

P-CARD TRAINING

- **For Department Supervisors**



Who is eligible for a card?

- Any employee that works for the University and have the permission of the area Department Supervisor or Chair.



Benefits of using a P-card

- Time and monetary savings
- •Consolidated billing
- •Less need for small dollar purchase orders
- •Internet ordering
- •24/7 purchases possible
- •Ability to get something when you need it!



Brief History of the P-Card

- P-Card Program began at MVSU in APRIL 2011
- Started with 2 P-Cards. We currently average around 17 P-Cards on campus.
- First year charges equaled \$95,135.92
- Projected amount spent on P-Cards this year is expected to be about \$360,000.00



What is a P-Card?

- The Procurement Card is a Visa credit card issued by Regions Bank
- The P-Card offers an alternative method for purchasing and paying for supplies
- A Single Purchase shall not exceed \$5,000*
- Monthly credit limit shall not exceed the amount granted on the spending authority form*
- **The P-Card is to be used for official business purchases for Mississippi Valley State University**
- *Limit can exceed \$5000 if approved from the MVSU Purchasing Department.



With Freedom Comes Responsibility



*P-Cardholder Responsibilities

- Ensure P-Card is used for legitimate MVSU business purposes
- Maintain the P-Card in a secure location at all times
- Obtain all original receipts
- DO NOT ACCEPT CASH, GIFT CARDS OR STORE CREDIT in lieu of credit!!!!
- Return P-Card upon termination of employment.
- *Complete list of responsibilities can be found in P-Card policy manual.

Spending Limits

- EACH TRANSACTION -The maximum single transaction varies from card level limit ranges from \$1,500 to \$5000 (including shipping costs).
- MONTHLY SPENDING-The maximum monthly expenditure limit ranges from \$5,000 to \$30,000, depending on the cardholder's account level.
- Departments are expected to request a limit that accurately reflects an individual's usage and to perform a monthly review of each cardholder's transactions.



*P-Card Liaison Responsibilities

- P-Card liaison can be the cardholder!
- Process the monthly P-Card transaction log
- Retain a copy of monthly P-Card logs in the department for 5 years
- *Complete list of responsibilities can be found in P-Card policy manual.



Making A Purchase

- Purchasing In Person—The Cardholder takes the P-Card to the supplier and verifies the supplier accepts the (TAX EXEMPT) Visa card.
- •Phone Orders—The Cardholder may telephone an order to a supplier.
- •Internet Orders—The Cardholder may use electronic mail to submit an order to a supplier.
- Shipping and Receiving Instructions-It is strongly recommended that goods ordered via the P-Card be shipped directly to your departmental campus address via UPS, Federal Express, or other method suitable for the items purchased unless the package contains hazardous materials which may require special handling.

Lost or Stolen Card

- Must be reported within 48 hours; please report immediately to Regions Bank at 1-888-934-1087 (24 hours a day, 365 days a year).
- If reported promptly, the University's liability is \$50 maximum.
- Notify the University Purchasing Card Administrator at the first opportunity during normal MVSU business hours at 662-254-3319



Department Supervisor Responsibilities



Verify Purchases

- Verify items purchased are legitimate office purchases.
- Verify items are in located in the department
- If the P-Cardholder has a limit that exceeds \$5000, make sure there are no split purchases (two charges to circumvent the \$5000 single purchase limit)
- Check that there are no gift card purchases without permission from the Purchasing Department



Legitimate Purchases

- OfficeMax, Office Depot, Barns and Nobles, Car Rentals
- Books, general office and educational supplies, office furniture
- Student Conference registration fees (copy of the Food and Hotel forms must be attached to the P-Card log)
- Subscriptions
- UPS, FedEx
- **When in doubt contact Purchasing Department 3319**



Restricted P-Card Purchases

- **PERSONAL PURCHASES!!!!**
- Travel expenses for Faculty and Staff (airfare, Hotel, restaurants)
- Alcoholic Beverages
- Gasoline
- Gift Certificates (unless approved by Procurement Services)
- Any item over \$5000 w/out proper procedures
- Computers (with the exception of computer supplies and equipment)
- Greeting cards, gifts for faculty or staff, office party (retirement, birthday, etc)
- Office décor for an individual's office
- When in doubt contact the Purchasing Department 3319



Circumstances for Decline of Card

- You have exceeded your designated single transaction limit
- •You have exceeded your designated monthly limit
- •You attempt to use the card for a blocked merchant category*
- *Contact the Purchasing Department regarding all blocked merchant codes for help 662-254-3319.

Examples of P-Card Violations and How to Recognize Them

- Gift Card Purchases
- Vague Receipts
- Office Supply Purchases
- Wal-Mart Receipts
- Split Order Purchases
- Lost Receipts



How to spot a Gift Card Purchase

- Look at each receipt carefully.
- Gift Cards usually end with XXXX at the end of the item number.
- Gift cards can only be purchased with approval from the Director of Procurement Services and that can only be granted for departments with multiples individual during a research projects.
- Cardholders must attach a list of the gift card recipients to their transaction log.

Vague Receipts



- If a receipt is vague, ask the P-Card holder to list each specific item beside the receipt or have them contact the vendor for an itemized receipt.
- Hobby Lobby does not produce itemized receipts.
- Many vendors will produce an itemized receipt if requested.

Person requesting item(s): Dr. Bell

Location of item(s): Business Bldg Lobby

Purpose of item(s): Certificate frames for honor students

HOBBY LOBBY
1843-A Highland Dr
Jonesboro, AR 72401
(870) 931-0636
HOB-L08 #50
www.hobbylobby.com

3:10PM Feb 26,00
01-0001 003 TANNYU
002233

2 0	\$1.99	
CRAFTS		\$13.98 - FRAME FOR CERTIFICATE
CARDS		\$11.99 - WHITE MATTING
2 0		
3 / \$1.00		\$10.67 - BLUE MATTING
CARDS		\$14.99 - FRAME FOR CERTIFICATE
HOBBIES		\$19.99 - BIKING FOR FRAME
ART SUPPLY		

CARD # *****6014
015089-APPROVED C AB15089
APRS C 80572003105
REF#

Subtotal	\$21.67
TX 9.800	\$1.73
TOTAL	\$23.35
VISA	\$23.35

THANK YOU
PLEASE COME AGAIN
RETURN POLICY ON BACK OF RECEIPT

Office Supply Purchase Violation

- This is the most common P-Card violation at MVSU.
- Office supplies purchased from vendors other than the State Contracted vendors
- Supplies purchased from OfficeMax, Office Depot, or the MVSU Bookstore in excess of \$100.00.



Split Purchase Violation

- If your department has a P-Card with a limit over \$2500, watch for charges like this!
- It is not always the P-Card holder's fault. Many vendors will split orders without the P-Cardholder's knowledge. Report these vendors to Procurement Services!
- Look at the dates on receipts and the amount of the transaction on the P-Card log. Large amounts to the same place on the same day are indicative of split purchases.



Splitting the Transaction

- **A split purchase occurs** when a Cardholder's transactions exceed \$5,000 (or their single purchase limit) for a single purchase (including shipping). A single purchase over \$5,000 must be purchased through the Bid and Quote system before any purchase can be made. A Cardholder should use good judgment when determining their purchase needs. Contact Purchasing Department if there is any question in defining a single purchase.
- **A single purchase** need identifies a group of items that are similar enough in nature to be purchased from a single source and that are all known to be needed at the time of the first purchase transaction. Purchases cannot be split based on different project or program numbers, different recipients, different delivery locations, differing functionality of the items, etc.

Splitting the Transaction *Continued*

- *For example, a Cardholder shall not purchase two \$3,000 pumps from a single source using two separate transactions if both pumps are known to be needed at the time of the purchase (and, therefore, the total purchase need is known to be \$6,000). A Cardholder shall not split purchases over time or over sources with the intent to circumvent his/her single purchase limit).*

Improper Transactions

- These types of transactions go against University and state policies due to the nature of the transaction or business rule. Improper purchases will require completion of a Violation Warning Form to be signed by the Cardholder and Approving Official and forwarded to the PCARD Office. Waivers may be granted in a case by case basis.

Consequences of Inappropriate Card Use –1st offense

- Written warning from the Business office
- •Additional training will be offered



Consequences of Habitual Inappropriate Card Use

- Suspension of the card
- •User and TARGET approver will be notified by e-mail
 - •To reinstate privileges: Memo from user's TARGET approver giving adequate justification
 - If approved by the Business Office, user must attend P-card training again

Suspected Fraudulent Card Use

- Immediate suspension of card
- User and TARGET approver will be notified by e-mail
- Internal Audit will be notified immediately
- Possible criminal investigation and prosecution
- Termination of employment



Personal Purchases

- Personal purchases are **never** permissible, even if the Cardholder intends to reimburse CSU later. A personal purchase must be reported immediately upon discovery to the Approving Official and the PCARD Program Administrator. The Cardholder must immediately reimburse the University or arrange for an immediate credit transaction from the merchant.
- A personal purchase is a PCARD Violation and may be suspected fiscal misconduct . A personal purchase may be cause for cancellation of the PCARD upon the first violation, and may result in termination and possible employment disciplinary action, criminal and civil prosecution. Any suspected fiscal misconduct or abuse of the card for personal purchases must be reported immediately to the PCARD Administrator by any person who becomes aware of it.

Cash or Cash-Type Transactions

- Examples are additional cash with purchase, cash refunds, cash tips, travelers' checks, **gift cards**, donations, money orders and gift certificates. A cash or cash type transaction is a PCARD Violation and may be considered fiscal misconduct as noted above. A cash type purchase will be cause for cancellation of the PCARD.

Employee Travel and Travel-Related Expenses-

- Cardholders cannot use their PCARD for employee travel and related expenses. Examples are airfare, vehicle rental (including the rental of moving trucks), parking fees/permits or services, meals, and employee lodging. Cardholders using PCARD for employee travel expenses will be reported to the University Controller and the PCARD may be revoked.



Card Use Delegation

- The University has developed a procedure so you may delegate the use of your card to someone else if the need arises.
- •This procedure is not for continual use of your card by someone else. They should obtain their own card if they are responsible for buying.
- •The Cardholder Delegation Form must be completed and attached to the receipt, and sent to Accounts Payable for imaging into FYI.



P-CARD DELEGATION FORM

Mississippi Valley State University
P-Cardholder Delegation Form

- I, (cardholder) _____, am delegating the use
- of my P-Card to (delegated employee) _____ for
- use in procuring certain goods and services. Authorization is given for the period
- _____ through _____. By signing this agreement, you as
- (delegated employee) acknowledge that you understand and will comply with all of the
- Mississippi Valley State University Procurement Card guidelines, as listed below.
- I, as the authorized and approved cardholder, fully understand that I am ultimately responsible
- for the purchases made by the delegated employee using my P-Card.
- Both the delegated employee and the cardholder must sign and agree to the following terms and
- conditions regarding the use and safekeeping of the procurement card (P-Card):
- 1. I will be making financial commitments on behalf of the Mississippi Valley State University and will obtain
- fair and reasonable prices.
- 2. I have received instruction from cardholder and agree to follow all procedures established for use of the P-
- Card.
- 3. I will not use the P-Card for non Mississippi Valley State University related business, unauthorized purchases, or for personal
- purchases.
- 4. I will immediately return the P-Card, and all receipts, to the cardholder.
- 5. I understand that the use of the P-Card does not exempt me from purchasing requirements as set forth in Mississippi Valley
- State University policy and procedures and the P-Card guidelines.
- 6. I understand that I am personally responsible for obtaining ALL original detailed receipts (purchase and credit documents) and
- submitting them in accordance with University of Arkansas P-Card procedures.
- 7. I understand that any purchases made by me will be recorded and reviewed in
- management reports, to insure compliance with Purchasing and P-card guidelines.
- 8. I understand that failure to follow any of the above listed terms & conditions or if found to have misused the P-Card in any
- manner may result in:
- Revocation of the privilege to use the P-Card
- Disciplinary action
- Termination of employment, and/or criminal charges being filed with the
- appropriate authority.
- I hereby accept the above terms and conditions for delegation of the P-Card.

Delegated Employee Name

Delegated Employee Signature

Date Signed

Cardholder Name Printed

Cardholder Signature

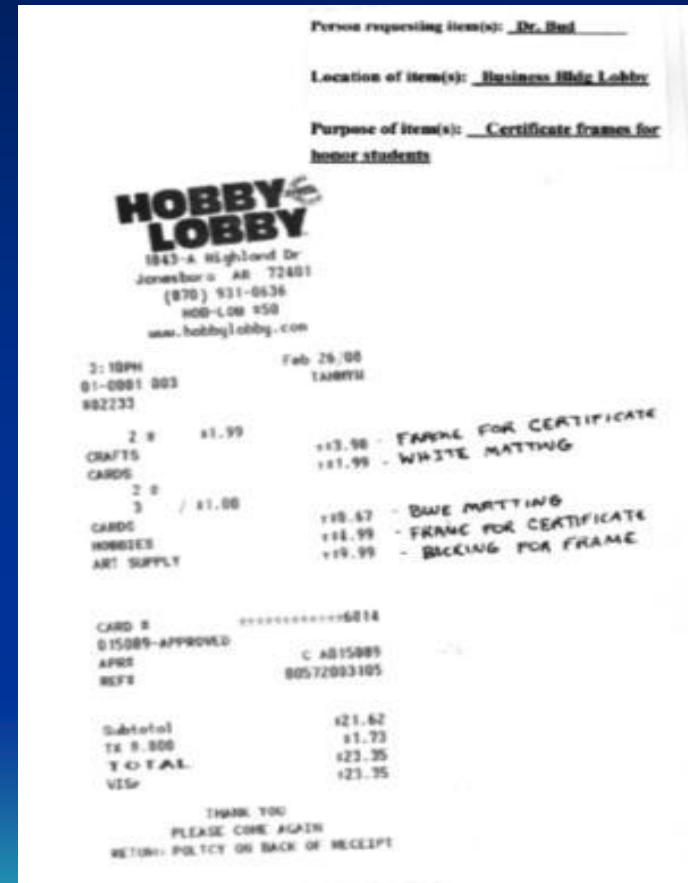
Date Signed

This form must be attached to each receipt for which the delegation of the P-Card was used.

Maintain copy for your records.

Lost Receipts

- Failure to provide a receipt will be considered a personal purchase and must be reimbursed by the cardholder. The P-Cardholder's supervisor and Vice-Chancellor will be informed of this purchase and the P-Card will be turned off until the Vice-Chancellor advises otherwise.
- Many vendors will replace a lost receipt if you contact them and request it.



Location of Purchases

- Make sure items purchased can be located in your department before signing your name to the P-Card transaction log!!!
- Your signature on the P-Card log means you approve the purchases



RED FLAGS TO WATCH FOR

- Watch for purchases made
- during:
- Vacation days
- Sick days
- Weekends
- Holidays
- FMLA – Contact Procurement to put P-Card on hold!
- P-Cards should be locked up in a secure location



P-Cards should be locked up in a secure location!

FIRST LINE OF DEFENSE

- You, as a department supervisor, are the first line of defense to detect fraudulent activity among P-Cardholders.
- Question every purchase if necessary!
- If you suspect fraudulent activity with a P-Cardholder, contact the Purchasing Department at 662-254-3319



Disciplinary Measures

- P-Cardholders who fail to
- comply with program
- guidelines, or who
- knowingly use the
- P-Card for fraudulent
- activity can expect:
- Revocation of P-Card Privileges
- Termination of employment
- Reimbursement of fraudulent charges
- Prosecution in a court of law



Ouch, that has gotta hurt!

P-Card Transaction Log

- The follow is to be turn in at the end of each month along with all receipts and or statement and supervisor signature.



What Your Signature Means

- By signing the monthly transaction log, you
- are agreeing to the following:
- I certify that the purchases were made for official business use only and were purchased in accordance with the policies and procedures set forth by Mississippi Valley State University and that all documentation related to these purchases are being maintained in the department's file area. These items have been received and accounted for.



MISSISSIPPI VALLEY STATE UNIVERSITY
PURCHASING CARD CYCLE TRANSACTION LOG

Card Holder: NAME Dept: DEPT Card Number: (last 4 digits) 0000 Purchasing Cycle Dates: MM/16/YEAR - MM/15/YEAR

Trans. Date	Supplier/Vendor	Description Goods/Services Ordered	Costs of Goods	Sales Tax	Shipping Costs	Account Number Charged (Use Banner account number)			Total Cost	Accumulated Expense
						Org	Acct	Prog		
								\$ -	\$ -	
								\$ -	\$ -	
								\$ -	\$ -	
								\$ -	\$ -	
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I CERTIFY THAT THE ABOVE PURCHASES WERE MADE FOR "OFFICIAL BUSINESS" USE ONLY AND WERE PURCHASED IN ACCORDANCE WITH THE POLICIES AND PROCEDURES SET FORTH BY MISSISSIPPI VALLEY STATE UNIVERSITY AND THAT ALL DOCUMENTATION RELATED TO THESE PURCHASES ARE BEING MAINTAINED

Cardholder Signature: _____ Date: _____
P-Card Liaison Signature: _____ Date: _____
Department Supervisor Signature: _____ Date: _____

P-Training for Department Supervisors

- Purchasing Department
- Call if you have any questions
- Main Number – 662-254-3319
- <http://www.mvsu.edu/purchasing/>



Test Questions

Show what you have learned complete the study questions

