



## PCard Checklist-Non-Agency Funds

Your log is due around the 18<sup>th</sup> of each month. Plan accordingly.

1. Work on the log throughout the month. Keep a binder with the receipts and a copy of any required gift/prize/award forms. Keep an Excel log updated with each charge. Verify your log matches your statement and you are ready to print, obtain signatures and submit it as soon as your statement posts online.

Required: Secure a receipt at time of purchase that includes the following. Any receipts that are not a full 8.5 x 11-inch page must be taped to a piece of white copy paper of that size.

- ☐ Date
  - ☐ Vendor name
  - ☐ Amount of charge
  - ☐ Line item detail of purchased items
  - ☐ Tax amount
  - ☐ Shipping address for online purchases
  - ☐ Form of payment-This is typically included when a credit card is used.
2. You may purchase items that belong to different account codes in separate transactions. Example: Keep all promotional items one order, and supplies items on a separate order. This will greatly simplify your log entry process.
  3. Obtain an approved gift/prize/award form from the controller for all giveaways. If the prize totals over \$75, have the winner complete and sign page 3 of the form and submit back to the Controller's Office. Include a copy with your Pcard log.
  4. Pay attention to any fiscal year end deadlines for Pcard usage. The card is typically cut off for charges after early June until July 1.
  5. Include any conference agenda with Pcard log if the log includes a registration charge.
  6. If you lose a receipt, contact the vendor to obtain a duplicate.
  7. Keep a copy of your log and receipts for 18 months. This can be done electronically.
  8. Contact Procurement before making the purchase if you are unsure.



# Pcard Log Instructions

Pcard logs are required from each cardholder each month that cardholder has a statement issued by Bank of America. The cardholder is responsible for accessing the Bank of America Global Card Access website and obtaining a copy of the current statement. The following steps must be completed to submit a log correctly.

1. Cardholder receives notice that statements are due via email from Procurement Pcard program manager, currently DeAnna Kile.
2. Cardholder retrieves statement from Bank of America Global Card Access site.
3. Cardholder completes Excel Pcard log using the following guidelines
  - a. Complete the header of the log with cardholder name, department number, last four digits of the card, and the statement date.
  - b. Complete FOAP information must be entered for each line.
  - c. Purchases are broken out into the appropriate account code. This means the card holder may have to enter multiple lines for one transaction on the log. For instance, if you purchase office supplies and an ink cartridge on the same transaction, you must record the office supplies into the 703916-account code and the ink cartridge into the 703985-account code. This will involve calculating the correct tax amount for each charge. It is best to put separate account code commodities on separate transactions to avoid manual calculations.
  - d. At minimum one line must be entered on the log for each charge.
  - e. Before completing your log, verify that the total on your log and the total on the statement matches. If not, find the error and correct the log.
  - f. Do not change formulas on the log. There are a few simple formulas built into the spreadsheet that must be left as is.
4. Print the completed log and sign, obtain your supervisor's signature. Be sure to include your email and telephone number in the signature block.
5. Receipts must be included for each charge according to the guidelines below.
  - a. Must include detailed description of purchase. A receipt with a total only does not qualify as a valid receipt. If you purchase from a vendor using a Square or similar device, you must obtain a separate detailed receipt.
  - b. Receipts must include
    - ☐ Date
    - ☐ Amount of charge
    - ☐ Line item detail of purchase
    - ☐ Tax amount -If charged

- ☐ Shipping address for online purchases
  - ☐ Form of payment-This is typically included when a credit card is used.
6. Include pages from conference agenda indicating date and location for any registration purchased.
  7. Obtain an approved gift/prize/award form from the controller for all giveaways. If the prize totals over \$75, have the winner complete and sign page 3 of the form and submit back to the Controller's Office. Include a copy with your Pcard log.

## **P-CARD NON-ALLOWABLE LIST**

Many items available at merchants cannot be purchased with the P-Card due to existing state contracts and restrictions imposed by Constitutional Amendments. We have developed the following list to make users aware of restricted items. This list may not include all non-allowable items and is subject to change. If in doubt, please contact the Procurement Office.

### **Agreements/Licensing**

- Any purchase that requires an agreement, such as agreeing to Terms and Conditions
- License upgrades for Microsoft and Adobe
- Maintenance agreements requiring signature
- Service agreements requiring signature
- Software licensing for Microsoft and Adobe

### **Amendment 54 Items – wet ink on paper via a printing press**

- Printing-Must be bid through the Procurement Office

### **Promotional Items and Giveaways. Gift/Prize/Award Form required.**

- Candy for student events
- Giveaways
- Logo items must have the approval of Marcomm
- Prizes
- Promotional Items

### **Contract Items**

- Air conditioners
- Ammunition
- Cell phones
- Computers
- Office supplies from Wal-Mart
- Paper towels
- Software-Microsoft and Adobe products
- Cell phone
- Tires
- Toilet tissue
- Vehicles-new or used

### **Internal Vendors/Service Providers**

- Facilities Management services.
- Food Services/Chartwells (all locations)

## **Leased Items**

- Copiers/Copier Supplies
- Folding Machines
- Water Coolers
- Welding Tanks (Gas, Helium, Nitrogen)

## **Other**

- **Items for Non-University Purposes**
- Candles
- Capital Equipment \$5000 or greater (including taxes and freight)
- Cash Advances
- Construction or remodeling
- Furniture (Exceptions: bookshelf, chairs, small filing cabinet)
- Gift cards or gift certificates
- Gifts/contributions/sponsorships/pledges
- Internet service/cell phone service
- Medical service
- Personal purchases
- Restaurant charges
- Space heaters
- T-Shirts

## **Personal Items**

- Alcoholic beverages
- Bottled water
- Break room supplies (paper plates, cups, cutlery)
- Candy, soft drinks and food
- Coffee
- Decorative items
- **E-Bay**
- Flowers/plants/greeting cards
- Kleenex (unless in student areas)
- Narcotics/prescriptions
- Over the counter medication
- Party/holiday decorations
- Plaques/awards
- Supplies and food for birthday, retirement, & other celebrations

## **Purchases over limit**

- Any purchase over your departmental limit must have the approval of the Vice President

## **Travel Expense (See T-Card)**

- Airfare
- Car rental
- Fuel/gasoline
- Hotel/motel Lodging
- Meals-Including optional add on meals to conference registration.
- Other travel expenses

# Procurement Card (P-Card) Program Policies and Guidelines Manual



Revised May 2022

Policies and guidelines will be changed to meet the needs of the Procurement Card (P-Card) Program. For the most current guidelines, please refer to <https://www.atu.edu/purchasing/pcard.php>

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## INTRODUCTION

Welcome to the State of Arkansas/Arkansas Tech University Procurement Card (P-Card) Program. As an agency of the State of Arkansas, Arkansas Tech University is participating in this program that is designed to help better manage low-dollar supply purchases and bring many benefits to you, the University, and our vendors. The P-Card will facilitate the acquisition of lower dollar goods and services needed for conducting official University business. It is intended that the P-Card be issued to University full-time employees to enhance the University and departmental effectiveness or economy of operations. Liability for payment, total responsibility and accountability for the P-Card transactions resides at the department level. Personal purchases are strictly forbidden and may result in disciplinary action.

It is accepted that no policy and guideline statement can cover all eventualities. Exceptional cases will be resolved as circumstances and prudent business practices warrant on a case-by-case basis.

University departments, as a condition of participation in the P-Card program, shall abide by the terms of the guidelines unless written exception is requested and approved by Procurement and Risk Management Services.

The success of the Procurement Card Program and its continuing use depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within this document.



## **1. WHAT IS THE PROCUREMENT CARD?**

The Procurement Card is a Mastercard credit card issued by Bank of America (BOA). It is a fast, flexible new purchasing tool which offers an alternative to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for items that have low dollar amounts or for vendors who may not accept purchase orders. **The P- Card is to be used only for official business purchases for Arkansas Tech University.**

The issuance of a P-Card to you represents the trust bestowed upon you by the University to protect its assets and integrity. Under your oversight, review and approval, **you provide the key point of control to maintain appropriate spending activities to protect your departmental funds.**

The Procurement Card will enable you to purchase non-restricted commodities, by telephone or in person, directly from the vendors. Currently purchase orders are not issued on each PCard purchase. Posting of the PCard transactions to cardholder's budget does not take place at time of purchase, but when card charges are reconciled. For this reason, cardholders must be mindful of their available budget when using the card.

The Procurement Card will be issued in the individual cardholder's name with the wording "Arkansas Tech University" and "For Official Use Only" clearly indicated on the card.

The basic P-Card transaction consists of the following steps:

1. Cardholder enters a business and selects the item(s) needed, charges it on the P-Card, signs a sales/charge slip and takes receipt of the merchandise.
2. Merchant submits the transaction to Mastercard and in-turn they submit it to Bank of America for payment (merchant normally will receive their payment within 3 working days of the original transaction).
3. Bank of America will bill Tech on the 15<sup>th</sup> of each month for all charges made by the various Tech departments for the proceeding 30 days.
4. Tech reconciles the receipts/charge slips from the P-Card Transaction Log and makes a single payment to Bank of America, on behalf of all the Tech departments, within five (5) working days of billing receipt. The Accounting Department debits/credits each appropriate departmental account after the reconciliation is made.

## **2. THE PROCUREMENT CARD PROGRAM BENEFITS**

**Cardholders** - You will be able to obtain various supplies and services directly from our vendors without using a purchase order. This streamlines the purchasing process and can help improve turnaround time on receipt of your order. It significantly reduces the workload and processing costs related to the purchase and payment of supplies.

**Arkansas Tech University** - The Procurement Card program provides a cost-efficient, alternative method for purchasing low-dollar supplies and services. Built-in card features make the program easy to control and manage and reduce processing costs at all levels by reducing the number of requisitions, purchase orders, invoices and checks. The Procurement Card enables departments to focus on higher yield value added activities.

**Vendors** - Vendors who accept Mastercard will welcome the Procurement Card. When they accept the card for business purchases, vendors need not send invoices to Arkansas Tech University, and they will receive payment directly from Bank of America within 72 hours.

## **3. ALLOWABLE and NON-ALLOWABLE CHARGES**

There are many possible items and services that can and cannot be charged to the Tech Procurement Card. The allowable items/services that can be purchased are vast, some examples are, books, general office and educations supplies, lab supplies, postage, subscriptions, UPS, FedEx and many more. The P-Card will be accepted at Wal-Mart, Sears, Amazon and many other merchants. In general, the Cardholder may purchase goods and services that serve as official business purposes for the Arkansas Tech University, **EXCEPT:**

- Alcoholic beverages of any kind
- Cash advances
- Printing
- Food Purchases
- Meals of any kind
- Personal type purchases of any kind, items or services (gift certificates, cards such as “get-well, birthday, etc., flowers, etc.) Printing of any kind (all printing must be bid regardless of cost) Travel expenses of any kind with the exception of conference registration (See page 15)
- Any items listed on mandatory agency or state contracts (see Procurement Website) **including computers!**
- Any capital purchase or any purchase that would involve a trade-in
- Any other purchases not permitted under Tech policy and/or procedures

**NOTE: All purchases must be for the official business of Arkansas Tech University**

#### **4. MAKING A PURCHASE**

When making a P-Card transaction the Cardholder shall check as many sources as reasonable to assure the best price, quality, service and delivery is in the best interest of the University. There are many methods of procuring with the P-Card.

**Purchasing In Person** - The Cardholder takes the P-Card to the supplier and verifies the supplier accepts the Mastercard card. The Cardholder selects the order, carefully ensuring that the selection is not listed as an exception to the allowable items/services that can be procured with the P-Card and that the total cost does not exceed the control limits set for the Cardholder's P-Card. The Cardholder takes the order to the supplier's cash register and presents the P-Card for payment.

The supplier either swipes the P-Card through a card reader or calls for an authorization. The supplier then asks the Cardholder to sign for the charges. The supplier issues the Cardholder a copy of the slip, cash register tape or paid invoice. The Cardholder shall retain all P-Card transaction documentation and provide it to the Cardholder Liaison for logging on the P-Card Transaction Log.

**Phone Orders** - The Cardholder may telephone an order to a supplier. The supplier shall request the Cardholder's P-Card number and expiration date. For security reasons, ensure others do not overhear or view this information. The Cardholder advises the supplier that the **University is not tax exempt** and shall pay all applicable sales tax. The Cardholder shall ensure the supplier includes a P- Card authorization slip, cash register tape or paid invoice with the delivery of the order. All orders shall be made delivery to the University department's official shipping address thru central receiving. The Cardholder shall ensure all transaction documentation is provided to the Cardholder Liaison for logging to the P-Card Transaction Log.

**Internet Orders** - The Cardholder may use vendor's website to submit an order to a supplier. The Cardholder shall ensure the supplier includes a P-Card authorization slip, cash register tape, paid invoice and/or delivery slip with the order. If the supplier intends to email the P-Card transaction documentation as a separate item, the Cardholder shall ensure the documentation is emailed to the Cardholder's official email address. The Cardholder shall ensure all transaction documentation is provided to the Cardholder Liaison for logging to the P-Card Transaction Log. Internet orders may be subject to Use Tax. When placing Internet orders make sure that it is a secure site. (padlock closed symbol)

## 5. GENERAL POLICIES AND PROCEDURES

- Procurement cards will only be issued to an individual in the individual's name. Cardholder must be a full-time employee of Arkansas Tech University. Procurement cards will not be transferable between individuals.
- Each department may assign a cardholder liaison.
- Cardholders will be linked to their department by their FOAPAL.
- Cardholder liaisons will be responsible for the basic accounting procedures and maintenance of the P-Card Transaction Log along with the applicable back-up documentation applicable to all transactions for each cardholder assigned to them by the department head.
- Cardholder liaison may be a liaison for him/herself.
- Cardholder liaison may be responsible for more than one department account. Employee's department head and appropriate Vice-President must approve the employee agreement request for a card, assign the cardholder liaisons for each individual card user and submit this information to Procurement before the process of issuing a card can begin.
- Upon receipt of this approved agreement Procurement Services will contact the approving departmental head to establish the account number to be charged, dollar limits, transaction limits, MCC blocking codes and other required information that must be established before the application for the P-Card can be submitted to Bank of America.
- Department head approval delegates transaction authority to the cardholder. Bank of America is to be paid each billing cycle from the departmental funds that are given on the Transaction Log.
- Cardholder liaisons will have the capability to, and will be responsible for logging each cardholder's transactions to the P-Card Transaction Log and maintaining the documentation for each transaction.
- Departments will be responsible to assure credit card charges are accurate on their budget.

## 6. PARTIES INVOLVED

**Agency** – Arkansas Tech University who arranges with the card issuer, Bank of America for the issuance of procurement cards to approved departments and agrees to accept liability for the employees' use of the cards.

**Cardholder** – a full-time employee of Arkansas Tech University who is approved by his/her department head to use the procurement card to execute purchase transactions on behalf of their department.

**Card Issuer** – Bank of America services were contracted for/by the

State of Arkansas, to issue Mastercard procurement cards to Arkansas Tech University employees, to bill the University for all purchases made on the cards, and to collect payment from Arkansas Tech University on behalf of the vendors.

**Department Head** - Arkansas Tech University official who must approve employee's request for a procurement card, designate budget information for purchases on the purchasing card, and submit applications to Procurement Services. Department head approval delegates transaction authority to the cardholder.

**Cardholder Liaison** - this is an OPTIONAL step for the cardholder. The Liaison is responsible for obtaining the statement and completing the transaction log for the cardholder, only if the cardholder has delegated this to them.

**Vendor** - the merchant from whom a cardholder is making a purchase.

## **7. CARDHOLDER RESPONSIBILITIES**

Cardholders are responsible for knowing and applying all of the rules related to the P- Card program. The Procurement Card may not be used for travel with the exception of conference registration (see page 15), entertainment, cash and other categories as included in the Blocked Merchant Category Code list included in these policies and procedures. Misuse of the card will subject the Cardholder to disciplinary action in accordance with Arkansas Tech University Policies and Procedures relating to disciplinary action and termination for cause. The Cardholder must:

- Ensure the Procurement Card is used only for legitimate Tech business purposes.
- Maintain the Procurement Card in a secure location at all times.
- Not allow other individuals to use the Procurement.
- Adhere to the purchase limits and restrictions of the Procurement Card and ensure the total transaction amount of any single transaction does not exceed limit set by Department Head.
- Adhere to the purchasing rules and regulations of not splitting orders to circumvent the bid limit.
- Follow all Procurement card processes including submission of log and receipts by the monthly due date.
- Obtain all sales slips, register receipts, and/or Procurement Cards slips.
- Attempt to resolve disputes or billing errors directly with the vendor and immediately notify Procurement Services if the dispute or billing error is not satisfactorily resolved.

- Ensure that an appropriate credit for the reported disputed items(s) or billing error appears on a subsequent Cardholder's Statement.
- **Not accept cash in lieu of a credit to the Procurement Card account. Immediately report a lost or stolen card to BOA at 1-888-449-2273 (24 hours a day, 365 days a year).**
- Immediately notify Procurement Services of a lost or stolen Procurement Card at the first opportunity during business hours.
- Return the Procurement Card to Procurement upon terminating employment with Arkansas Tech University or upon request of the Procurement Card Administrator or Department Head.
- If the cardholder is changing departments within Arkansas Tech University he/she must contact Procurement to coordinate the change.

**Failure to maintain these responsibilities including misuse or abuse of the Procurement Card may result in temporary suspension of Procurement card for ten (10) working days. Retraining may be required before card privileges are returned to the card holder.**

## **8. CARDHOLDER LIAISON RESPONSIBILITIES**

Cardholders may designate a Liaison for their department. A Cardholder Liaison may also be liaison for his/her own card. However, if the cardholder liaison(s) is also a procurement cardholder, it will be the responsibility of the liaison to have the monthly charges incurred on the liaison's procurement card reviewed and signed by their department head or another person within the department. The cardholder liaison must attend all required training sessions and will be notified of these by means of a P-Card Listserv to which they must be subscribed. Responsibilities include:

- Collecting vendor receipts and procurement card receipts from each Cardholder, validation of those documents and reconciling to Bank of America billing statements.
- Maintain a P-Card Transaction Log for each card within that department.
- Log each transaction as the Cardholder presents the individual transactions and maintains the back up (receipts, sales slips, packing list, etc.) for future audit purposes.
- Retaining all charge slips and receipts for audit by internal and external auditors.
- Approving and/or updating account and cost-sharing information on electronic billing distribution of individual Cardholder account within 45 days of the transaction posting date.
- Identifying and updating transactions, which require the submission of use tax and/or account changes within 45 days of the transaction posting date.

- If a change in account and/or object code, cost share or use tax is to be paid, these need to be addressed within a 45-day period. The cardholder liaison is responsible for written notification to the Tech Disbursing/Accounts Payable Department for the creation of a journal entry to correct the necessary charges.
- Note, because of year end processing, charges for the month of June may not have the 45-day period, cardholder liaisons will be notified by means of the P-Card Listserv on how charges for the month of June are to be handled.
- Attempts to resolve any disputes with vendor and/or Bank of America not resolved by Cardholder. **Note:** there is a 60-day period for resolution of disputes.
- Changing the default account and/or object code for individual cards as needed.
- Notifying Procurement Services of lost or stolen cards.
- Requesting Procurement to cancel a Cardholder's card e.g. (terminated employees, loss of purchasing card privileges) as approved by Department Head.
- Collecting canceled cards from Cardholders and forwarding to Procurement Department.
- Cardholder liaisons are responsible for making sure that they are receiving messages from the P-Card Listserv.

## **9. PROCUREMENT SERVICES RESPONSIBILITIES**

Procurement and Risk Management Services will assign a P-Card Coordinator to be responsible for the over-all P-Card program.

Responsibilities include

- Auditing submitted card agreements for completeness.
- Submitting completed application to Bank of America and receiving Procurement Card from Bank of America.
- Training Cardholders before releasing Procurement Card.
- Having Cardholder sign Cardholder agreement, signifying agreement with the terms of the Procurement Card program.
- Handling disputed charges/discrepancies not resolved by Cardholder or Liaison.
- Initiating change of Procurement Card default account and/or object code upon request of Cardholder Liaison.
- Securing revoked Procurement Cards and submitting information to Bank of America.
- Processing upload of bill to accounting for charging individual departments. Reviewing the Bank of America's invoice, preparing for payment and submitting to the Tech Disbursing/Accounts Payable Department for payment.
- Reconciling accounting statements as to payments to Bank of America and charges to individual departments.
- Reviewing usage of Procurement Card data for appropriateness.
- Performing audit functions and/or coordinating them with the Tech Internal Auditor.

## 10. CARDHOLDER ELIGIBILITY

Criteria to receive a Procurement Card is as follows:

- Applicant must be a full-time employee of Arkansas Tech University.
- His/her Department Head and the appropriate Vice President must approve applicant's request for a Procurement Card.
- Employee must complete online Pcard training prior to receiving
- Each individual Cardholder must sign a Cardholder agreement in the presence of a Procurement staff member.

## 11. CARDHOLDER LIABILITY

The Procurement Card is a corporate purchasing Mastercard charge card, which will not affect the Cardholder's personal credit. Your department is liable for all charges made on the P- Card issued to you. This includes transactions made on a lost or stolen card before it is reported lost or stolen. However, it is the Cardholder's responsibility to ensure that the card is used within stated guidelines of the Procurement Card Cardholder Manual as well as Arkansas Tech University's Policies and Procedures relating to the expenditure of Arkansas Tech University. Failure to comply with program guidelines will result in 2-week suspension of card privileges and mandatory re-training session and may result in revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination of employment. **Ultimate responsibility for use/misuse of charges rest with the cardholder.**

## 12. CARDHOLDER TERMINATION

Procurement and Risk Management Services is required to close an account if a Cardholder:

1. Moves to a new job in which a Procurement Card is not required
2. Terminates Arkansas Tech University employment
3. For any of the following reasons, which will also subject Cardholder to disciplinary action in accordance with Arkansas Tech University Policies and Procedures, relating to disciplinary action and termination for cause.
  - a. The Procurement Card is used for personal or unauthorized purposes.  
**Note:** Use of the card for personal and/or unauthorized purposes could be interpreted as fraud, which could be grounds for employee termination.
  - b. The Procurement Card is used to purchase alcoholic beverages or any substance, material, or service, which violates policy, law or regulation pertaining to Arkansas Tech University.
  - c. The Cardholder splits a purchase to circumvent the limitations of the



- Arkansas Procurement Law.
- d. The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of Arkansas Procurement Law.
  - e. The Cardholder fails to obtain approval for promotional and/or student awards from The Controller's Office.
  - f. The Cardholder fails to provide, when requested, information about any specific purchase.
  - g. The Cardholder does not adhere to all of the Procurement Card policies and guidelines.
  - h. Failure to provide a receipt will result in employee reimbursing the University for the purchase.
4. Misuse or abuse of the Procurement Card may result in temporary suspension of Procurement card for ten (10) working days. Retraining may be required before Procurement Card privileges are returned to The Cardholder.

### **13.DOCUMENTATION OF EXPENDITURES**

The Cardholder must provide valid documentation of each transaction to their Liaison. The Cardholder Liaison must review all documentation submitted and determine that valid and complete documentation is on file for every transaction listed on each Cardholder's statement. Each Cardholder will provide valid documentation of each transaction to the Liaison within three (3) working days after each transaction. All documentation for each and every transaction must be maintained for audit purposes and shall be placed in a permanent file for a minimum of two (2) years from the date the current fiscal year the funds were expended.

Valid source documentation may be:

- 1. A receipt and/or card transaction slip from the merchant.
- 2. An order form for books, subscriptions, or similar items.
- 3. An invoice showing credit card payment.
- 4. A packing slip from the delivery annotated by the Cardholder as ordered by, received by, paid by and signature of the Cardholder.

All documentation must include the following minimum information. Any information not printed on the receipt must be hand written by the card holder and initialed.

- 1. Vendor name.
- 2. Date of the purchase
- 3. Description and quantity of each item purchased.
- 4. Per item cost, if available from the merchant.
- 5. Total cost of the transaction.
- 6. Cardholder name and card number.

If documentation is unavailable, the Cardholder is to contact the vendor

and make every effort to obtain a duplicate receipt. Only under very limited circumstances will a Lost/Unobtainable Procurement Card Receipt Form be accepted. Completion of this form will be required for each transaction where the documentation is unavailable whether the Cardholder did not provide the documentation through no fault of his/her own, or through willful or negligent default.

#### **14. LOST, MISPLACED OR STOLEN PROCUREMENT CARDS**

Cardholders are required to immediately report any lost or stolen Procurement Card to **Mastercard at 1-800-MASTERCARD911** (24 hours a day, 365 days a year). The Cardholder must also immediately notify his/her Liaison and/or Procurement about the lost or stolen card at the first opportunity during normal business hours.

#### **15. SPENDING CONTROLS**

The Procurement Card is to be used only for the purchase of supplies and services. Arkansas Tech University's spending parameters for each procurement card issued is initially set at **\$500.00 per individual single transaction** with a monthly maximum that will be determined on an individual basis. Arkansas Tech University, through the Procurement Services will adjust limits as determined by demonstrated and/or special need and only after proper approval has been obtained.

#### **16. REFUNDS AND PROMOTIONAL ITEMS**

Any refunds received by the Cardholder as results of a P-Card transaction shall be deposited back into the appropriate account and documentation reflecting the transaction shall be attached to the P-Card Transaction Log to support such. Any promotional type items received as the results of a P-Card transaction shall become the property of Arkansas Tech University and shall be utilized by the applicable university department.

#### **17. CARD DECLINES**

Should a vendor decline the Procurement Card, the Cardholder should immediately contact Procurement for assistance. If purchase is being made outside normal business hours, the employee must find an alternate payment method or terminate the purchase and contact the Procurement during normal business hours.

#### **18. EMERGENCY TRANSACTIONS**

Emergency transactions over \$5,000.00 may not be handled with the Procurement Card due to State/University procurement regulations. For any transaction, which does not meet the spending controls assigned to the card, the Cardholder must contact Procurement Services for

assistance.

## **19. CREDITS**

Vendors will issue all credits to the individual Procurement Card account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. **Under no circumstances should a Cardholder accept cash in lieu of a credit to the Procurement Card account.**

## **20. UNRESOLVED DISPUTES AND BILLING ERRORS**

The Cardholder is responsible for contacting the vendor to resolve any disputed charges or billing errors. If the matter is not resolved with the vendor, the Cardholder or Liaison should, contact Procurement Services for assistance.

**Note:** The total amount billed by Bank of America will be charged to the individual department accounts and credits for disputed transactions will be posted to department accounts when the credit appears on the Bank of America billing.

## **21. SECURITY AND STORAGE**

**Procurement Cards** - Cardholders should always treat the Procurement Card with at least the same level of care as one does with their own personal credit cards. The card should be maintained in a secure location and the card account number should be carefully guarded. The only person entitled to use the card is the person whose name appears on the face of the card. The card may not be lent to another person for any reason.

**Program Documentation** - The Department Cardholder or liaison will maintain vendor receipts /packing slips/charge slips. Procurement will maintain vendor receipts/packing slips/charge slips. Procurement will maintain all other documentation concerning the Procurement Card program. This documentation includes, but is not limited to applications, cardholder agreements, agency billing statements, reconciliation of accounting statements, documentation, and copies of transmittals and correspondence with Bank of America.

## **22. VENDOR SET UP**

Procurement Services will conduct a study of frequently used vendors for purchases by the P-card. If a frequently used vendor does not accept the Mastercard card, Arkansas Tech University will assist in recruiting the vendor to take the necessary steps to begin acceptance of the card and provide this information to Bank of America. Cardholders should contact Procurement when encountering vendors who do not accept the card.

## **23. MERCHANT CATEGORY CODE BLOCKING**

Arkansas Tech University has adopted the State of Arkansas's Blocked Merchant Category Code List without any adjustments. Transactions will be blocked at the point-of-sale level at the types of vendors on the Blocked Merchant Category Code List attached to these procedures.

## **24. PROCUREMENT CARD SET UP, MAINTENANCE AND CLOSURE**

All contact with Bank of America for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by Procurement Services (968-0269).

### **Card Set Up**

1. Arkansas Tech University employee completes a Procurement Card application and submits to his/her Department Head for completion and approval.
2. Department Head signature approval delegates transaction authority to the Cardholder.
3. Application is forwarded to employee's Vice President for final approval.
4. Approved application is to be sent to Procurement Services.
5. Procurement reviews the application for completeness and submits application to Bank of America in an approved format.
6. Upon receipt of the Procurement Card from Bank of America, Procurement Services will conduct a training session with the Cardholder prior to issuing the card.
7. Cardholder signs Cardholder Agreement signifying agreement with the terms of the Procurement Card program.

### **Card Maintenance**

Procurement will use all available tools of Bank of America software for the maintenance of cards.

### **Closure**

1. Lost or Stolen Cards - Cardholder must immediately report the lost/stolen
2. Terminated Employees immediately notify Procurement by phone of the termination. A request for closing the Cardholder account will be submitted to Bank of America by Procurement within 2 days of receiving the notification. All Procurement Cards are to be returned to Procurement for disposal.
3. Other Card Revokes/Closures - Procurement Services will notify Bank of America immediately of all revokes and closures.

## **25. RECONCILIATION, APPROVAL AND ALLOCATION OF BILLING**

### **Receipt and Payment of Bank of America Billing**

1. Bank of America will bill Arkansas Tech University within 3-5 days after the close of the billing cycle on the 15th of each month.

2. Procurement will review the bill for any obvious errors in charges or un-posted payments.
3. Procurement will audit transaction logs, reconcile logs to the statement and submit the billing to Disbursing/Accounts Payable for a payment to be issued to Bank of America.
4. Payment will be transmitted in accordance with Bank of America instructions. Allocation of Procurement Card Charges to Departments

Bank of America will submit monthly a billing statement to Arkansas Tech and all P-Card transactions will be charged according to the information that is completed on the transaction log.

The total amount billed by Bank of America will be charged to the individual department budget and credits for disputed transactions will be posted to department budgets when credit appears on the Bank of America billing.

## **26. TAXES**

Despite the fact Arkansas Tech University is a State Agency, we are not tax exempt and are fully responsible for all sales and use taxes on all incurred purchases.

As a general rule, the purchase of tangible property is considered taxable. If the merchant charges the proper tax on the P-Card transaction then normally no other action will be required. If no taxes were charged then the Tech Disbursing Department must prepare a payment of "use" tax to the State of Arkansas. Any questions pertaining to taxes should be directed to Tech Disbursing Department.

As a general rule, the purchase of tangible property is considered taxable and very few are non-taxable.

## **27. END OF FISCAL YEAR PROCEDURE**

Goods and services shall be expended in the year they are received. When the P-Card is used, the supplier may hold the P-Card transaction posting for several days and it could take 2-3 days for the actual posting to the Bank of America billing which is the 15<sup>th</sup> of each month. Either of these events could create an accounting problem at the end of the fiscal year (June 30<sup>th</sup>). To ensure that P-Card expenditures are properly recorded in the year goods and services are received, the deadline for these purchases will be June 15<sup>th</sup>, unless notified otherwise.

## **28. AUDIT**

Arkansas Tech University's internal control policies and procedures are as follows:

**Cardholder will:**

1. Maintain a P-Card Transaction Log
2. Log each transaction accordingly with detailed information
3. Match Cardholder receipts to the monthly statement obtained from Bank of America's website.
4. Enter Index, Fund, Org, Account Program
5. Maintain a detailed report of the above and forward a copy to the Procurement Services and Accounts Payable, within (3) calendar days after receipt of monthly statement.
6. Retain all transaction receipts and vouchers for audit by internal and external auditors for 2 years.

**Procurement and Accounts Payable will:**

1. Reconcile monthly statement for payments to Bank of America and charges to individual departments.
2. Make periodic audits of card use and p-card charges for appropriateness. Areas to be monitored include, but not limited to, compliance with State of Arkansas Procurement Laws/Regulations, compliance with Procurement Card regulations, compliance with Arkansas Tech University's regulations, and sales and use tax charges. Non-use of card by cardholders will also be monitored.

## **29. CONFERENCE REGISTRATION**

Effective November 1, 2016 Arkansas Tech University employee conference registration and entry fees can be paid with a University issued Procurement Card (P-Card)..

Items not reimbursable are located on page 8 of the [State of Arkansas Travel Regulations](#). Travel arrangements associated with attending a conference must be made using the travel guidelines found in the [ATU Travel Policies and Procedures](#). Examples of travel related charges that are **not** allowed on the P-Card include but are not limited to

- Meals
- Lodging
- Cash Advances
- Any Transportation
- Fuel
- Any Personal Charges
- Entertainment
- Flowers
- Valet Parking
- Laundry
- Cleaning
- Alcohol
- Movies

- Communication if not business related
- Spousal Conference Registration

Please obtain appropriate approvals before making any registration charges on the P-Card. The approval limits below have been approved by the Executive Council for conference registrations. Proof of the approval can be a signature on the P-Card log or an email attached to the log. Grant accounts will require approval from the Budget office.

- Under \$500.00 -Department Head
- \$500.00 – \$999.99 -Dean
- \$1,000.00 and over -Vice-President
- International any amount – Vice-President and President

### **Steps to follow for P-Card Conference Registration**

1. Obtain the appropriate approval based upon the guidelines above.
2. If you are a P-Card holder, proceed with making your conference registration, *remembering that no forms of entertainment may be paid for by the University*. If not, please contact your departmental administrative assistant or designated P-Card holder to arrange for payment.
3. Retain a detailed receipt of the conference registration listing all components of the conference registration fee.
4. Submit all receipts and/or approval documents with P-Card log to Procurement at the end of the billing cycle.

# FORMS

The following forms may also be found on the P-Card page of the Procurement and Risk Management Services website, [www.atu.edu/purchasing](http://www.atu.edu/purchasing).

- P-Card Pocket Guide
- P-Card Dispute Form
- P-Card Employee Agreement
- P-Card Missing Receipt
- P-Card Transaction Log