



North Carolina Agricultural and Technical State University

Procurement Card (P-card) Program Manual and User Guide



Policies, Procedures and Instructions for Issuance, Usage and Compliance

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TABLE OF CONTENTS

I. INTRODUCTION	5
II. BACKGROUND	5
A. Benefits	5
1. Cardholder	5
2. University	5
3. Merchant/Vendor	6
B. Definitions	6
III. GENERAL INFORMATION	8
A. Eligibility for a P-card	8
B. Usage of the P-card	8
C. Transaction Dollar Limits	8
D. Declined Transactions	9
E. Shipping	9
F. Roles and Responsibilities	9
1. Cardholder	9
2. Proxy	10
3. Approver	10
4. Department Head	11
5. Program Administrator	11
6. Program Manager	11
7. Program Compliance Auditor	12
IV. CARDHOLDER POLICIES AND PROCEDURES	12
A. How to Obtain a Procurement Card	12
B. Training	12
C. Access	12
D. Security	13
E. Events that Require Action	13
1. Card Activation	13
2. Name Change	13
3. Department Change	13
4. Lost/Stolen Cards	13
5. Fraudulent Charges	14

TABLE OF CONTENTS, cont.

6. Extended Leave	14
7. No Card Activity	14
8. Termination of Employment	14
9. Card Cancellation	14
10. Transaction Limit Increase Request – Permanent Request	14
11. Spending Restriction – Permanent Request	15
12. Spending Increase/Restriction – Temporary Request	15
V. TRAVEL CARD	15
VI. ALLOWABLE AND NON-ALLOWABLE CARD PURCHASES	16
VII. ADDITIONAL ALLOWABLE/NON-ALLOWABLE USE INFORMATION	18
A. Split Transactions	18
B. Publications and Printing Policy	18
C. North Carolina State Tax Exemption	19
VIII. HOW TO MAKE A PROCUREMENT CARD PURCHASE	20
A. Charges to sponsored Program Accounts	20
B. Card Purchase Steps	20
1. Selecting the Merchant	20
2. Purchases by Internet	21
3. Purchases in Person	22
4. Purchases by Fax	22
5. Purchases by Email	23
6. International Purchases	23
7. Photocopies	23
IX. HOW TO PROCESS REBATES, RETURNS AND CREDITS	23
A. Rebates	23
B. Definition	23
C. Policy	23
D. Returns and Credits	24

TABLE OF CONTENTS, cont.

X. HOW TO RECONCILE THE PROCUREMENT CARD	25
A. Billing Cycle	25
B. Reconciliation	26
XI. PROCUREMENT CARD INFRACTIONS	26
A. Cardholder Infraction Types	26
1. Non-transferable Purchases	26
2. Personal Purchases	27
3. Cash or Cash Type Transactions	27
4. Splitting Transactions	27
5. Improper/Unauthorized Purchases	27
6. Missing Receipts/Incomplete Reconciliations	27
7. Non-sign-off/Approval of Transactions	28
8. Late Reconciliations	28
9. Purchases from Debarred Merchant/Vendor	28
B. Cardholder Infraction Penalties	28
C. Cardholder Card Privilege Revocation	29
D. Cardholder Reinstatement Appeal Process	29
E. Departmental Infractions and Penalties	30
1. Fiscal Oversight and Management	30
2. Departmental Infractions and Penalties	30
3. Penalties	30
XII. PROCUREMENT CARD RETENTION POLICY	31
XIII. PROCUREMENT CARD CONTACTS	31
XIV. OTHER RESOURCES	32

I. INTRODUCTION

Welcome to the North Carolina Agricultural and Technical State University (N.C. A&T or university) Purchasing Card (P-card) Program.

The N.C. A&T P-card is a Visa corporate card issued through Bank of America (BOA) and administered by University Procurement Services. The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures such as purchase requisitions/orders through Aggie-Mart, direct pay (check requests) and expense reimbursements.

The P-card does not affect an individual's personal credit; the university is liable for charges made by university employees. However, the university is not held liable for the following:

- Charges made for non-related university purchases; personal use of the P-card is strictly prohibited
- Charges made by a terminated employee once notice of termination is provided to Bank of America
- Charges made resulting from theft or other fraudulent use by third parties not employed by the university

II. BACKGROUND

In accordance with NCAC T01:05B.1523, the Division of Purchase and Contract provides statewide management and administration for the State Corporate Procurement Card Program.

The State Corporate Procurement Card Program was established to provide a more efficient cost effective method to procure small dollar goods and services.

The Division of Purchase and Contract provides the guidelines for minimum standards for the operation of the State Corporate Procurement Card; however, N.C. A&T has developed and established supplemental policies and procedures that are provided in this manual.

University Procurement Services administers the procurement function for the university and the management and administration of the Corporate Purchasing Card Program at N.C. A&T. The Accounting Office in conjunction with other university administrative areas conduct audit reviews of cardholder documentation for compliance with the program.

A copy of the university's P-card policies and procedures are on file with the Division of Purchase and Contract Office, and whenever such policies or procedures are updated they must be sent to the division.

A. BENEFITS

1. Cardholder

- It is easier to make purchases.
- The Visa card is accepted virtually anywhere credit cards are accepted.
- Materials may be acquired faster.
- Liability rests with the university instead of the individual cardholder.

2. University

- The number of purchase requisition and check requests will decrease, thereby reducing the amount of paperwork and time associated with the small purchase process.
- There is an opportunity to reduce petty cash accounts.

- The university has the ability to block specific categories of merchants/vendors (airline reservations, cash advances, liquor purchases, etc.).
- Fewer payment errors will improve vendor/merchant relations.
- Transactions and payments will be matched to each P-card activity.
- Fewer check transactions to multiple vendors; the university pays BOA one monthly payment for P-card charges.
- The university has full dispute rights and corporate liability for all purchases.

3. Merchant/Vendor

- Improves cash flow.
- A merchant/vendor receives payment from BOA within two to three business days after the merchant processes the purchase.

B. DEFINITIONS

Aggie-Mart. N.C. A&T electronic purchasing system.

Approver/Authorizer. University employee assigned by department/unit who is responsible for approving or returning (denying) transaction(s). The approver ensures transactions are in compliance with department and university policies and procedures, as well as accurate and proper accounting. This individual is the cardholder's department head (i.e., vice chancellor, dean, chairperson, director). The approver can designate someone else to approve on his/her behalf. The designee shall not be the cardholder and shall not approve for an individual to whom they report.

Bank of America (BOA). Contracted through the State Division of Purchase and Contract for their Visa Procurement Card based on the terms and conditions of State Contract #946A.

Billing Cycle. The monthly period used by BOA to report and bill P-card activity. N.C. A&T current cycle includes purchase transactions beginning on the 25th day of the month and ending with purchases made through the 24th day of the following month.

Cardholder. A permanent university employee authorized by a department head (i.e., vice chancellor, dean, chairperson, director) or designee to have a P-card for the purposes of making business purchases on behalf of the department or unit.

Card Verification Code/Number (CVC or CVN). A three-digit number imprinted on the back of the Visa card that protects the cardholder from fraudulent abuse of the card and is used as part of the authorization process during internet transactions with the card issuer and vendor/merchant.

Contract Vendors. Vendors that have a contract with the university or state, which ensures preferred pricing/rates and service levels. **Discretionary Trust Funds.** Funds that are not budgeted to be used for some specified purpose and can be used to meet a broad range of university needs. The flexibility that is associated with discretionary funds is vitally important to the university. At the same time expenditures of discretionary funds must be consistent with a number of general guidelines as set out below.

Merchant. For the purpose of this policy shall mean any company, vendor or entity that accepts Visa as a payment source to purchase and to define the product or service line offered by a merchant.

Merchant Category Code (MCC). A four-digit number assigned to a business by credit card companies when the business first starts accepting a credit/debit card as a form of payment. The MCC is used to classify the business by the type of goods/services it provides. The code

can be used to determine if a payment needs to be reported to the Internal Revenue Service for tax purposes.

Non-contract Vendor. A vendor that has not been awarded a state or university agreement. A purchase of \$5,000 or more from a non-contract vendor requires competition.

Restricted Funds. Funds primarily composed of gifts, endowments, periodic contributions and endowment income. Some exceptions to state and sponsored program limits can be processed using these funds.

Proxy. A university employee assigned by the department who shall be responsible for approving and allocating funds in BOA for the cardholder.

Procurement Card Administrator (Program Administrator). The university's chief purchasing officer (purchasing director). This individual, in consultation with the university's chief executive or fiscal officer, is authorized to make changes (e.g., add, suspend or cancel cards, change card controls, etc.) to the P-card program. The program administrator shall determine compliance with agency policy and procedures, including cardholders' acknowledgement prior to issuance of cards, account reconciliation and security.

Procurement Card Manager (Program Manager). For the purpose of this policy, this individual(s) shall report to the program administrator and manage the day-to-day administrative duties of the P-card program. This individual in consultation with the program administrator is authorized to make changes (e.g., add, suspend or cancel cards, change card controls, etc.) to the purchasing card program. The program manager will assist in training. This individual(s) will share P-card training responsibilities with the compliance auditor (see Procurement Card Program Compliance Auditor).

Procurement Card Program Compliance Auditor (Program Compliance Auditor). For the purpose of this policy, this individual(s) shall report to the University Comptroller's Office. This individual(s) is responsible for conducting ongoing/random audits of purchases with purchasing cards to insure compliance of policies and procedures associated with the program. This individual(s) is responsible for notifying the program administrator and the program manager of non-compliance issues pertaining to the use or misuse of a P-card. This individual(s) will share P-card training responsibilities with the Program Manager.

Reconciler. The employee who performs the monthly detailed reconciliation of the P-card statement and prepares documentation for approval. This individual may or may not be the cardholder.

Reconciliation. Department review of cardholder procurement card activity to: ensure legitimate charges, assign appropriate fund numbers, add justification for each purchase to explain why and how the item will be used, process a dispute or contact a merchant directly regarding unidentified items, provide required signatures and attach receipts and other required documentation to the transaction in the Works® environment.

Sponsored Programs. Programs funded by revenue derived from contracts and grants. Most sponsored program limits apply to payments and reimbursements made from these sources. Exceptions are noted in the text of this policy or may be included in the terms of the contracts and grants in question.

State Fund. Funds from state appropriations.

Student Organization. For the purpose of this policy, student organization is used as a general term that refers to all Contracted Independent Organizations (CIOs), Fraternal Operating

Agreement Organizations (FOAs) and Special Status and Agency groups recognized as such by the university.

University Procurement Card (P-card). A credit card issued to an authorized university individual to make official purchases of small dollar goods and services (pre-approved by University Procurement Services).

Works® Card Management System. The BOA system that provides an electronic solution for the documentation of reconciliations for all organizational units at the university.

III. GENERAL INFORMATION

A. ELIGIBILITY FOR A P-CARD

The procurement card (P-card) is issued to a permanent, university employee with the approval of the employee's supervisor, empowering this individual to purchase goods and approved services on behalf of the university. P-cards will not be issued to independent contractors, temporary employees, students or any non-employee without permission from the vice chancellor for business and finance or a designee.

Significant failure to comply with university policy in the use or administration of the card(s) may result in suspension, cancellation of a card and/or disciplinary action, including employee termination.

B. USAGE OF THE P-CARD

The procurement card (P-card) can be used for any allowable N.C. A&T expense with merchants/vendors that accept Visa credit cards, with the following exceptions:

- The vendor is an N.C. A&T or state employee (see "University Purchasing Policy Conflict of Interest").
- The vendor is an immediate family member of any employee of the university.
- The vendor is on the North Carolina Department of Administration and/or Federal/State Debarred Vendors Lists.
- The purchasing department deems the type of expense(s) not allowable on the card.

Personal use of the P-card is prohibited and can be considered reason for card revocation as well as employee disciplinary action or termination.

C. TRANSACTION DOLLAR LIMITS

The following are standard transaction limits. These limits may be adjusted permanently or temporarily based on business needs as assessed and approved by the program administrator, University Budget and Planning Office, University Contracts and Grants Office, State Purchase and Contract Office, or the university's vice chancellor for business and finance. (see "Transaction Spending Limits" or "Spending Restrictions" on pages 12 and 13). **Funds must be available before charges may be made.**

Splitting transactions in order to remain within the transaction limits is prohibited without prior approval from the program administrator and can be grounds for suspension or revocation of the card.

- **Transaction Limit.** \$2,500 per (single) transaction.
- **Credit Limit.** \$5,000 (may vary). Based on university department needs.

D. DECLINED TRANSACTIONS

The most common reasons for the P-card to be declined include:

- Credit limit exceeded
- Incorrect expiration date
- Incorrect card number
- Restricted vendor by MCC code
- Single transaction limit exceeded
- Incorrect CVC Code (three-digit number on the back of card)

E. SHIPPING

All purchases made with a P-card should be shipped to a campus address (e.g., Attn: John Doe/Barnes Hall/Room 102). Any shipment to a location(s) other than the university requires prior written approval via an email from the program administrator or program manager. The email approval must be attached to the transaction in Works® as part of the required expense documentation.

If the purchase cannot be shipped directly to the cardholder's university address, the purchase must be shipped to:

Central Receiving Department
John Doe/Barnes Hall/Room 102
North Carolina A&T State University
DeHuguley Building
1601 E. Market St.
Greensboro, NC 27411

F. ROLES AND RESPONSIBILITIES

1. Cardholder

As a P-cardholder (cardholder), your primary responsibility is the proper use of the P-card when buying approved goods and services for university business use. The P-card may not be used to circumvent other required university purchasing and payment methods. Cardholders may not use the card for cash transactions or to receive cash credits. The responsibilities of a cardholder are:

- Never make non-allowable purchases (see Table 2, page 15).
- Never use the card for personal purchases.
- Never have more than one card active at any given time on the same program.
- Never allow another employee to use your card.
- Use the card only to make informed buys of approved supplies and services per university purchasing policies.
- Never authorize any purchase in excess of your established credit or single transaction limits.
- Never "split" purchases in order to circumvent the P-card transaction limit or requirements to seek competition, without prior approval from the program administrator or program manager.
- Observe all dollar limits and restrictions on purchases.
- Never accept "store credit" for returned items. If you need to return merchandise, tell the vendor to credit the return to the P-card. Notify the program manager if a merchant refuses to credit the P-card for returned items.

- Only pay sales tax when required. Claim the North Carolina sales tax exemption for goods and services, except for prepared food. For other states, contact the university comptroller to inquire about the university's exemption status with other states.
- Maintain documentation to support each transaction. Reconcile your monthly statement to the documentation for each transaction.
- Successfully complete training and sign procurement card agreement every two years.

Submit a P-card Maintenance Request Form to the program administrator/program manager and program compliance auditor of personnel changes in proxy, approver and department head assigned to cardholder.

Failure to maintain these responsibilities could result in suspension or revocation of the P-card.

2. Proxy

The proxy and the cardholder may be the same individual. The decision as to who shall serve in this role is up to the specific department. The responsibilities of a Proxy are:

- Successfully complete P-card training
- Submit P-card Maintenance Request Form to the program administrator/program manager or program compliance auditor of personnel changes in proxy, approver and department head assigned to cardholder.
- Receive original receipts from the cardholder.
- Compare receipts with the electronic transaction(s) record in Works® (the P-card transaction management system).
- Review and approve each transaction in Works® to ensure that the:
 - Item(s) purchased, amount charged and the vendor name match the receipt
 - North Carolina sales and use tax are not included
 - Description of the expense is clear
 - Business purpose of the expense is clear
 - Correct banner fund, organization, account code and bank are used
 - Resolve discrepancies with the cardholder when necessary.
- Print the monthly report reconciliation statement from Works®
- Sign the reconciliation report (only the cardholder may sign).
- Assemble and submit the bank statement and reconciliation report for the approver's review. (Make original receipts and required documentation available for approver. Do not submit hard copies of receipts to the compliance auditor.)

3. Approver

The responsibilities of an approver are:

- Successfully complete training and sign procurement card agreement
- Submit P-card Maintenance Request Form to the program administrator/program manager and program compliance auditor of personnel changes in proxy, approver and department head assigned to cardholder
- Ensure the P-card is used in compliance with university purchasing policies and procedures, and the P-card Manual and Procedures Manual
- Review the reconciliation report to verify purchases have been charged to the correct fund(s) organization(s) account(s) and program(s)
- Ensure the cardholder has not exceeded the spending limits or fund budget on any transaction

- Review to ensure the cardholder has not split any transactions to circumvent spending limits or university purchasing guidelines without prior approval from the program administrator or program manager
- Approve each monthly reconciliation report and submit to the program compliance auditor in the University Accounting Office (Dowdy Administration Building) according to the **P-card Calendar**
- Ensure that the program administrator/program manager receives notification if an employee transfers to another department, is on leave in excess of four weeks, has terminated employment with the university or if card use is not in compliance with P-card policies and procedures

4. Department Head

The responsibilities of a Department Head are:

- Notify the program administrator/program manager or program compliance auditor of personnel changes in proxy, approver and department head assigned to cardholder
- Provide fiscal oversight and management of university business operations within the department
- Select the departmental employee(s) for participation in the N.C. A&T Procurement Card Program based upon business need and the ability to fulfill program requirements
- Account for the use of the P-card in the department; taking appropriate action with departmental staff when required
- Successfully complete training

5. Program Administrator

The responsibilities of a Program Administrator are:

- Provide oversight and management of the program in coordination with the Office of the Comptroller
- Authorize P-card credit increases (e.g., monthly)
- Authorize restricted charges (on case by case basis) that may be necessary in specific/emergency situations (e.g., student travel, food/catering)
- Ensure program compliance and quality assurance
- Review (annually) account activity and determine whether inactive cards should be cancelled

6. Program Manager

The responsibilities of a Program Manager are:

- Process P-card applications, cancellations, renewal and replacement cards.
- Manage/Conduct the training for the P-card program shared responsibilities with the compliance auditor
- Review transactions under specific MCC codes
- Assist Cardholders with changing personal data (e.g., address, telephone number)
- Assist Cardholders with pre-approved expenditures to ensure the P-card is available for use (e.g., set and adjust MCC privileges)
- Notify cardholder, approver and department head of delinquent reconciliation reports.
- Provide oversight and management of the program in the absence of or as assigned by the program administrator

7. Program Compliance Auditor

The responsibilities of a program compliance auditor are:

- Receive monthly cardholder reconciliation reports
- Manage/conduct the training for the P-card program shared responsibilities with the program manager
- Review individual cardholder reconciliation reports to ensure compliance with P-card policies and procedures
- Conduct audits of transactions under specific MCC codes
- Assist cardholders and approvers with issues relating to signoff of transactions in Works®
- Provide the program administrator and program manager written notification of all non-compliant issues regarding the P-card

IV. CARDHOLDER POLICIES AND PROCEDURES

A. HOW TO OBTAIN A PROCUREMENT CARD

Department heads and supervisors with a business need for the P-card will identify faculty and staff for participation in the program. Upon approval by an individual's department head/supervisor, a **Procurement Card Application and Agreement** can be obtained from the program manager or from the Division of Business and Finance website.

Complete the **Procurement Card Application and Agreement** (only one card per individual) with appropriate signature approval(s) and submit the agreement to the program manager (Procurement Services, Dowdy Administration Building).

The program manager will notify the cardholder (via email) when the P-card arrives. The card will be issued in the employee's name through BOA and the procurement card administrator.

B. TRAINING

The cardholder, proxy, approver and supervisor/department head are required to successfully complete N.C. A&T procurement card training. The cardholder and approver are required to sign the Procurement Card Agreement before the cardholder may receive a card. Successful completion of training requires a 90 percent accuracy rate on the procurement card exam following the training session. The exam assesses the knowledge of procurement card policies and procedures.

If the exam is not passed on the first attempt, the individual must re-take the test after three business days. In the event the test is not passed after the second attempt, the individual will be able to re-take the test after every five business days until reaching a 90 percent accuracy rate. The cardholder must successfully complete training and sign the procurement card agreement every two years. Card use will be suspended until cardholder successfully completes training.

C. ACCESS

The P-card is non-transferrable and can only be used by the individual to whom the card has been issued.

D. SECURITY

The cardholder is solely and personally responsible for ensuring the protection, security and proper use of their card. The card should be treated as cash and never left unattended or unsecured.

All information, including data relating to the card (retention, storage and destruction) must be managed by authorized university employees only. Information must be restricted to those whose jobs require such access.

The cardholder must gather and maintain receipts of purchases. Scan/Save and upload receipts to Works®, and keep paper copies of the current and previous year.

E. EVENTS THAT REQUIRE ACTION

1. CARD ACTIVATION

The cardholder shall activate the card via telephone (the number will be provided on a sticker on the card). The cardholder will be asked to enter the account number and activation number. If another option is presented by BOA, follow the prompt(s) and enter information as requested.

2. NAME CHANGE

If a cardholder legally changes her/his name while holding a P-card, the cardholder is required to contact University Human Resources (UHR) to change her/his record. When the cardholder has confirmed that UHR has made the change, she/he must notify the program manager with the new information by submitting the Procurement Card Maintenance Request Form. The cardholder will be issued a new card reflecting the change(s). The old card shall be valid until the new card is activated. Once the new card is activated, the cardholder is responsible for destroying the old card.

3. DEPARTMENT CHANGE

The card is linked to the cardholder's department. If a cardholder moves to a different department, the cardholder must destroy the card and notify the program manager by submitting the Procurement Card Maintenance Request Form to have it canceled. To obtain a card, the approver (department head/supervisor) of the new department must give approval and a new Procurement Card Application and Agreement must be submitted to the program manager. The cardholder will be contacted when the new card has been issued. Retraining is not required, unless the cardholder has not used a P-card within the past 12 consecutive months and/or the cardholder has had a card revoked at any time during employment by the university.

4. LOST/STOLEN CARDS

If the cardholder believes her/his card has been misplaced, contact the program manager to have the card suspended for a 48-hour period. However, if the card is lost or stolen, it is imperative that the cardholder contact BOA as soon as possible. BOA can be contacted by calling 1-888-449-2273. BOA will deactivate the P-card and issue another card. In addition, the cardholder must immediately notify the program manager (University Procurement Services) of the situation.

5. FRAUDULENT CHARGES

If the cardholder believes her/his monthly statement has a fraudulent transactions(s), the cardholder must contact BOA immediately by calling 1-888-449-2273. BOA will deactivate the card and issue another one. In addition, the cardholder must immediately notify the program manager of the situation. All cases of suspected misuse or abuse involving the procurement card must be documented (upon discovery) by the department and confidentially forwarded to the program administrator/manager or compliance auditor.

6. EXTENDED LEAVE

If the cardholder will be on leave from the university in excess of four weeks but less than 12 months, the cardholder and the approver must notify the program manager by submitting the Procurement Card Maintenance Request Form to have the card suspended. Upon return, the cardholder and approver shall submit a Procurement Card Maintenance Request Form to have the card privileges restored.

If the cardholder is on leave for 12 months or more, the card will be canceled. Upon the cardholder's return, the cardholder must complete and submit a new Procurement Card Application and Agreement. The cardholder will be contacted when the new card has been issued. The cardholder will be required to be retrained following the training requirements and retake the procurement card exam.

7. NO CARD ACTIVITY

If a card has no activity for a period of 12 consecutive months, the cardholder will be notified in writing by the program administrator or program manager that the card will be canceled within seven business days unless notified in writing by the cardholder not to cancel the card.

8. TERMINATION OF EMPLOYMENT

If the cardholder or proxy terminates employment with or is terminated by the university, the cardholder or proxy and/or the approver must destroy the P-card and notify the program administrator and program manager immediately by submitting the Procurement Card Maintenance Request Form to have it canceled.

It is the responsibility of the department head/supervisor to notify the program administrator that the employee is no longer with the university and to ensure the card has been canceled.

9. CARD CANCELLATION

If the cardholder or proxy needs to cancel privileges for any reason (e.g., inactivity), the cardholder/proxy shall submit the Procurement Card Maintenance Request Form stating the reason for the request. The cardholder and the approver are responsible for ensuring the card is destroyed.

10. TRANSACTION LIMIT INCREASE REQUEST – PERMANENT REQUEST

To make changes to the spending limits on a procurement card, the cardholder shall make the request by submitting the Procurement Card Maintenance Request Form (the name on the form should be the same as on the P-card) to the program administrator with the following information:

- Name of the cardholder whose card will be used
- Reason for the request

- Funding source that will be used for the charge(s). If the funding source is derived from contracts and grants, endowments, gift or other federal fund sources, approval from the funding source accountant must accompany the request
- Dollar amount increase request and business purpose for the request

11. SPENDING RESTRICTION – PERMANENT REQUEST

To make a permanent change/restriction(s) on a procurement card, the cardholder shall make the request by submitting the Procurement Card Maintenance Request Form to the program administrator and program manager with the following information:

- Name of the cardholder whose card will be used
- Reason for the request
- Funding source that will be used for the charge; if the funding source is derived from contracts and grants, endowments, gift or other federal fund sources, approval from the funding source accountant must accompany the request

12. SPENDING INCREASE/RESTRICTION – TEMPORARY REQUEST

To make a temporary change/restriction(s) on a procurement card, the cardholder shall make a request by submitting an email, (copying the appropriate approver(s) and department head) to the program administrator and program manager with the following information:

- Name of the cardholder whose card will be used
- Reason for the request
- Length of time of the increase/restriction
- Funding source that will be used for the charge; if the funding source is derived from contracts and grants, endowments, gift or other federal fund sources, approval from the funding source accountant must accompany the request

*Procurement cards do not change **WHAT** you can buy; they offer another means to process the purchase.*

*Contract items **will still** be bought from vendors on contract but you may be able to process small orders with the card.*

Competition is to be sought on open-market items as you would for any purchase.

V. TRAVEL CARD

Effective July 1, 2016, the university shall offer a new procurement card that will be used strictly (i.e., registrations, lodging, etc.) for official business travel by permanent employees. The card will be available and managed through the university's Travel Office.

Single transaction limits will remain the same at \$2,500 and a total credit limit of \$5,000 for most cardholders. The billing cycle will run from the 25th to the 24th of the month.

Unlike the American Express Card, cardholders using the new travel card, will have the same benefits as with the procurement card, such as the ease to book travel and acceptance of the Visa brand. Liability rests with the university instead of the individual cardholder.

VI. ALLOWABLE AND NON-ALLOWABLE CARD PURCHASES

The N.C. A&T Procurement Card is intended for operating supplies and other low dollar value purchases needed during the course of business.

Purchases from contracts and grants accounts must strictly adhere to all granting agency guidelines. These guidelines may restrict the purchase of certain items

Granting agencies may also be more restrictive and may not allow certain purchases. It is the cardholder's responsibility to be aware of the rules and guidelines applicable to the grant(s). Contract and grant accounts cannot be used after the ending date or in the last 30 days of the grant ending date. The cardholder and principal investigator (PI) shall be held liable if funds are not available.

Tables 1 and 2 (this page and page 18, respectively) serve as a guide for allowable and unallowable purchases. If a Cardholder is in doubt about whether an item is allowable, the cardholder should contact the program manager(s) or program administrator for clarification or written approval.

The program administrator or program manager(s) may approve non-allowable purchase(s) based on business need.

Table 1. ALLOWABLE PURCHASES ON THE N.C. A&T PURCHASING CARD

Small Dollar Purchases - \$2,500 (or Less) Per Single Transaction

Advertising (e.g., newspaper, internet and periodicals)	Books (for departmental use only; available through Barnes and Noble)
Computer Supplies and Peripherals (e.g., cables, modems, flash drives, keyboards, docking stations)	Conference Booth Space Rental
Computer Supplies and Peripherals (e.g., cables, modems, flash drives, keyboards, docking stations)	Conference Booth Space Rental
Magazine / Journal / Newspaper Subscriptions (in the name of the university/department only) individual subscriptions are not allowed	Professional/Staff Development (e.g., registration fees, tuition fees)
Membership Dues and Fees (in the name of the university department name/position title); individual memberships are prohibited	University Supplies and Materials <ul style="list-style-type: none"> • Classroom items for instruction, research or exam purposes • Electrical parts • Janitorial supplies • Laboratory • Mechanical parts • Plumbing parts • Repair parts and tools (only)
Office Supplies (Office Depot only; other vendors may be used if cost effective)	

Table 2. NON-ALLOWABLE PURCHASES ON THE N.C. A&T PURCHASING CARD

Prior written approval by the program administrator or program manager is required if there is a justifiable business need

Alcohol or Tobacco Products	Advertising (if a contract is required)
Cash or Cash Advances	Cell Phone Equipment, Accessories or Plan
Academic Course Books (if available through Barnes and Noble)	Clothing (make sure clothing process is included)
Contracts	Computer Hardware (i.e., CPU, laptop, desktop, monitor, tablets, iPads, printers)
Construction, Renovation or Installation Services	Contractual / Consultant Services (i.e., independent contractor / professional)
Food / Beverage Purchases (i.e., bakery, catering, grocery, restaurant, water)	Gifts Certificates/Cards
Hazardous Materials (e.g., cylinder gases, radioactive materials)	Insurance Premiums, Co-pays or Deductibles
Laboratory or Office Furniture and Equipment	Invoices ("After-the-Fact" purchases)
Monthly recurring charges	Lease or Rental Agreements (e.g. equipment, conference room/building)
Office supplies (except if the item(s) can be documented as more cost effective with another supplier other than Office Depot)	Personal Convenience Items (e.g., briefcases, coffee makers, fans, heaters)
Personal Memberships Dues or Fees	Printing (EXCEPT with prior written approval from University Relations; an approval email must be submitted with the reconciliation documents)
Personal Journal / Magazine Subscriptions	Scholarship Payments for Students (e.g. books, supplies, exams)
Promotional Items (i.e., ad specialty products)	Transportation (i.e., airline, bus, railroad, rental car, taxi, shuttle service or public transportation)
Software and Distribution License, Developed Software or Upgrades to Existing Software (EXCEPT with the prior written approval from the Division of Information Technology – Procurement Office; an approval email must be submitted with the reconciliation documents)	Travel Procurement Card will now cover the following items: <ul style="list-style-type: none">• Travel card will now cover university business travel expenses consistent with the university travel policy

VII. ADDITIONAL ALLOWABLE/NON-ALLOWABLE USE INFORMATION

A. SPLIT TRANSACTIONS

Split transactions are defined as purchases that are split and stay within the dollar limits of the card (per transaction, day or monthly), or to avoid solicitation processes. Splitting transactions is **strictly prohibited**. Cardholders should take precaution to avoid the appearance of splitting transactions.

Examples of split transactions:

1. A cardholder makes a purchase on Monday that costs \$1,500 and pays the vendor; the Cardholder purchases the same item(s) the next day and pays the vendor \$1,500. This is considered a split transaction to avoid exceeding the transaction limit and is not allowed.
2. A cardholder purchases item(s), the total cost is \$3,500, and the vendor divides the transaction into two separate transactions. This is considered a split transaction to avoid exceeding the transaction limit and is not allowed.
3. Two cardholders within the same department use their cards to purchase item(s) and the total cost is \$5,000. Two transactions occur (one on each card) for the purchase. This is considered a split transaction to avoid exceeding the transaction limit and is not allowed.
4. A cardholder purchases item(s) and the total is \$5,000. The purchase date is the 24th of the month and the purchase is split to be made on the 24th and the remainder is applied on the next day. This is considered a split transaction to avoid exceeding the transaction limit and is not allowed.

B. PUBLICATIONS & PRINTING POLICY

University Communications (including but not limited to publications, printing, graphic design and freelance writing): Procurement Services considers the purchase of graphic design services, printing, photocopying, publications and promotional items (printed) as the purchase of services, not a commodity.

In an effort to protect the university's written messages and visual brand, all print and electronic publications (internal and external) that will be viewed by prospective students and the general public must be approved by the Office of University Relations.

The following applies to all university communication purchases made with the P-card, purchase requisitions or direct payments.

Print and electronic publications include but are not limited to the following:

- Brochures/pamphlets
- Fliers
- Invitations
- Books/booklets/guides
- Posters
- Periodicals (e.g., magazines, newsletters)
- postcards
- Programs
- Apparel

The University Style Guide sets the standard for publications and other printed materials. The style guide is updated periodically and is available online at the following URL:

http://www.ncat.edu/about/leadership/chancellor/university-relations/pdfs-images/ncat_styleguidevol3no4-spr13_f.pdf

Table 3. Timeline for Submitting Documents to University Relations and Vendors

TIME FRAME	PLAN OF ACTION
12 weeks out	Finalize plans for the production and release of items such as posters, fliers, programs, banners, brochures/pamphlets, invitations, paraphernalia, etc.
11 weeks out	Share design concepts with University Relations. Discuss options
9 weeks out	Present first proof for printed materials to University Relations
8 weeks out	University Relations provides feedback on first proof. Gives required changes/suggestions to share with your graphic designer
7 weeks out	Present second proof to University Relations. University Relations provides final feedback
6 weeks out	Make final changes (if necessary). Send files to printer
5 weeks out	Invitations should be mailed
4 weeks out	Send files to vendor for paraphernalia-type items
3 weeks out	Last chance to get files to printer to ensure on-time delivery of large print jobs
2 weeks out	Send files for large print jobs to printer
1 week out	Items delivered

All print and electronic publications using North Carolina A&T State University's proprietary symbols/marks must be routed through the Office of University Relations for review and approval prior to being printed or reproduced.

Marketing consultants, marketing research firms, advertising agencies and design firms may not be hired without the prior approval of the Office of University Relations.

To learn more about the licensure requirements, contact the Associate Vice Chancellor for University Relations at 336-256-0863, or visit www.learfieldlicensing.com (Learfield Licensing Partners)

For additional information about the Office of University Relations' policies and procedures, contact the Director of University Communications at 336-256-0863.

C. NORTH CAROLINA STATE TAX EXEMPTION

The university is a tax-exempt entity and is not required to pay North Carolina sales and use tax on most goods?

The cardholder should ensure that the merchant is aware of the exemption, by providing a copy of the *Certificate of Exemption* document (see Sales/Use Tax Exemption: <http://www.ncat.edu/divisions/business-and-finance/comptroller/blok-img/sale-tax.pdf>). In addition, the tax exempt number is printed on the P-card.

It is the responsibility of the cardholder to ensure that an invoice or receipt does not include a charge for North Carolina sales and use tax. If the receipt or invoice has tax included, the cardholder must contact the merchant and ask for a credit to be issued. All sales use tax paid to a vendor will be charged to the default organization and general ledger fund listed on the cardholder's Procurement Card Application and Agreement.

VIII. HOW TO MAKE A PROCUREMENT CARD PURCHASE

The following section addresses the general procurement steps to make a card purchase. If in doubt about any part of the process, the cardholder should contact the Program Manager or the Program Administrator.

The cardholder is the only person authorized to make purchases with the p-card. Giving the card or card number to another person or using someone else's card may result in revocation of purchasing card privileges and/or disciplinary action up to and including termination of employment.

A. CHARGES TO SPONSORED PROGRAMS ACCOUNTS

If the cardholder is making purchases against a sponsored program account, it is the cardholder's responsibility to make purchases that are allowable under the terms of the sponsored program award. If the cardholder is unsure about whether the purchase is allowable, check with the sponsored program accountant in the University Contracts and Grants Department.

B. CARD PURCHASE STEPS

1. SELECTING THE MERCHANT

It is the cardholder's responsibility to consult the university's Basic Purchasing Policies and Procedures and the State and Federal Vendor Debarred Lists (see Debarred Vendor Lists, ncadmin.nc.gov/about-doa/divisions/purchase-contract), to determine if a purchase will require

competition or other processing by University Procurement Services or if the cardholder may order from the vendor/merchant).

If a vendor/merchant is on the state or federal vendor debarred list, the cardholder is **prohibited** from ordering from the vendor/merchant until the vendor is removed from the list(s). Purchase from a debarred vendor/merchant may result in the suspension/termination of card privileges.

The cardholder should check the Non-Allowable Purchases List (see Table 2, page 15) to verify that the purchase can be made with the p-card.

It is a state requirement to purchase good(s)/service(s) with a university or state term contracted vendor(s). *EXCEPTION: If the exact good(s)/service(s) is less than the university or state term contracted price, the cardholder is required to attach the quote from other contracted vendor to show/verify the difference.*

The university strongly encourages the purchase of goods and services from Historically Underutilized Businesses (*HUB*) whenever possible. This should be taken into consideration when placing a purchase. The State Office for Historically Underutilized Business provides a list of certified *HUB* vendors at <http://www.doa.state.nc.us/hub/default.aspx>.

2. PURCHASES BY INTERNET

Online purchases must be made with merchants who use an SSL (Secure Sockets Layer) browser session. To confirm that a secure area has been accessed, look for “https” (denoting a secure site) in the web address. A closed lock usually appears in the left hand of the web address or at the bottom right-hand side of the screen when you are asked to enter the p-card number. If the site does not appear to be secure, DO NOT USE IT!

The cardholder should follow the procedures set-up specifically for maneuvering on the merchant's website.

The cardholder is responsible for determining whether the p-card is the most appropriate tool for the purchase (e.g., if the total purchase amount exceeds the \$2,500 single transaction limit or the credit limit including shipping, handling, postage, freight, insurance, etc.)

If a limit is exceeded, *BOA* will automatically refuse the transaction and the vendor/merchant will reject the purchase.

Determine at the time of purchase that the vendor has not charged sales tax for in-state, out-of-state and out-of-country purchases, and record this amount (preferably on the transaction log). Sales tax paid is required as part of the reconciliation process, which is discussed in the section “North Carolina State Tax Exempt.”

A copy of the final order/acknowledgement must be printed. The packing slip that is shipped with an item must be kept. All receipts and other paperwork must be attached to the expense transaction in the *Works*® environment, which is discussed later in this manual.

If the website vendor does not provide an on-line receipt/confirmation, the cardholder should print the screen(s) that reflects the item(s) being purchased and the amount, and then ensure the email confirmation or order acknowledgement is attached.

Ensure the delivery information includes the cardholder name, university department, phone number and complete delivery instructions. It is recommended that purchases be shipped directly to the cardholder campus address whenever possible. If Central Receiving is used as

the delivery point (due to weight, size or need for loading dock), please use the following address:

Central Receiving Department
Attention: Cardholder Name
Building Name/Room #
North Carolina A&T State University
DeHuguley Building
1601 E. Market St.
Greensboro, NC 27411

When the goods are delivered, the cardholder must retain and match the packing slip to the original itemized acknowledgement.

3. PURCHASES IN PERSON

The cardholder is responsible for determining whether the p-card is the most appropriate tool for the purchase (e.g., if the total purchase amount exceeds the \$2,500.00 single transaction limit or the credit limit including shipping, handling, postage, freight, insurance, etc.)

If a limit is exceeded, BOA will automatically refuse the transaction and the vendor will reject the purchase.

It is the responsibility of cardholder to determine that the price quoted is the best that can be obtained.

The cardholder is responsible for informing the merchant that the purchase is on behalf of N.C. A&T and that the university is exempt from sales and use tax. The cardholder may want to take a copy of the University's Certificate of Tax Exemption document, especially if the purchase is with a new vendor.

The cardholder will pay with the P-card and ensure that a detailed itemized receipt (i.e., lists item description, quantity, price and total purchase) is obtained from the vendor at the time of purchase or pickup. All receipts and other paperwork must be attached to the expense transaction in the *Works®* environment as part of the reconciliation process.

If someone other than the cardholder picks up the item(s), this individual is not authorized to sign the credit card sales slip.

4. PURCHASES BY FAX

The cardholder shall follow all applicable steps from the instructions for phone orders. The cardholder shall retain a copy of the fax and also the fax confirmation, for their records. The cardholder should not mail a copy of the order to the merchant/vendor, because this increases the chance that the order will be duplicated. If the vendor requires the original, the cardholder should be sure to clearly mark the fax order "*CONFIRMATION OF FAX ORDER, DO NOT DUPLICATE.*"

Ensure the delivery information includes the cardholder name, university department, phone number and complete delivery instructions. It is recommended that purchases be shipped directly to the cardholder's campus address whenever possible. If Central Receiving is used as the delivery point (due to weight, size or need for loading dock), please use the following address:

Central Receiving Department
Attention: Cardholder Name

Building Name/Room #
North Carolina A&T State University
DeHuguley Building
1601 E. Market St.
Greensboro, NC 27411

When the goods are delivered, the cardholder must retain and match the packing clip to the original itemized acknowledgement.

If someone other than the cardholder picks up the item(s), this individual is not authorized to sign the credit card sales slip.

5. PURCHASES BY EMAIL

A purchase by email is not an approved purchasing method at N.C. A&T. For security purposes, P-card numbers should never be sent via email to a vendor or anyone else.

6. INTERNATIONAL PURCHASES

The program administrator or program manager must pre-approve all purchases for goods or services from foreign/international merchants/vendors. If the purchase is made with sponsored program funds, additional approval is required by Contracts and Grants.

7. PHOTOCOPIES

The cardholder must not send photocopies of their p-card or any photo identification card unless the merchant/vendor absolutely requires the photocopy.

Per NC §G.S. 20-30(6), color photocopies of drivers licenses are not allowed to be made.

IX. HOW TO PROCESS REBATES, RETURNS AND CREDITS

A. REBATES

For the purpose of this policy, rebates associated with university purchases in the form of money or property are considered items of value that individuals may not personally acquire as a result of their position.

If a cardholder qualifies for a rebate, the instructions on the rebate form must be followed including any legal requirements.

B. DEFINITION

Rebate is defined as a return of all or part of an amount given in payment for a product, whether in the form of money, "free" merchandise or future benefits based on purchases made. Examples of rebates include but are not limited to cash, credit toward future purchases, free goods (including food and beverages) and coupons.

C. POLICY

"No State employee may use their public position or office to obtain financial gain or anything of substantial value for the private benefit of themselves or their immediate family or for an organization with which they are associated. Violating this policy can lead to disciplinary action, up to and including discharge."

PROCESS FOR REIMBURSING REBATES

1. The cardholder is responsible for contacting the vendor to inquire about issuing the rebate onto the p-card. If the rebate cannot be issued onto the P-card, the cardholder needs to request the rebate payment to the university.
2. Rebate checks should be made payable to the university. If the check is made payable to an individual, it must either be signed over to the university or the individual must reimburse the university the amount of the rebate check with cash, money order, cashier check or debit card. Rebate checks or reimbursements should be deposited back into the account and object code from which the original purchase was made.
3. Rebates in the form of certificates, property or gift cards must be returned to the department for future use. Department heads are responsible for assuring that a procedure is in place to account for rebates in this form.
4. Rebate documentation must be kept with the originating purchase documents showing the disposition of rebates back to the university.

When making purchases, departments may not solicit rebates from vendors. Rebates are incentives offered by a vendor to provide additional consideration or compensation to encourage the purchase of goods and/or services from that vendor.

D. RETURNS AND CREDITS

Items purchased with the purchasing card may periodically need to be returned for one reason or another. It is the responsibility of the cardholder to ensure that the merchant issues a credit back to the card. A store credit or cash must never be accepted.

The cardholder must immediately contact the merchant/vendor. The merchant/vendor will usually provide or issue a Return Authorization (RA) or Return Materials Authorization (RMA) number to return the purchase and a credit invoice once the item(s) is/are returned to the merchant/vendor.

The cardholder must notify the P-card program manager if a merchant refuses to credit the card for returned items.

Credit receipts/memos should be attached to the credit transaction in the *Works®* environment. Submit the monthly statement and approved reconciliation report to the compliance auditor.

Credits listed on the monthly statement should be documented as to when the original charge was made if a credit invoice is not available.

The cardholder should always retain boxes, containers, special packaging, packing slips, etc., until certain that the item(s) shall be kept. Some items, such as software or fragile pieces, cannot be returned without the original packing materials.

It is the responsibility of the cardholder to read all return instructions carefully. Often a critical phone number and other instructions are included on the packing slip and/or receipt.

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.

The cardholder is responsible for ensuring the item(s) is packed as instructed by the merchant. Normally the merchant will request to have the item(s) returned through USPS (United States Postal Service) or UPS (United Parcel Service). After confirming the return method and process with the merchant, the cardholder should contact Central Receiving at extension 5-4556, or the Campus Mail Center at extension 4-7544, to facilitate the return of the item(s).

NOTE: IT IS NOT THE RESPONSIBILITY OF CENTRAL RECEIVING OR THE CAMPUS MAIL CENTER TO CONTACT A VENDOR TO REQUEST A RETURN.

HOW TO MANAGE DISPUTED TRANSACTIONS

Purchases appearing on the monthly statement from BOA may be disputed up to 30 days from the date of the statement.

An attempt should always be made to resolve the dispute with the merchant first, if possible, prior to reporting the dispute to the bank. The cardholder is responsible for contacting the merchant and describing the problem/issue with the purchase. In most cases, the merchant will allow the return of the purchase and issue a credit. If the cardholder is not satisfied with the outcome, the program manager should be contacted to assist.

The cardholder is responsible for contacting BOA to initiate the dispute process and notifying his or her approver and the program manager. A dispute can be processed via phone. The Dispute Department can be contacted by calling the 800-number on the back of the card and giving them the last four digits of your P-card ID number. The bank should immediately issue a credit for the dispute, pending correspondence with the merchant.

REASONS FOR DISPUTES

The following may be formally disputed with BOA:

- Unauthorized charges and unrecognized charges, including phone or mail order charges
- Difference between dollar amount authorized and dollar amount charged
- Duplicate charges
- Unreceived goods
- Defective merchandise
- Altered charges

X. HOW TO RECONCILE THE PROCUREMENT CARD

Reconciliation of purchases is the final step in the procurement card process. It is imperative that all charges are properly allocated, documented and certified in *Works*®. The cardholder verifies the legitimacy of purchases during this process. It is from this reconciliation that charges get processed to the various accounts in the university's Banner accounting system.

A. BILLING CYCLE

The billing cycle runs from the 25th of the month (called the cycle start date) until 5 p.m. (close of business) on the 24th of the following month (called the cycle end date).

Each month the cardholder/reconciler shall allocate, attach required documents and signoff (by approving each transaction) made during the billing cycle in *Works*® by the close of business on the 24th day.

Note: All cardholders/reconcilers have 24/7 access to charges in *Works*® at <https://payment2.works.com/works>.

B. RECONCILIATION

The cardholder/reconciler is required to review transactions electronically, edit fund and account allocations, upload all required documents (receipts, etc.) and include comments about the transactions. The transactions must be signed off in *Works®* no later than the 24th of the month.

Note: Once the final review and approval on the 24th has passed, the only method the cardholder/reconciler can edit a fund and account in Banner will be to process a journal entry. Timely and accurate approval is essential to avoid non value added work after the cycle close date.

Both the cardholder and approver are responsible for ensuring the cardholder's bank statement and approved reconciliation report is in the accounting office by 5 p.m. on the fifth day of each month.

1. Self-Approval: Personnel at the director/department head/chairperson/dean level or higher who have been issued a procurement card in their name are required to obtain their respective supervisor's approval (signature) for their purchases in *Works®*.
2. Required Documentation: The following is a listing of required documentation to be scanned and attached to the transactions in *Works®*.
 - An original receipt from the merchant/vendor including:
 - Merchant/Vendor name
 - Transaction amount
 - Date of purchase
 - Itemized description of item(s) purchased
 - Documentary emails obtained prior to purchase from Procurement Services, University Relations and Contracts & Grants approving the purchase of an item listed as not allowed for purchase.

The original receipt is retained in departmental files (record retention).-If a receipt is not provided when making internet purchases, a screen print or order confirmation email from the merchant/vendor, along with itemized packing slip of the shipment/purchase will be accepted.

XI. PROCUREMENT CARD INFRACTIONS

All Procurement Card Program participants including cardholders, reconcilers and approvers are required to follow the University Procurement Card Program Policy and Procedures. It is the responsibility of the cardholder, reconciler and approver to review each transaction and related documents to assure compliance in card use. The review must be conducted for **ALL** transactions in each billing cycle.

Each procurement card purchase should be for official university business. Any employee who fails to use the procurement card properly or abuses the use of the procurement card shall be subject to penalties listed below and may be subject to personnel disciplinary action or termination. The university will seek restitution for any inappropriate purchase made with the card. All cases of misuse or abuse involving the procurement card must be documented by the department. The procurement card program administrator and the card compliance auditor shall be informed confidentially in writing.

A. CARDHOLDER INFRACTION TYPES

1. NON-TRANSFERABLE PURCHASES

Any purchases made by another person other than the individual assigned to the procurement card

2. PERSONAL PURCHASES

- Personal purchases of any kind are never permissible even if the cardholder intends to reimburse the university later.
- A personal purchase must be reported immediately upon discovery to the department head and the program administrator.
- The cardholder must immediately reimburse the university or arrange for an immediate credit transaction from the merchant.
- Any suspected fiscal misconduct or abuse of the card for any personal purchases must be reported immediately to the program administrator and program manager by a person who becomes aware of the abuse/misuse of card privileges.
- If the personal purchase is deemed to be intentional the cardholder will permanently lose cardholder privileges, may be terminated, and can be prosecuted.

3. CASH OR CASH TYPE TRANSACTIONS

- A cash or cash type transaction may be considered fiscal misconduct.
- Examples: Additional cash with purchase, cash refunds, cash tips, travelers' checks, gift cards, donations, money orders and gift certificates.

4. SPLITTING TRANSACTIONS

- A split purchase occurs when a cardholder's transactions exceed the \$2,500 (single transaction, including shipping).
- A single purchase over \$2,500 must be purchased through Aggie-Mart (e-procurement system) using a purchase requisition unless prior approval is granted by the program administrator or program manager. **Important Note: If prior approval is granted, the cardholder must attach a copy of the email approval to the transaction in the Works® environment.**
- A cardholder should use good judgment when determining their purchase needs. The cardholder should contact the program manager or program administrator if there is any question in defining a single purchase.

5. IMPROPER/UNAUTHORIZED PURCHASES

Any non-allowable purchase made without written approval from the appropriate individual or department (i.e., program administrator/program manager, sponsored program accountant and/or university relations) is against university and state policies (see Table 2: Non-Allowable Purchases) due to the nature of the transaction or business rule. **Note: If prior approval is granted, the cardholder must attach each email approval to the Works® transaction.**

6. MISSING RECEIPTS/INCOMPLETE RECONCILIATIONS

If a receipt is misplaced or lost, it is the cardholder's responsibility to make every reasonable effort to contact the merchant/vendor to secure a replacement. If a replacement cannot be provided, a Missing Receipt Form must be completed to indicate the reason the receipt is not available and the steps taken in an attempt to obtain a replacement. Missing receipts constitute an infraction and a payment disqualified under the accountable plan. The form must be signed and dated by the cardholder, approver and department head certifying the accuracy of information represented on the form before the cardholder submits with the monthly bank statement and reconciliation report.

Submission of a Missing Receipt Form will be allowed only twice during a fiscal year. A cardholder may be asked to make restitution to the university for any purchase(s) made on a procurement card that cannot be documented with receipts.

Works® transactions with missing required documents are considered incomplete.

Incomplete documentation is an infraction.

7. NON-SIGN-OFF/APPROVAL OF TRANSACTIONS

All transactions will require sign-off in *Works®* before the 24th (cycle end date) of each month.

8. LATE RECONCILIATIONS

Reconciliation reports are late if not received by 5 p.m. in the accounting office on the fifth day of each month. Cardholders that do not have a transaction on their account are not required to submit a reconciliation.

If a report has been outstanding for over 30 days, the cardholder, approver, vice chancellor and/or dean will be notified of the status of the suspended card. The card will remain suspended until the approved reconciliation report is received and reviewed in the accounting office for any additional infractions. If no additional infractions are found, the card shall be reinstated in 72 hours following the compliance check.

9. PURCHASES FROM DEBARRED MERCHANT/VENDOR

There are merchants/vendors that have been excluded from doing business with the state and/or federal government. These merchants/vendors should not be used as long as they appear on either list. A list of debarred vendors can be accessed through the following sites:

- State of North Carolina - <http://www.doa.state.nc.us/PandC/actions.htm>
- Federal Government (GSA) - <http://www.epls.gov/>

B. CARDHOLDER INFRACTION PENALTIES

A cardholder (within a fiscal year) that fails to follow procurement card policy and procedures is subject to any or all of the penalties as outlined below.

- **First Infraction.** A cardholder (within a fiscal year) who does not follow policy and procedure will be given a written warning and *immediate suspension* (of card privileges) by the program administrator. The cardholder and approver will be notified of the infraction in writing by the program manager and suspension of cardholder privileges until the infraction has been resolved by the cardholder. *Example: Late signoff in Works®, missing documentation (receipts, business justifications) in Works®.* It is the responsibility of the cardholder to ensure the infraction is resolved to regain card privileges.
- **Second Infraction.** A second infraction (within a fiscal year) by a cardholder will result in immediate suspension of card privileges. The cardholder, approver and department head/dean/vice chancellor will be notified of the infraction in writing by the Program Administrator. A cardholder's card privileges will remain suspended for *30 days or until* the following actions are completed:

- The department head must submit to the program administrator a detailed plan of action that will be taken to prevent any future infraction(s) by the cardholder.
- The cardholder and approver must successfully complete a procurement card training (with proficiency exam) within 14 days of written notification of the infraction(s).
- **Third Infraction.** A third infraction (within a fiscal year) by a cardholder will result in cardholder privileges being automatically suspended for **six consecutive months**. The cardholder, approver, dean and vice chancellor will be notified of the program infraction and required actions taken. After the six-month period or until the following actions are completed will the cardholder's card privileges be restored:
 - Card will remain suspended until cardholder and supervisor successfully complete p-card training (with proficiency exam), and
 - Department head/supervisor provides a revised written explanation (to the program administrator) addressing steps taken to prevent any future infractions and assure compliance.
- **Additional Infraction.** A cardholder's failure to comply with policy and procedures at any time after a *consecutive six-month* suspension shall lose procurement card privileges during their employment with the university unless reinstatement is approved in writing by the vice chancellor for business and finance or a designee.

C. CARDHOLDER CARD PRIVILEGE REVOCATION

A cardholder's card privileges will be immediately revoked if the card is willfully misused or abused by the cardholder at any time. Upon notification to the program administrator, the cardholder's dean/vice chancellor and the vice chancellor for business and finance or designee will immediately be notified of the infraction. Based on a review/investigation of the infraction by the appropriate individual(s)/department(s)/, the cardholder could face disciplinary action under the University Human Resources policies and procedures, termination of employment, and/or criminal charges.

University Procurement Services reserves the right to suspend or revoke a procurement-card at any time.

D. CARDHOLDER REINSTATEMENT APPEAL PROCESS

When a procurement card is revoked, the cardholder, approver and department head/dean may submit a letter in writing for an appeal of reinstatement.

The letter must be addressed to the program administrator and the comptroller or their designee(s).

The letter must address the following:

- The infraction(s) committed or reason card privileges were revoked.
- The impact the cardholder/department will have from performing responsibilities if the card(s) is not reinstated.
- Identify the measure(s) put into place that will ensure that all procurement card policy and procedures will be followed to prevent a recurrence.
- The appeal will be reviewed and a decision will be rendered in writing.

Appealing the decisions made by program administrator and the comptroller or their designee(s) should go directly to the vice chancellor for business and finance. This appeal must be submitted

within 10 consecutive calendar days from the protesting decision. The vice chancellor for business and finance will respond within 20 calendar days with a final response.

A cardholder shall be allowed one appeal reinstatement for the duration of their employment term.

E. DEPARTMENTAL INFRACTIONS AND PENALTIES

It is the responsibility of the department head/dean/vice chancellor to provide fiscal oversight and fiscal management of university business operations within their department/college/school/division including compliance of policy and procedures pertaining to procurement cards assigned within their department(s).

1. FISCAL OVERSIGHT AND MANAGEMENT

The department head/dean/vice chancellor signature on a cardholder's reconciliation log certifies:

- All purchases/transactions are within the authorized budget of the account being charged.
- All purchases/transaction are on behalf of the department/college/school/division to support business operations.
- No personal purchase(s)/transaction(s) has/have been made or if personal, was made in error, and reimbursement is made to the university (account) before submittal of the reconciliation report to the program compliance auditor. The deposit transmittal is scanned and attached to the Works® transaction relating to the personal expenditure.
- All purchases/transactions comply with all university/state/federal policies and procedures, including procurement card policies and procedures.
- Appropriate documentation is attached to each transaction in Works®. The original receipts and documentation are reviewed and retained in the department.

2. DEPARTMENTAL INFRACTIONS

The following departmental infractions incurred by a department/college/school/division can result in all cardholders losing the privilege to use procurement cards for any specified amount of time depending on the excessiveness of the infraction(s).

- Five or more collective late sign-off/approvals (within a fiscal year) of transactions in Works® by cardholders in the department/college/school/division within a *fiscal year* may result in the department/college/school/division losing procurement.
- Five or more late reconciliation reports (within a fiscal year) submitted to the University Accounting Office.
- Failure to notify the program administrator/manager of a cardholder's employment termination.
- Allowing a cardholder to make a personal purchase/transaction without reimbursement to the university (account) before transaction sign-off in Works® and submittal of the reconciliation report to the program compliance auditor.

3. PENALTIES

Department failures to maintain transaction documentation, maintain adequate administrative support personnel required to meet program guidelines and failing to complete the monthly reconciliation process in a timely manner, in addition to other departmental infractions will

result in suspension of all or some cards within the department when incidents are repeated (as listed in previous section).

Suspension may be lifted upon submission and approval by procurement card administrator when a written plan of compliance outlining measures to correct failures and the departmental cardholders, approvers and proxy's must be retrained before privileges are restored.

XII. PROCUREMENT CARD RETENTION POLICY

State guidelines require procurement card records are to be maintained for a minimum of three years or after a state audit. Procurement card records relating to contracts and grants must be maintained for a minimum of seven years and/or after a state or federal audit and five years beyond the final reporting period of the contract or grant.

If the procurement card documentation is engaged in some type of audit or litigation, all documentation must be maintained for a period of three years after the resolution. Each department/office is responsible for ensuring policy and procedures are in place to maintain all records.

XIII. PROCUREMENT CARD CONTACTS

To report a lost or stolen card, billing question(s) or general customer service question(s), contact Bank of America (BOA) at any time, 24 hours a day.

The university provides support and assistance to cardholders and departments. The university's Procurement Services Department is responsible for processing all changes to cardholder information, training cardholders, update of documentation and notifications. The Accounting Department is responsible for auditing the procurement card transactions.

Procurement Card Program Administrator
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Procurement Card Program Manager
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Procurement Card Program Manager - Alternate
Cherrie Chrisp
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Procurement Card Program Compliance Auditor
Jeanne Reyes
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XIV. OTHER RESOURCES

N.C. A&T Procurement Card and Application Agreement

N.C. A&T Procurement Card Maintenance Request Form

Procurement Card Missing Receipt Form

Tax Exempt Certification Document