

WCU PURCHASING CARD (P-CARD) USER'S GUIDE

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1.0 OVERVIEW OF THE PURCHASING CARD (P-CARD) PROGRAM:

1.1 Purpose of the card

The WCU P-Card is a corporate Visa credit card in which the *liability rests with the University instead of the individual cardholder*. (This is different from the American Express travel card, in which the liability is solely the cardholder's.) The P-Card is issued to an employee, empowering this person to purchase goods and services on behalf of the University. This program has been established to allow rapid purchase of low dollar goods and services while simultaneously reducing paperwork and handling costs associated with the small purchase process.

Under no circumstances may this Visa card be used for personal purchases and may not be used to the personal benefit or gain of a cardholder such as the receipt of vendor rebates, coupons, or customer rewards.

1.2 Cardholder benefits, costs and requirements

- It is easier to make purchases. The Visa card is accepted virtually anywhere, and delays associated with asking a vendor to accept a purchase order number are eliminated.
- The need to key requisitions is eliminated.
- Materials may be acquired faster.
- Complete transaction reporting is provided monthly to the cardholder electronically in the form of a downloadable/printable bank statement. Vendor information becomes easier to research and locate.
- Each P-Card is tied to a WCU departmental Banner budget code (FOAP). Each transaction will default to a single FOAP but can be changed during the monthly reallocation period.

NOTE: NO Foundation purchases allowed on P-Card.

- There is currently no fee associated with the program.
- The cardholder is responsible for obtaining priced, itemized receipts and/or invoices for each card transaction. These are to be submitted to the P-Card Manager in the Purchasing Department along with their signed statement printed from the Works System on a monthly basis. The cardholder/reconciler is required to perform a monthly on-line review and reconciliation of all new purchases. Each cardholder's account is also reviewed and approved by a higher authority (normally at the department or division level).

1.3 University benefits, costs, and requirements

- The number of forms used and data entry is reduced.
- Fewer invoices and checks are processed.
- There is an opportunity to reduce the need for reimbursements and petty cash accounts.
- The University has the ability to block specific categories of vendors (airline reservations, cash advances, liquor purchases, etc.) This provides increased security of purchases over the existing small purchase/check request process.
- Vendor relations are improved as vendors are paid quicker and we do not have to meet minimum order requirements for purchase orders imposed by some vendors.
- The University is required to provide a process to upload P-Card charges into Banner on a monthly basis, around the 20th of each month.
- The University is committed to providing an on-going audit of purchases to insure a high degree of confidence in the system.

1.4 Vendor benefits, costs, and requirements

- The bank will pay the vendor two to three working days after the vendor processes the purchase.
- The vendor has a higher level of confidence in the Visa name (and the protection the vendor has when accepting the card) which encourages vendors to make sales that would not be made if a purchase order were presented.
- The P-Card process eliminates vendor invoicing and the vendor's accounts receivable process.
- Every transaction made using the P-Card carries a fee that the vendor must pay to the credit card network. This is what finances the credit card industry, and the process is basically the same for all credit cards.

2.0 WHERE TO GET HELP:

2.1 The bank

We have an agreement with Bank of America for Visa card services. To report a lost or stolen card, billing questions, or any customer service questions in general, **call the P-Card Manager (Tamrick Mull) at 227-7203 or Arthur Stephens at 227-7203 first**. If after WCU business hours, **call Bank of America at 888-449-2273** where help is available 24 hours a day. If it is necessary to call Bank of America directly, such as to report a lost or stolen card, you are also required to contact the P-Card Manager (Tamrick Mull) at 227-7203 as soon as possible. To dispute a transaction on your statement, please refer to Section 5 of this guide.

2.2 University names and addresses

The University provides support and assistance to cardholders and departments in the distribution and processing of new card applications. We process all changes in cardholder information, schedule training, update all documentation and audit all aspects of the program. Please call whenever you have any questions.

Tamrick Mull
P-Card Manager
WCU Purchasing Department
340 HF Robinson Building
828-227-7203 fax 828-227-7444
tmull@email.wcu.edu

Arthur Stephens
Director of Purchasing
WCU Purchasing Department
340 HF Robinson Building
828-227-7203 fax 828-227-7444
stephensa@email.wcu.edu

3.0 CARDHOLDER POLICIES AND PROCEDURES:

3.1 Obtaining a card

P-Cards may be issued to permanent WCU faculty or staff who has been authorized by their University department head to purchase goods and services (**Exceptions can be made in some cases, please contact P-Card Manager for details**). Training will be required for each Cardholder and Reconciler. The names of the University and the cardholder both appear on the card. The bank currently does not charge for the issuance of a card; however, low usage cards will be reviewed regularly. The P-Card carries corporate liability and does not affect your personal liability in any way. Cardholders are required to sign a card use agreement.

Enrollment forms can be found on the Purchasing Home Page at <http://www.wcu.edu/11628.asp>.

3.2 Keeping your card secure

ALWAYS KEEP YOUR P-CARD IN A SECURE PLACE. Treat it like cash. Paperwork should also be kept secure and not discarded in the trash. Cardholders should monitor their charges regularly for vendor errors and fraudulent charges. Any concerns should be reported to the P-Card Manager immediately.

3.3 Limitations of transaction amounts

A cardholder’s spending level is determined by his/her department head.

SPENDING LEVELS

	WCU - 2	WCU - 4
Single Transaction	\$500	\$2,500
Monthly Transaction	\$5,000	\$15,000

Cardholders are reminded that splitting transactions in order to remain within the established purchase limit per transaction is prohibited and doing so may result in loss of P-Card privileges and/or disciplinary action up to and including termination of employment.

3.4 Limitations of Vendors

All vendors accepting VISA cards are registered with their bank under a specific Merchant Category Code (MCC) identifying the type of business they are (e.g., Airlines, music stores, medical services, florist, ABC stores, restaurants, office supplies, etc.). The University has blocked all categories deemed inappropriate for WCU use such as Travel and Entertainment categories, ABC stores, off-track betting, etc.

Your P-Card cannot be used to purchase from vendors that fall under a blocked category on the MCC list. If your card is not accepted by a particular vendor, please contact the **P-Card Manager (Tamrick Mull) at 227-7203 or Arthur Stephens at 227-7203** within 48 hours. The P-Card staff will contact the bank to determine why the charge was denied and what can be done to rectify the problem.

Transactions are monitored on a daily basis by the P-Card Manager for possible misuse and abuse of the card or fraudulent charges.

3.5 Additional card limitations

The P-Card must be used **ONLY** by the named cardholder. There are **NO** departmental cards and **NO SHARING**. All card spending must adhere to state and university purchasing guidelines. **NO** travel charges allowed **EXCEPT REGISTRATIONS**.

All purchases must follow State, University and P-Card policies and procedures, and must strictly adhere to funding authorities. Some funds are more restrictive and may not allow certain purchases. Purchases from grant funds must adhere to all Contracts, Grants, and other agency guidelines. It is the cardholder's responsibility to be aware of the rules and guidelines applicable to each grant fund.

3.6 Changing card limits and updating cardholder information.

To change the limits on your card, complete an Account Maintenance Request form found on the Purchasing Home Page at <http://www.wcu.edu/11628.asp> and forward original to the P-Card Manager. All such requests **MUST** have department head approval. Changes of personal data (address, phone, account, etc.) may be emailed to Tamrick Mull at tmull@email.wcu.edu.

3.7 Additional purchasing guidelines

It is the cardholder's responsibility to insure that purchases are made only from legitimate companies. The vendor may or may not appear on the WCU Vendor file. If you have any questions about the legitimacy of a vendor or individual **DO NOT PROVIDE YOUR CARD NUMBER**.

The cardholder is responsible for purchases made that commit the University, and is therefore responsible for determining the legitimacy of the purchase and the selection of the vendor.

The P-Card is strictly for University business. Purchases must be for the use and benefit of the University. **NO** personal purchases allowed. The P-Card may not be used to the personal benefit or gain of a cardholder such as the receipt of vendor rebates, coupons, or customer rewards. Intentional misuse or abuse of the P-Card may result in the immediate revocation of privileges, and may be cause for disciplinary action up to and including termination of employment.

3.7.1 Contracts

When a State or University contract is available the contracted supplier must be used. Contracts may be reviewed by visiting NC P & C at <http://www.pandc.nc.gov/keyword.asp> or by calling the Purchasing Department at 227-7203 to speak with the appropriate purchasing agent.

3.7.2 Using the Internet (WWW)

Many companies are beginning to offer the option of making purchases via the web. The University does allow on-line purchases. However, be sure that the website you are using is secure [look for https in the URL or a closed lock at the bottom of your screen] before providing your card number and that the vendor will provide you the required priced, itemized receipt or order confirmation.

3.8 Automatic renewal of the card

A new P-Card will be issued to you once you complete the P-Card training session and sign the card user agreement. Once you have the card nothing else will be required by you to continue using the P-Card from year to year. Do not forget that each card is tied to departmental budget codes/funds. If the departmental fund number(s) change or fund(s) are added, have your department head email the P-Card Manager at tmull@email.wcu.edu listing the new fund number(s) with their approval. Fund changes can be made without re-issuing the card.

3.9 Termination of Employment

Your card remains the property of Western Carolina University and must be surrendered immediately upon termination of employment or upon the request of either your supervisor or the P-Card staff.

3.10 Extended Leave of Absence

A cardholder who will be taking an extended leave of absence (6 weeks or more) must turn in his/her P-Card to the P-Card Manager prior to leaving. The card will held until the employee returns to work.

3.11 Transfer to another department

If the cardholder transfers to another department, the old card must be closed out and returned to the P-Card Manager. If a cardholder needs a card after transferring departments, a new card reflecting the new department's Banner budget code must be issued. A new P-Card application form approved by the new department head is required. You will not be required to attend another P-Card training session. It is the cardholder's and reconciler's responsibility to inform the P-Card staff when a cardholder or reconciler has changed departments.

3.12 Inactive Accounts (Cards)

To protect the security of the program, any P-Card that has **NOT** been used for twelve (12) months is subject to cancellation. The cardholder will be contacted to ensure he/she still possesses the card and to see if any exceptions may be made based on appeal by the cardholder.

4.0 HOW TO USE THE P-CARD:

Purchasing with the card does not change the rules and regulations required by the University or by your internal departmental procedures. The card is merely another means of payment. You must obtain an itemized receipt with pricing for every purchase made.

Please remember that the cardholder is the only person authorized to make purchases using the card. Giving your card or card number to another person or using someone else's card may result in disciplinary action including but not limited to revocation of P-Card privileges and/or termination of employment.

4.1 Making your purchase

- Before making any purchase, the cardholder should determine if the item is available on State Term Contract, and if not, is your pricing the best you can obtain. Ask yourself, am I purchasing the best value item through the most economical source reasonably available?
- P-Cards can be used for state contract orders; just make sure you are purchasing through the contract source.
- It is the cardholder's responsibility to inform the vendor at the time of purchase that WCU is tax exempt. WCU's tax exempt number is printed on each P-Card. If a cardholder is charged tax, it is the cardholder's responsibility to contact the vendor and request a credit for the amount of tax to be applied back against their card. We have no other recourse for recovering taxes paid. Any tax will be deducted from the departmental budget.

4.2 Purchases in person

- a. You should follow the proper internal procedures set up specific to your department for determining that a purchase is required and authorized.
- b. Determine whether the P-Card is the most appropriate tool to use for the purchase (restricted item, over the card's single transaction limit, etc.).
- c. Determine that the total amount of the purchase including shipping, handling, postage, freight, insurance, etc., does not exceed either the card's single transaction limit or the daily/monthly limits listed above. If a limit is exceeded, the bank will automatically refuse the transaction and the vendor will reject the purchase. Contact the P-Card staff within 24 hours if you are not sure why your card is rejected or if you have an emergency need.
- d. Obtain a priced, itemized receipt at the time of purchase or pickup. If an item is shipped the packing slip must be kept. All original receipts and other paperwork must be forwarded each month with an approved P-Card statement to Purchasing as part of the reconciliation process.

4.3 Purchases by phone, fax, or mail

Remember - the cardholder is the only person authorized to place an order. You may, when necessary, have someone else pick up the items; however, this person is not authorized to sign the credit card sales slip.

Always give the supplier your name, department, phone number, and complete delivery instructions. It is required that purchases be shipped directly to your campus address whenever possible. If the Facilities Management Warehouse must be used as the delivery point, please use the following address:

Western Carolina University Facilities Management Warehouse 3660 Old Cullowhee Rd. Cullowhee, NC 28723

You must notify the Facilities Management Warehouse at 227-7298 before having a delivery made to this address.

PHONE:

- a. When you call, state that you are calling from Western Carolina University and that you will be making your purchase on a Visa purchasing (credit) card.
- b. Be sure to tell vendor we are tax exempt!!!**
- c. Give the supplier your name, delivery address, phone number, and complete delivery instructions.
- d. Make sure you give the BILL TO address: 340 H.F. Robinson Building Cullowhee, NC 28723
- e. Request that an itemized receipt and/or packing slip that shows **DOLLAR AMOUNTS** be sent with the purchase.

FAX: Follow any applicable steps from the above instructions. Retain a copy of the fax, and also the fax confirmation, for your records. Do not mail a copy of the order to the vendor because this increases the chance that the order will be duplicated. If the company requires the original be sure too clearly mark it "**CONFIRMATION OF FAX ORDER, DO NOT DUPLICATE**".

MAIL: Follow any applicable steps from the above instructions. Retain a copy of the order for your records, and request that an itemized, priced receipt be sent to you for your records.

4.4 Other forms to complete

When using the P-Card there is usually no need to submit any additional paperwork to a vendor. If, however, a duplicate shipment is mistakenly made, it is the responsibility of the cardholder to resolve the issue with the vendor.

4.5 Returns, damaged goods, credits

Items purchased with the P-Card will periodically need to be returned for one reason or another. A few tips to make the process easier:

- a. Always retain boxes, containers, special packaging, packing slips, etc., until you are certain that you are going to keep the items. Some items, such as software or fragile pieces, cannot be returned without the original packing materials.
- b. Read all enclosed instructions carefully. Often a critical phone number and other instructions are included on the packing slip and/or receipt.
- c. In some cases there may be a restocking fee. The P-Card may be used to pay this fee as long as it does not exceed any of the card limits.
- d. The P-Card can be used for outbound shipping such as UPS or FedEx. The University Bookstore should be used for routine UPS shipments. When it is necessary to drop shipments off at the local UPS center, the P-Card may be used. You may contact FedEx directly to ship and pay with the P-Card.

DO NOT accept cash or cash equivalents (e.g. gift cards) for any returns. If you used your P-Card to make the purchase, be sure to have a credit for any return applied to your card. You will need a copy of the credit memo for your records and documentation.

4.6 Food Purchases

Incidental food items may be purchased from grocery stores or super centers such as Food Lion, Ingles, and Wal-Mart **IF the purchase is business related to an approved program, and IF allowed by your funding source.** Itemized receipts must be documented with the business purpose, event, and fund number. Event details such as an agenda or flyer should be furnished in addition to the itemized receipt.

The P-Card is **NOT** to be used as a substitute for catering services. There are restrictions regarding food purchases on a P-Card as the cards are **NOT** intended for “meals”, prepared food, or for providing food on a grand scale. P-Cards **CANNOT** be used at restaurants for onsite dining or to pay a caterer, and **CAN ONLY** be used at food service vendors such as Subway, Papa’s Pizza, restaurant take-out, etc. if allowed by the funding source. Departments needing to provide food for large occasions should consult with Aramark, the food service

contracted vendor for WCU. Aramark can cater your functions (but not on a P-Card).

Meals or food related to travel are **NOT** allowed on the P-Card. Any questions should be directed to the P-Card staff.

4.7 Third Party Purchases

A third party purchase is when payment to a vendor is processed via an on-line credit processing company such as PAYPAL, Verisign, Authorizenet, Paymybill.com, etc. Cardholders are not restricted from using third party services but are responsible for making sure the business is legitimate and that any internet sites are secure. Cardholders are required to submit the confirmation of payment from the third party vendor, such as PAYPAL, but must also submit documentation about the order from the original vendor. The order information from the original vendor must match the payment information from the third party vendor. Any questions should be directed to the P-Card staff.

5.0 DISPUTED TRANSACTION:

5.1 Dispute of statement items

Purchases appearing on the monthly statement from the bank may be disputed up to thirty days from the date of the statement.

If a charge is not recognized by the cardholder or some other problem arises, the first step is to contact the vendor for information regarding the charge. Contacting the vendor saves time and usually solves most issues.

If you are not satisfied with the outcome from the vendor, contact the P-Card Manager (Tamrick Mull) at 227-7203 to begin the dispute process. You will be asked to complete the **CUSTOMER STATEMENT OF DISPUTED ITEM**. This completed information should be forwarded to the P-Card Manager who will then file the dispute with the bank. They will research the discrepancy and credit will be issued if, in fact, the charge is not valid. Research by the bank usually takes 3-4 weeks. If a credit is issued, it will not occur until the investigation is completed. You will need to notify the P-Card Manager if any update to the situation has occurred.

5.2 Dispute with supplier

If you have a supplier dispute and are unable to obtain satisfaction from the vendor please notify Bank of America at 888-449-2273 within thirty (30) days of the statement date. You will be required to describe the problem and all of the efforts you have made in attempting to resolve it.

Bank of America will assist you in every way possible. If you are unsatisfied with the outcome please contact the P-Card Manager.

6.0 RECONCILIATION PROCEDURES:

Reconciliation of purchases by the cardholder/reconciler is the final step in the P-Card process. It is also one of the most important steps because this is where the cardholder verifies the legitimacy of the purchase and provides itemization and pricing of all items purchased. The statement cycle ends on the tenth (10th) of each month, and cardholders may print statements from the Works system after all reallocations have been completed. On-line reconciling/ reallocation of funds/accounts are generally available thru the 18th of each month. Cardholders/reconcilers must have made all changes to the fund and account numbers before this date or the charges will be made against the default fund and account.

Approved cardholder statements with all documentation are due to the P-Card Office (Purchasing) on or before the 1st of the month following the close of the billing cycle. If any statement is not received by the due date the individual card is subject to suspension. *See section 8.2.4 Delinquent Statements.*

Timely reconciliation and responsible purchasing are the only ways to keep a card. The reconciliation package (approved statement, priced, itemized, original receipts) must be IN Purchasing by the 1st of each month following the close of the billing cycle.

6.1 Documentation provided by the bank

Each month the bank provides documentation on card activity. Bank of America provides an electronic feed on a monthly basis, which transmits all transactions posted for the previous monthly cycle from the 11th thru the 10th. Each cardholder statement is available for downloading/printing from the bank by the 12th or 13th of each month.

6.2 Information in the WCU database

The electronic feed from the bank is used for three purposes. Successful receipt of the feed is critical to the continuation of the P-Card program.

- a. First, the financial data is used to build files that reconcile the overall charges to the University. These charges are checked for accuracy on a monthly basis. At the end of each billing cycle, the individual Banner budget codes applied to the transactions are debited for the billed amount. Remittance is made to the bank based on these charges.
- b. Second, the reconciliation procedure, which the cardholders and reconcilers use to verify all card purchases, is updated on Bank of America 24-48 hours after purchase has been made. The P-Card program allows cardholders and/or reconcilers to modify funds, and account codes monthly.

6.3 On-line reconciliation via the Web (Works System)

Cardholders are required to review and validate purchases on a monthly basis. Reconcilers are required to approve all purchases on-line. Continued failure to reconcile transactions on-line may result in revocation of P-Card privileges.

Specific instructions for navigating through the reconciliation process on the web are provided in a separate document and are available from the Purchasing Home Page. The primary responsibility for insuring integrity of the P-Card program rests with the cardholder and departmental reconciler.

6.4 Documentation and Review

Original, priced, itemized invoices/receipts are required for each P-Card transaction, and must be attached in transaction order behind a monthly credit card statement. These receipts are used to describe what was purchased, to verify transaction amounts, and to document the business purpose served by the purchase.

Itemized invoices/receipts must provide the following details:

- Vendor
- Description of item(s) and quantity
- Unit price
- Extended price
- Tax, shipping, or freight
- Total transaction amount

Note: Packing slips are accepted only if priced. Order confirmations for on-line orders are acceptable **IF** all the information referenced above is presented.

FAILURE TO PROVIDE A RECEIPT AS REQUIRED WILL RESULT IN THIS AMOUNT BEING DEDUCTED FROM THE CARDHOLDERS PAYROLL CHECK.

If a vendor's invoice/receipt only lists a part number, the cardholder is responsible for including descriptive information and/or writing a brief description beside the part number so that anyone reviewing the documentation will know what it was the cardholder purchased.

Receipts for food items must be itemized, and documented with the business purpose and funding source. This may be written on the receipt or attached to the receipt. Event details such as an agenda or flyer and attendee list must be provided in addition to your itemized receipt.

Documentation for registrations should include a registration form, pamphlet, brochure, or printed materials from the internet that describes who is attending, what the conference is, where/location, dates of conference, and how all registration fees were derived.

6.5 Cardholder responsibilities

Transaction data will be available to review and approve on-line in Works. Fund and account code changes can be made during the reallocation period (12th/13th thru 18th) or anytime after the transaction posts to the Works System but **MUST** be made by the 18th. Cardholders must communicate with their departmental reconcilers if they need the reconciler to make any changes.

The cardholder should contact the vendor to resolve any discrepancies when possible. Any fraudulent charges should be reported immediately to the P-Card Manager to begin the dispute process.

The cardholder must do the following:

- Complete the Transaction Log for credits/refunds only each month. For future references keep the transaction log within the department.
- Approve each transaction on-line in Works
- Print a copy of the monthly statement when prompted by an email from the Works program after close of the monthly cycle (on or around the 13th)
- Review and approve all charges on the monthly statement to determine that the charges are correct.
- Reconcile the monthly statement with receipts. There should be an original, priced receipt for every transaction. The total showing on the receipt should match the transaction amount printed on the cardholder's statement to within a \$1.00 difference only.
- Put itemized receipts in order as listed on the statement.
- Tape small receipts on letter size paper. **DO NOT** cover detailed information with tape.
- Attach one copy and the original of any shiny receipts (printed on slick, thermal type paper) in case original is smudged during processing.
- Sign & Date statement and forward to your reconciler by the 18th of the month.
- Submit all receipts to their reconciler as soon as possible after a purchase is made but no later than the 20th of the month.
- Approve and sign statement after reconciler has completed the reconciliation process.

6.6 Reconciler responsibilities

- Must review and approve each transaction on cardholder's account on-line in Works by the 18th of the month. Recommend doing this on a routine bases during the month to reduce workload at end of monthly cycle.
- Complete all fund or account reallocations during the reallocation period (12th/13th – 18th) or when notified by email
- Review the cardholder's statement and receipts to ensure they are in compliance with P-Card policies and procedures.
- Assure all receipts are itemized with pricing for every transaction and organized in transaction order as they appear on the cardholder's statement.
- Make copies to be maintained by the department according to record retention guidelines.
- Report any unusual cardholder spending or discrepancies to the P-Card Manager to investigate.
- Assure cardholder's signature and date are on statement and verify transactions.
- Sign & date statement, obtain Department Head's signature and date on statement and forward to Purchasing by the 1st of the month.

Note: The department head must countersign and date his/her approval of the statement. Also, in the case where a departmental reconciler reports directly to the cardholder as in when a Director/Dept. Head has a card, the cardholder's superior or someone at the division level should be appointed to sign off on the cardholder's purchases. In this case the statement would require three (3) signatures: 1) cardholder; 2) reconciler; and 3) superior/division level. If you are not sure how to resolve your situation, please contact the P-Card staff for guidance.

6.7 P-Card Administrator responsibilities

The WCU P-Card staff, in Purchasing, is responsible to:

- Enforce P-Card policies and procedures and provide P-Card participants updates as needed.

- Review transactions and receipts for compliance with State Purchasing and WCU P-Card rules and regulations.
- Receive signed statements for all cardholders with activity for the month. Audit for completeness and adequacy of receipts documentation.
- Prepare and process the WCU bank statement for audit on a monthly basis.
- Provide system support and assistance and act as bank liaison for cardholders and reconcilers; for example, when a transaction is declined.
- Cancel cards or suspend cards to enforce policy.
- Process new and replacement cards and updates works system with changes
- Download and verify the Banner feed report with WCU bank statement monthly.
- Maintain access privileges for the P-Card System.
- Provide P-Card training and assures training material is complete and up to date
- Maintains a thorough knowledge of the Works system and any updates to the system by Bank of America.

7.0 RECORDS RETENTION NOTICE:

- Statements and **ORIGINAL** receipts are to be sent to the P-Card Office each cycle. These original documents will be archived for a period of seven (7) years in the Purchasing Archives.
- Cardholders are responsible for retaining copies of documentation to make sure the P-Card Office has received all backup and to complete an adequate audit cycle, which the Internal Auditors recommend to be three (3) years.
- These files are to be kept secure and confidential as card account numbers may be visible.
- All discarded P-Card documentation must be destroyed by shredding to protect sensitive information.

8.0 COMPLIANCE:

The delegation of authority to purchase goods using the P-Card is a privilege that automatically ceases upon separation from the University or upon reassignment to another department. ***WCU Purchasing reserves the right to revoke and cancel any P-Card(s) for failure to comply with the policies and procedures of the program. WCU Purchasing further reserves the right to evaluate the seriousness of any violation and may allow the department to provide an explanation, which may be used as the determining factor to whether card privileges continue or not. WCU Purchasing has the right to exercise appropriate action as deemed necessary.***

8.1 Cause for employee suspension/termination

Fraudulent or willful misuse of the card, including willful use of the card to make personal purchases even if you intend to reimburse the University, may result in disciplinary action, up to and including termination of employment.

8.2 Cause to suspend or cancel P-Cards

P-Cards may be suspended or cancelled if any of the following occur:

- a. Fraud or personal use
- b. A pattern of violation of WCU Purchasing and P-Card policies is documented, such as:
 - Splitting orders to avoid dollar limitations
 - Noncompliance with State contracts and/or Purchasing policies and procedures
 - Delinquent statements
 - Incomplete statements/documentation
 - Misuse of funds
 - Unauthorized expenses or use of card
 - Travel violations
- c. A card is determined to be of no use to the cardholder
 - A quarterly report is used to identify cards having no activity for a 12 month term
 - The P-Card Office will contact the cardholder to make sure he/she still has the card and to justify keeping the card account open

Cardholders and Reconcilers will be required to attend P-Card training upon accumulation of three (3) or more violations from any of the categories listed above during a six month period. The card may be placed in a hold status until attendance at a class is documented.

Willful misuse of the card or inappropriate expenditures may be cause for immediate cancellation of your card privileges and/or disciplinary action.

Using someone else's card, allowing others to use your card, and failing to secure your card are not allowed and may be cause for card cancellation and/or disciplinary action.

Recurring abuse of the card is cause to place the card account in a hold status until a review can be conducted. Card abuse may be reason to cancel cards at the discretion of the WCU Purchasing Department. Notice of card cancellation for any reason will be prepared by the P-Card Manager and sent to the Director of Purchasing who makes the final determination and sends the cancellation notice to the cardholder, reconciler, and department head.

8.2.1 Personal use

The P-Card is **NOT** to be used for personal purchases under any circumstances, even if you intend to pay the University back. ***Intentional abuse of the card is cause for immediate cancellation of card privileges and may be cause for termination of employment.*** Unintentional use as determined by the P-Card Manager will be handled on a case-by-case basis. A repeated offense, unintentional or otherwise, is cause for card cancellation and/or disciplinary action.

8.2.2 Splitting transactions to circumvent transaction limits

This is based on the total order to a single vendor. The order cannot be "split" or divided into multiple smaller dollar orders to stay under your single, daily, or monthly transaction limits.

8.2.3 Noncompliance with State contracts or Purchasing policies

All State of NC purchasing rules and regulations apply. Contract items must be purchased through the contract vendor.

8.2.4 Delinquent Statements

Approved card statements with all documentation are to be **IN** Purchasing by the 1st of each month following the close of the billing cycle which is the 10th of each month. If any statement is not received by the due date the cardholder and reconciler will receive a notice via email. If the statement is not received within 3 business days of the notice, the card will be suspended and the cardholder, reconciler, and Supervisor/Department Head will be notified of the suspension.

Extenuating circumstances may be considered on a case-by-case basis by the P-Card Manager upon receipt of a written (or emailed) explanation. Request for an extension must be made

prior to the 1st of the month following the close of the billing cycle and does not guarantee approval.

- **First Offense** – Immediate reinstatement after receipt of delinquent statement and documentation.
- **Second Offense** – Reinstatement 10 business days after receipt of delinquent statement and documentation.
- **Third Offense** – Card will not be reinstated for a minimum of 30 days after receipt of delinquent statement and documentation, **plus** a written memo from the department head explaining the reason for the discrepancy which caused the delays/suspension and steps to prevent it from happening in the future.
 - Cardholder and reconciler will be required to attend another P-Card training class.

The above-mentioned statement offenses will be reviewed on an annual basis. If delinquent statements persist, Purchasing reserves the right to cancel or suspend card privileges.

8.2.5 Incomplete statements and/or documentation

Statements are considered to be incomplete for any of the following reasons: missing signatures, initials, missing invoices/receipts, missing prices or descriptions, or receipt totals do not match transaction totals to within \$1.00.

Through email, phone, and/or fax, every effort is made to give the cardholder opportunity to provide incomplete information. However, cardholders who do not comply with our request for items/information after two notices will have their single transaction limit reduced to \$1.00. Once the required documentation is provided to the P-Card Manager, the cardholder's designated spending level will be reinstated at the close of that current billing cycle.

8.2.6 Misuse of funds or use of invalid account codes

State, Grant (currently not allowed without approval) and some Special funds are allowed for P-Card purchases. The P-Card does not change what you can buy, but how you pay for it. It is the cardholder's responsibility to be aware of the rules and guidelines applicable to each account.

8.2.7 Unauthorized expense

Below are examples of authorized and unauthorized P-Card transactions, which are reviewed during training classes. The P-

Card cannot be used for items listed on the unauthorized transactions list.

Authorized Transactions

- Memberships and Organization dues
- Subscriptions - To a business address / Annual Only / inc. software subscriptions
- Registrations (All WCU Travel policies apply)
- Publications
- Interlibrary Loans
- Postage (small quantities)
- Express shipment charges
- Advertising
- Certifications
- Licenses such as nurses, doctors, etc.
- Office and lab supplies
- Office and lab equipment
- Educational supplies
- Software and computer accessories, and peripherals

(All purchases must be within spending limits!)

Unauthorized Transactions

- NO Animals
- NO Purchases over designated spending limits
- NO Split ticket purchases to circumvent the single purchase limit
- NO Weapons and ammunition
- NO Purchases from pawn shops
- NO Controlled substances (Drugs, Alcohol, Fireworks)
- NO Radioactive Materials
- NO Payment to individuals, consultants or employees
[Vendor must provide a FEIN versus a SSN]
- NO Purchases for personal use
- NO Travel (Lodging, Gas, Food, Meals, Car Rentals)
- NO Entertainment
- NO Cash Advances
- NO Gifts
- NO Contributions
- NO Gift Certificates or Gift Cards

8.2.8 Travel violations

The P-Card can be used to pay registration fees. The P-Card **CANNOT** be used for meals (including registration “add-ons”), lodging, car rental, or gas.

All WCU Travel policies and procedures apply. The WCU Travel policies and procedures may be accessed at <http://admfin.wcu.edu/control/travl.htm> .

9.0 CARD REINSTATEMENT POLICY:

Before consideration can be given to reinstate a P-Card that has been cancelled due to any compliance issues, the following objectives must be met:

1. Cancellation period is a minimum of four billing cycles.
2. All delinquent statements and/or documentation must be turned into the P-Card Manager.
3. The cardholder will be required to re-apply by submitting a new P-Card application that has been approved by his/her Department Head. The application must be accompanied by a memo from the Department Head explaining the steps that have been taken to prevent this situation from happening in the future.
4. The WCU Purchasing Department, the cardholder, or the Department Head may request a meeting if it is necessary.
5. Cardholder and reconciler will be required to attend another P-Card training class.

If after reinstatement and retraining the cardholder continues with repetitive violations, the account will be closed for a minimum of one (1) year as deemed appropriate by WCU Purchasing.