate Feedback.
- Written report of review results.

Non-conformance/Intentional Misconduct

- PCards are issued for business use only and may not be used for personal purchases. All purchases made via PCard must be in conformance with PCS Policy.
- If non-conformances are found, they must be categorized into one of two types: (1) Unintentional non-conforming purchases; and (2) intentional misconduct.
- Nonconforming purchases (unintentional errors) should have the improper purchase noted in a log, along with the corrective action taken.
- Intentional misconduct must be dealt with in accordance with the University's policies and procedures on employee discipline for financial misconduct, up to and including, termination of employment and criminal prosecution, if warranted.



CONTACTS

- Central Email: pcard@uoregon.edu
- PCard Program Administrator:
 - **John Beeson**
 - Email: jgbeeson@uoregon.edu
 - Phone: 541-346-3735
- Purchasing & Contracting Technician:
 - **Isla Dane**
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THANK YOU

