

Pcardholder User Guide



The Pcard program at BSU has proven itself beneficial as a means of expediting payment to our vendors, as well as empowering departments to better manage their business processes, control expenditures, and to delegate spending authority in a manner that facilitates day to day operations. The pcard program is designed to replace small-dollar department purchase orders, eliminate the use of petty cash funds and personal reimbursements. However, there is also an added responsibility for departments and cardholders to maintain the integrity of the Pcard program by adhering to and understanding pcard policy and procedure.

A pcard is provided to employees based on business need; it is not an entitlement nor reflective of title or position. Pcardholders who do not comply with policy or procedure may have their pcard privileges temporarily or permanently revoked by their department or the university pcard administrator. Pcardholders are required to review pcard policy & procedure, and BSU purchasing policy. Pcardholders should demonstrate an understanding of what constitutes an authorized (or unauthorized) pcard purchase. Please note the following items in particular:

- **Pcards are non-transferable. Only the cardholder is authorized to use either the account number or the card itself.**
- **Personal purchases of any kind (partial or complete) are not allowed on pcard-**
- **Gift purchases are not authorized on pcard-**
- **Do not split purchases to bypass limit controls by either asking a merchant to divide a purchase or by 'sharing' the cost with another cardholder. If your purchase exceeds your pcard limit, contact your group coordinator or pcard administrator.**
- **Lost or missing pcards must be reported immediately to Wells Fargo- 1/800-932-0036**

Cardholder responsibility-

Cardholders must review their cardholder statement, provide a brief business purpose for each purchase, and authorize that each expense was a necessary business expense. Original receipts and any required forms (such as Pcard Entertainment Expense form) should be attached to the statement. The completed statement with back-up attached is either submitted to the department pcard coordinator for review or submitted to the department head/business manager for review and authorizing signature.

Cardholders must safeguard both their cards and account numbers to avoid unauthorized use. Do not allow others to use your card or account number. When your card is not in use, keep it in a secured place. **Immediately report lost or missing cards to Wells Fargo.**

Card Usage-

Pcards can be used at any merchant that accepts MasterCard. It may be used for in-store purchases as well as phone, fax or internet orders. Please instruct the merchant to supply a receipt or packing list only. Please emphasize to merchants that an invoice must not be sent.

- **Billing address for all university pcards:**
Boise State University
1910 University Drive
Boise, ID 83725
- **Shipping address for goods ordered via pcard (shipping address must be a BSU address only)**
Boise State University
Your Dept Name/Your Name

Pcardholder User Guide

1910 University Drive
Boise, ID 83725-____ (4 digit code Mail Stop)

Employee Business Travel on Pcard-

A completed Travel Req (T590) authorizing travel expense must be on file with your department before travel-related expense may be incurred. Airfare, prepaid hotel lodging, conference registration fees, and car rental are authorized for pcard. No incidentals or meals may be billed to pcard for employees traveling on BSU business. Any pcard charges related to employee travel need to have the Travel Req (T590) number and employee ID number noted. Contact Travel Services for details regarding BSU Travel policy.

Entertainment Expense on Pcard-

Certain business entertainment-related expense is acceptable on pcard. However, be aware that any expenditure for entertainment with funds administered by Boise State University (regardless of source) needs to comply with BSU policy. A Pcard Entertainment Expense form supplying details of the expense, and documenting departmental approval must be attached to your cardholder statement for each entertainment expenditure (one form per event).

Sales Tax-

Charges to pcard are directly billed to BSU and therefore, paid by a state agency and are exempt from Idaho sales and use tax. It is the cardholder's responsibility to request sales tax exemption and to provide the vendor with the ST-101 form, if required. The ST 101 form can be found online under Pcard Forms. Cardholders can print and provide the form to merchants via fax, or at point of sale.

Returns, Damaged Goods, Credits-

If goods purchased with pcard need to be returned the cardholder should work directly with the supplier. Here are some pointers to make it easier:

- Always retain boxes, containers, special packaging, packing slips, etc. until you are certain you are going to keep the goods. Some items, such as software or fragile pieces, cannot be returned without the original packaging materials.
- Read all enclosed instructions carefully. Often a phone number and other instructions are included on the packing slip and/or receipt.
- Many suppliers require you to obtain a "Return Merchandise Authorization" (RMA) number before they will accept a return. If you neglect to get this number when it is required the package may be refused and/or no credit issued to your account. In some cases there may be a restocking fee (usually a percentage of the purchase price.) If the supplier is completely responsible for the error or problem you should not have to pay this, or any other, fee. However if they are not fully responsible you may have to pay it. You may use the Purchasing Card to pay this fee as long as it does not exceed any of your limits.
- Lastly, make sure that the charge for the returned items is credited properly.
 - If this does not happen refer to the section regarding Disputed Transactions.

Inappropriate Purchases-

As with any agency or state purchase, the card is not to be used for any product, service or with any merchant considered to be inappropriate for state or public funds.

Please be aware of appearances. While a purchase may have a valid business purpose, appearances have an impact. The pcard is not to be used for any product, service or with any merchant considered to be inappropriate for state or public funds. Pcard purchases are often of interest to auditors, legislators, and the press; remember that you are spending taxpayer funds and may be asked to defend your decisions. If in doubt, ask before proceeding with your purchase.

Disputed or Fraudulent Charges-

If there is a discrepancy on your statement, it is the cardholder's responsibility to follow-up immediately with the merchant involved in the transaction. If you believe the merchant has charged you incorrectly or an outstanding quality or service issue exists, you must first contact the merchant and try to resolve the error or problem. If you are able to resolve the matter directly with the merchant, and the error involved an overcharge, a credit adjustment should be requested and should appear on your next statement. Note: You need to pay the full amount of your invoice, and wait for the credit to appear on the following month's statement. If the merchant disagrees that an adjustment is necessary, please complete the Pcard Dispute form and forward

Pcardholder User Guide

to the University Pcard Administrator. Wells Fargo Bank must receive the Dispute Form within 60 days of your statement date in order to take action

Any fraudulent charge, i.e., a charge appearing which you did not authorize, must be reported immediately to Wells Fargo Bank Customer Service and the University Pcard Administrator. Prompt reporting of any such charge will prevent BSU from being held responsible. Use the Declaration of Forgery or Unauthorized Use form to facilitate notification of any such transactions.

Pcard Account Maintenance-

If there's a need to change any information regarding your account, such as limits, or MCC restrictions, please complete the Pcard Account Maintenance Form and forward to your department pcard coordinator.

- **Limits**
All cardholders have both a 'Monthly Limit' (maximum monthly limit is \$10,000), and a 'Single Transaction Limit' (Maximum Single Transaction Limit is \$1999). Limits are set by department up to the university maximum. The Purchasing Director may authorize limits above the university maximums for cardholders on an individual basis, based on business need, and with departmental approval. (To request a limit increase, complete a Pcard Account Maintenance form)
- **Account Closure-**
Pcard accounts need to be closed upon termination of employment with BSU, or upon transfer to another department. (To request account closure, complete a Pcard Account Maintenance form)

Record Keeping-

Internal Audit and Purchasing conduct pcard audits, as well as our external auditors. At some point, your department will be asked to provide documentation for specific purchases. The department, not the individual cardholder, is required to maintain original pcard documentation materials and produce them when required for audit purposes. All pcard-related documentation must be retained in central files by the department for a minimum of five years. Cardholders may keep copies of their pcard statement and receipts, if deemed necessary.

Receipts

The cardholder must supply an itemized receipt for each pcard purchase that appears on their monthly statement. The cardholder must contact the merchant directly to request a duplicate receipt if the original receipt is missing/lost. Faxed receipts are acceptable, as long as it is a duplicate of the original receipt and includes all required information (description of purchase, price paid, date, and merchant information). Missing receipts are considered a non-compliance issue, and may result in card deactivation.

Other Forms to Complete

Do not submit a Payment Request or a Requisition for a Pcard purchase. If your purchase involves meals and/or entertainment, you must complete the Pcard Entertainment Expense form and attach it to your cardholder statement.

Role of the Department Pcard Coordinator-

The Department Pcard Coordinator is responsible for completing pcard allocations from the cardholders in their area by the required due date. The Department Pcard Coordinator responsibilities include:

- Acts as the online 'Approver' of pcard expense (function in CCER)
- Ensures that department pcardholders adhere to University purchasing policy and procedure. This includes notifying pcardholder, department head, and pcard administrator of unresolved non-compliance issues.
- Reviewing and correcting allocations.
- Maintaining pcard documentation for a minimum of 5 years (including original receipts).
- Account Maintenance including requesting new accounts and closure of existing accounts.
- Requesting limit changes and blocks/unblocks of MCC's (Merchant Category Codes).

Please cooperate with your Department Pcard Coordinator's requests in a timely manner.

Procedure for allocation-

Pcard reconciliation is processed online utilizing Wells Fargo's Commercial Card Expense Reporting (known as CCER) portal. Cardholders should review transactions and note a business purpose for each

Pcardholder User Guide

purchase. In some areas, cardholders are responsible for 'allocating' expense (selecting a Dept ID and expense account code for each charge).

Cardholders are required to complete CCER training-

All training materials, including the recorded training session are located online

http://finad.boisestate.edu/pcards_CCERtraining.htm

At the end of each pcard billing statement period, cardholders will be notified via email from Wells Fargo that it is time to review the pcard statement. You will have 7 days to finalize and approve your statement from notification. If you miss the deadline, your statement will need to be completed by your assigned approver. Missed deadline is considered a pcard non-compliance issue. Please review the CCER Cardholder and Approver Calendar for monthly due dates <http://finad.boisestate.edu/images/2008CCERDUEDATES.pdf>

Note: Cardholders can check their pcard statement online daily, or weekly, rather than waiting for Wells Fargo email notification at close of billing cycle.

Pcard Terminology:

“Splitting”

It's a violation of pcard policy to deliberately 'split' a purchase into smaller amounts to bypass the limit controls. Any purchase exceeding designated pcardholder limits needs approval by the Pcard Administrator.

“MCC”- Merchant Category Code

This code identifies the type of service a merchant provides. We have many MCC's that are blocked to prevent purchases that may violate pcard or purchasing policy. (See the Pcard Online site for a list of blocked codes)

We do have some cardholders who require either temporary or permanent access to merchants who are blocked for the majority of cardholders. Use the *Pcard Account Maintenance* form for this type of request-

Pcard Forms- Forms frequently used by cardholders are described below. All pcard forms are available online @ http://finad.boisestate.edu/pcards_main.htm

Pcard Account Maintenance Form- Used to make changes to pcardholders limits, add/block MCC, close cards, request replacement cards-

Pcard Entertainment Expense Form: Must be completed, and attached to cardholder statement if a purchase made with pcard is for entertainment purposes. Refreshments, meals and any other type of purchase related to entertainment expense must conform to BSU purchasing policy. (Purchasing Policy BSU 6470-C Section XII, EXPENDITURES REQUIRING BUSINESS PURPOSE CERTIFICATION)

Pcard User Agreement Form: All cardholders are required to review and sign the “User Agreement” as a condition of participating in BSU's pcard program. Failure to comply with the User Agreement may result in either revocation of card privileges or other disciplinary action, up to and including termination.

Pcard Record Log- Used as an organizing tool by cardholders for pcard purchases during the month.

The following pages include these reference materials

Authorized & Unauthorized Purchases (Page 7)

User Agreement/State of Idaho (Page 8)

Pcard Purchases (Authorized & Unauthorized)

The BSU Pcard Program is intended for small dollar purchases of products and supplies needed during the course of business. View BSU Purchasing and Policy @ http://finad.boisestate.edu/pcards_policies.htm

PCardholder User Guide

AUTHORIZED PCARD PURCHASES- If in doubt about whether your purchase complies with policy, please check with the University Pcard Administrator before purchasing. Some common uses of the pcard are included below:

- Office supplies purchased from state contracted vendor
- Building materials & supplies
- Equipment repairs and spare parts
- Books and subscriptions
- Computer supplies (Computer CPU purchases are processed via OIT)
- Class and lab supplies
- Advertising (including newspaper ads)
- Expense related to non-state employee on BSU business:
- Authorized entertainment expense in compliance with BSU Policy -Pcard Entertainment Expense Use Report form required for each event-
- Employee Business Travel Expense (Travel Form T-590 must be on file)
 - *Prepaid hotel and/or hotel/airfare packages (Room and tax only)
 - *Conference registration
 - *Airfare
 - *Rental car (includes fuel for rental car)

UNAUTHORIZED PCARD PURCHASES- The pcard is not to be used for any product, service or with any merchant considered to be inappropriate for state or public funds. If in doubt, ask before proceeding with your purchase. Items and services listed below are NOT authorized for pcard purchase:

- Items or services for personal use or benefit
- Alcoholic beverages
- Bars, cocktail lounges, discotheques
- Cash advances, salaries and wages
- Fuel for personal vehicles- Pcard may NOT be used in lieu of Gascard OR for fuel for personal vehicles
- **Gifts and gift certificates-see below
- Employee Business Travel expense for meals and incidentals
- Any single transaction exceeding \$1,999
- Purchases from vendors with restricted MCC codes
- Payment of services (i.e. independent contractor)
- Lease payments for storage space
- Any Non-Procurement Items (See BSU Purchasing Policy: 6470C-Section V)

**Pcard MAY NOT be used for gift purchases including promotional items, door prizes, and awards for employees, non-employees, or students. If your department needs to purchase a gift with state funds, please view the Gift and Award Matrix- http://finad.boisestate.edu/images/appendix_A_awardsgifts.pdf

BOISE STATE UNIVERSITY /STATE OF IDAHO CARDHOLDER USER AGREEMENT

You are being entrusted with a State of Idaho Purchasing Credit Card, issued by Wells Fargo Bank. The card is provided to you based on your need to purchase materials for the State of Idaho. It is not an entitlement nor reflective of title or position. The card may be revoked at any time without your permission.

Your signature below indicates that you have read and will comply with the terms of this agreement:

1. I understand that I will be making financial commitments on behalf of the State of Idaho and will strive to obtain the best value for the State of Idaho.
2. I have read and will follow the State of Idaho Purchasing Card Policies & Procedures. (http://finad.boisestate.edu/pcards_policies.htm). Failure to do so could be considered as misappropriation of funds of the State of Idaho. Failure to comply with the Agreement may result in either revocation of my use privileges or other disciplinary action, up to and including termination.

Pcardholder User Guide

3. I understand that under no circumstances will I use the State of Idaho Purchasing Card to make personal purchases, either for myself or for others. Using the card for personal charges could be considered misappropriation of funds of the State of Idaho and could result in corrective action, up to and including termination of employment.
4. I agree that should I violate the terms of this Agreement and use the State of Idaho Purchasing Card for personal use or gain, that I will reimburse the State of Idaho within thirty (30) days for all incurred charges and any fee related to the collection of those charges.
5. The State of Idaho Purchasing Card is issued in my name. I will not allow any other person to use the card. I am considered responsible for any and all charges against the card.
6. The Purchasing Card is property of the State of Idaho. As such, I understand that I may be periodically required to comply with internal control procedures designed to protect the assets of the State of Idaho. This may include being asked to produce the card to validate its existence and account number.
7. If the card is lost or stolen, I will immediately notify Wells Fargo Bank by telephone at 1-800-932-0036, the university card administrator, and my department coordinator.
8. I will receive a monthly statement, which will report all purchasing activity during the statement period. Since I am responsible for all charges (but not for payment) on the card, I will reconcile the statement and resolve any discrepancies by either contacting the supplier or Wells Fargo Bank.

I agree to surrender the State of Idaho Purchasing Card immediately upon termination of employment, whether for retirement, voluntary, or involuntary reasons.

Employee Name (print) _____ Cardholder # _____

Employee Signature _____ Date _____