



Purchasing Card Policy Training

TTUHSC ***Payment Services***

Purchasing Card Policy Training

Contents

Program Overview

Responsibilities of Cardholder

Policies of Purchasing Card (PCard) Program

Recordkeeping

Reviews

Laserfiche

Overview

Utilizes a MasterCard credit card

- Issued by the State of Texas

Allows users to purchase directly from vendors

Allows for single purchases up to \$5000 and monthly card limit based on estimated usage

Prohibits some items and merchants

Transactions managed online with CitiDirect

Global Card Management System

Requires Training

Personal Responsibility

Proper use and protection of card

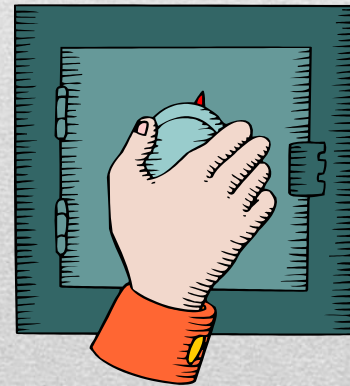
- Use only for official TTUHSC allowed purchases
- Keep in locked drawer or safe place

Verify proper recording of transactions to Banner FOAPs

Abuse results in disciplinary action

- Liable for unauthorized purchases
- Possible termination of employment

No personal credit check



Personal Responsibility

Report lost or stolen card **immediately**

- Inform Citi
 - Customer Service **(800)248-4553**
 - Inform TTUHSC PCard Program Coordinator
 - Celeste Ramirez **(806)743-3565**

Citi is 100% liable for fraudulent use **after card is reported lost or stolen**

Obtaining a PCard

Complete PCard application and agreement form

- [Application and Agreement Form](#)

Complete required PCard training module and questionnaire

- [PCard Knowledge Quiz](#)
- Return questionnaire to Payment Services, MS 6283

For additional questions, email the PCard Program Coordinator at Pcard@ttuhsc.edu

Activation of PCard



Card must be activated upon receipt

- See strip on card for instructions
- Remember, CitiBank Cards require a PIN at time of activation

Purchase Guidelines

Compliance



- State of Texas Policies
 - [Use of Payment Cards by State Agencies](#)
 - TTUHSC Policies & Procedures
 - [HSC OP 72.15 Purchasing Card Program](#)
 - [HSC OP 72.03 Direct Pay Expenditures](#)
 - [HSC OP 72.16 Official Functions, Business Meetings & Entertainment](#)
 - [HSC OP 72.01 Purchasing Supplies, Equipment & Services](#)
 - Internal Departmental Procedures
-

Purchase Order vs. PCard

Use Purchase Order

- Allowed purchases of **greater than \$5,000**
 - If vendor does not accept purchasing card
 - Contracts (if item not available, *purchases must have deviation approval from Purchasing to use PCard*).
 - *Summus/Staples – Office Supplies – Online Ordering & Automated PO*
 - *Summus/Henry Schein – Medical Supplies & Pharmaceutical - Online Ordering & Automated PO*
 - *Fisher Scientific – Lab Supplies – Online Ordering & Automated PO*
 - *Summus/Dell – Computer Equipment*
-

Purchase Order vs. PCard

Use PCard

- Allowed purchases of **\$5,000 or less**
- Flowers
 - **Must use PCard**
 - Official TTUHSC functions
 - Employee and immediate family only
 - No substitution for this type of purchase
 - **Prohibited on state accounts**

Food & Entertainment

- Must be documented by the following:
 - Invoice/Receipt
 - [Food & Entertainment Substantiation Form](#)
-

Purchase Order vs. PCard

- [Pre-Approval Form](#) (if applicable)
- Include required documentation with “Expense Report”
- **Prohibited on state accounts**

Hand Held Computer Devices, Books,
Equipment, Supplies, etc.

- Items are property of TTUHSC

Prohibited Purchases

HSC OP 72.15 Purchasing Card Program Item 2.b. Prohibited Purchases



- Awards and Prizes (see [HSC OP 72.03](#))
- Chemicals and other potentially hazardous materials
- Consulting, Medical Services, Personal or Professional Services
- Controlled Assets > \$500 (Shipping included)
 - At any cost – Hand guns, rifles, machine guns, etc.
 - With a cost between \$500 and \$4,999.99 –Cameras, computers (including peripherals), printers, stereo systems, video recorder/laser disk player (TV, VCR, camcorder), projectors and etc.

Prohibited Purchases

- Donations, Contributions & Sponsorships
- E Bay Purchases
- Lease or Rental of Space
- Malpractice Insurance
- Medical Licenses for states other than the State of Texas
- Notary Applications
- Payments to Patient/Study Participants



Prohibited Purchases

- PayPal Services
- Supplies (Medical, Pharmaceuticals, and Office) require use of the Institutional Supply Contract unless a deviation approval has been received from Purchasing)
- Temporary Personnel
- Travel Related Purchases i.e. airline ticket, hotel and rental car reservations, restaurant services within a hotel complex, and internet services, etc.
- Uniforms (includes lab coats)



Blocked Vendors

Chemicals and other potentially hazardous materials and other supplies must be placed through TechBuy. If you have any questions, contact Victor Means at victor.means@ttuhsc.edu or Felis Kennedy at felicitas.kennedy@ttuhsc.edu with Safety Services.

Vendors Blocked on the Purchasing Card

American RadioLabeled Chemicals

Bio-Rad

Cambridge Isotope Laboratories

Cole Parmer

E Biosciences

EMD Chemicals

Fisher

Invitrogen – Life Technologies

Irvine Scientific

MP Biomedicals

New England BioLabs

PerkinElmer

Promega

Qiagen

Sigma-Aldrich

VWR

Worthington BioChemical Corp

Other Vendors Blocked for Use on the Purchasing Card

Aqua One, Inc - Cappetto's Italian Restaurant - Midtown Printing - WesTex Document, Inc

Prohibited State and Federal Purchases

Alcoholic Beverages

Food and Entertainment

Flowers

Promotional Items

Membership Dues

State and Federal Funds

- 10XXXX, 11XXXX, 12XXXX, 21XXXX, and 22XXXX



Order With a PCard

Ordering Methods

- Telephone
- Fax
- Internet (Print screen for proof of purchase for documentation)

Itemized Invoices Required

- Ask vendor for an itemized invoice

Sales tax (State of Texas) on an invoice must be credited by the vendor or personally reimbursed to TTUHSC.

- [Tax Exemption Forms](#)
-

Order With a PCard

Departmental Reference Number

- Request vendor to use the format “CCStop _ _ _ _ Last Name” for the reference number
 - CC means Credit Card
 - Stop _ _ _ _ is the departmental mail stop
 - RM _ _ _ _ for Amarillo, El Paso or Odessa
 - Last Name is the credit card holder’s last name

Order With a PCard

Ship to Address Format

- TTUHSC
 - ATTN: CCStop _ _ _ _ Last Name
 - 3601 4th Street, Stop _ _ _ _
 - Lubbock, Texas 79430
- For Regional Centers
 - Use Address and Room # instead of Stop #

Transaction Log

Transaction Log is available, but not required:

- If log is maintained - required information:
 - Credit Card Number
 - Card Holder's Name
 - Banner Default FOP
 - Transaction Date
 - Merchant Name
 - Amount
 - Must be entered in log in the same order as the Credit Card Monthly Expense Report
 - Credits or returns must also be logged and included in documentation
-

Supporting Documentation

If Transaction Log is not used, each receipt or invoice must reflect the required information to support the purchase as a legitimate state expense

- Documentation needed to be in compliance with record keeping requirements:
 - Expense Report with appropriate signatures
 - Invoice/sales receipt from the vendor and/or print screen prior to submission for online orders
 - Business purpose written on the supporting documentation, or in the available field of the Expense Report, or the transaction log/interdepartmental form

Supporting Documentation

- Credit card slip (if available) taped on the invoice or itemized receipt
- Registration – order form detailing the charges for the conference
- Membership dues - the enrollment form detailing the charges for the type of dues or the renewal notification/invoice and the print screen from the list of approved professional societies
- Flower purchases - the employee or recipient's name and their relationship to the employee
- Other items (if applicable) - packing slips, Pre-Approval Form, F&E Substantiation Form, deviation approval from Purchasing, copy of advertisement , and/or credit receipts

Supporting Documentation

- Required Information on Invoice or Receipt
 - Last four numbers of the credit card
 - Date
 - Merchant Name
 - Amount
 - Sales Tax (If applicable)
- Tape small receipts on documentation form or blank sheet of paper
 - Do not place tape on top of any of the above information

Food & Entertainment

Not allowed on State Funds

Permitted on Local Funds unless restricted by account

Must be a clear and specific business purpose identified

Proper documentation is required

- Must include a [Food & Entertainment Substantiation Form](#)



Food & Entertainment Documentation

Follow IRS guidelines

Documentation for:

- Amount
- Time, place and description of entertainment
- Business purpose and benefit to TTUHSC and the State of Texas
- Business relationship of person(s) entertained
 - Name, title and occupation

Reimbursement for PCard Transactions

The check or cash **must be sent to the PCard Coordinator for correct processing.**

A CR form will be completed by the PCard Coordinator immediately upon receiving the payment and submitted to the Bursar's office. The FOAP used will match the original transaction as it was processed in Banner.

A copy (CR and payment) will be made for the cardholder folder and also sent to the department. The department copy is to be put in the transaction log binder for review purposes.

Note: All campuses must send reimbursements to the P Card Coordinator for processing to:

- Celeste Ramirez, STOP 6283

Missing Receipts

Cardholder must attempt to get a copy of the original documentation

If unsuccessful:

- Three attempts to get copy must be documented
- Missing Receipts Form must be completed
 - [Missing Receipts Form](#)
 - Account Manager/Supervisor signature required
- Keep form with other documentation

Missing receipts should be a rare occurrence and will be carefully scrutinized in reviews

Monthly Expense Report

User generates Monthly Expense Report from Citi purchasing card management system

Cardholder lists all transactions and verifies all transactions are legitimate

- Match each transaction on expense report to your receipts
 - Match credit card expense report to your Cognos Operating Transaction reports
 - Place receipts and any other required documentation behind your expense report
 - Receipts and required documentation must be in the same order as transactions appear on the credit card expense report
-

Monthly Expense Report

Expense report must be signed by cardholder **and** account manager, supervisor or department administrator every month

HSC Payment Services will pay the bill, then the transactions will be expensed to your departmental account

- Transactions are reflected in your Cognos Operating Transaction reports
 - Transaction ID - CHXXXXXX
 - Transaction description – cycle end date, first six letters of the cardholder's name and merchant name
 - All transaction lines for each cardholder added together should equal the expense report total
-

Allocations

Citi

- Transactions that need to be reallocated to another FOP, rather than the default FOP that is tied to the card, can be processed as soon as two days after the purchase. Check the account code for each transaction to ensure it accurately describes your purchase. The link to the Citi website is below:
 - [CitiDirect Global Card Management System](#)
- Close date for reviewing and reallocating FOAPs in order to load to Banner correctly is approximately 6 business days after the close of the monthly cycle

Allocations

- Cost transfer requests after the PCard upload have been expensed in Banner should be a rare occurrence due to the ability to reallocate transactions in Citi
- The [Financial Transaction System](#) (FiTS) Cost Transfer (located on Accounting Services website) should be used to submit all cost transfer requests.
- The [Cost Transfer Request Form](#) (located on Accounting Services Forms website) must be used to change an account code for a current FY expenditure.

Disputed Items

Call vendor first – resolve with them

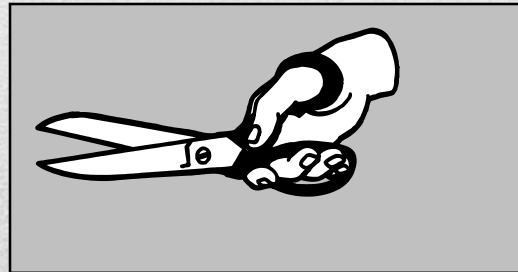
If item not resolved with vendor, call Citi Customer Service at **(800)248-4553 to dispute the transaction**

Important Note: If disputing a US vendor item, the claim must be completed within **60 days from the cycle end date of the expense report.**

PCard Cancellation

Cut card in half and return with a written card cancellation request to the PCard Coordinator

- Celeste Ramirez, STOP 6283



Employee Terminations

Account Manager has the obligation to reclaim the card from the terminated employee

- Fraudulent charges incurred between employee termination date and card cancellation date do not have liability coverage

Call PCard Coordinator **within two days**:

- Celeste Ramirez (806)743-3565

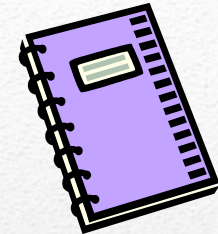
Card must be returned with the transaction documentation since the last review date to the PCard Coordinator

- Celeste Ramirez, STOP 6283
-

Record Keeping

Simple system

- 3-Ring binder
- File Folder



One binder or folder for each card identified by cardholder name or last four digits of the card

- Monthly Expense Report
- Transaction Log if maintained
- Receipts, along with all supporting documentation, in same order as transactions on Expense Report

Record Retention

Standard Retention Period

- Current year plus 3 previous fiscal years

Grant & Contract Accounts

- Life of Grant or Contract, plus 3 years

Terminated employees

- Must be reviewed as soon as card is cancelled
- Standard retention period

Reviews and Spot Checks

Spot Checks

- Previous day's transactions reviewed daily



Reviews

- The Expense Report and its supporting documentation will be sent to Payment Services based on the month ending cycle.
- The monthly PCard Update will announce the due date for each monthly review and when it is expected in Payment Services.
- Upon final completion of the review, the Expense Report and its supporting documentation will be sent to Laserfiche to be scanned.

Laserfiche

Laserfiche

- General Services will charge the departments \$.065 per sheet sent to Laserfiche.
 - The default FOP affiliated with each card will be used to charge the scanning cost.
 - Laserfiche will be available to all employees and HSC Internal Audit through Weblink. It will also allow a timely gathering of information for audits conducted by Federal and State Agencies.
 - Original documentation will be kept for 3 years plus the current Fiscal Year in Payment Services' storage. If an original receipt is needed for returned items, send an email to c.ramirez@ttuhsc.edu
-

Laserfiche

Preparing The Records for Scanning:

- Remove all staples
- Do not place transparent tape over invoice/receipt transaction date, amount, description of item, or vendor name. The tape “fades” the printed info.
- If the full 16 digit card number is notated on any supporting document, block out the first ten digits of card number and the 3 digit security code.

PCard Contacts

Program Coordinator

- Celeste Ramirez

Email: Pcard@ttuhsc.edu

Phone: (806)743-3565

Fax: (806)743-7847

MS: 6283

Associate Director of Payment Services

- Laree Bomar

Email: laree.bomar@ttuhsc.edu

Phone: (806)743-7398

PCard Contacts

Director of Purchasing

- John Haynes

Email: john.g.haynes@ttuhsc.edu

Phone: (806)743-7387

Citi

- Customer Service

Phone: (800)248-4553

PCard Application & Training Questionnaire

Application:

- [Purchasing Card Application and Agreement](#)
- Print and complete the form including all cardholder information, default FOP and Account Manager signature

Training Questionnaire:

- [Purchasing Card Knowledge Quiz](#)
- Print and complete the quiz with signature on second page

Completed forms should be mailed to Payment Services, MS 6283

- Requested cards will be available in about two weeks

Questions?

Contact: PCard Coordinator at
Pcard@ttuhsc.edu

