



TEXAS TECH UNIVERSITY  
HEALTH SCIENCES CENTER™

Payment Services

# Purchasing Card Policy Training

Payment Services



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# 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 \$5,000 and monthly card limit based on estimated usage
- Transactions managed online with Citi Manager – Expense Manager
- Requires training
- Purchasing policies still apply

# Personal Responsibility

- Proper use and protection of PCard
  - 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 a lost or stolen card **immediately**
  - Inform Citi Customer Service at **(800)248-4553**
  - Inform TTUHSC PCard Program Coordinator
    - Celeste Ramirez at **(806)743-3565**
    - [pcard@ttuhsc.edu](mailto:pcard@ttuhsc.edu)
- Citi is 100% liable for fraudulent use **after card is reported lost or stolen**



# Personal Responsibility

- Fraud
  - Citi notifies end user of fraud by email, texts, etc.
    - End user is the only person that can respond.
- Declines
  - If PCard is declined several times, contact Pcard at [pcard@ttuhsc.edu](mailto:pcard@ttuhsc.edu).

# Obtaining a PCard

- 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, STOP 6283
  - Requested cards will be available in about two weeks





# 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



# PCard Guidelines

- PCard is a method of payment.
- 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 Department Procedures



# Prohibited Purchases

## [HSC OP 72.15 Purchasing Card Program](#) - Item 2.b.

### Prohibited Purchases

- Awards and Prizes (see [HSC OP 72.03](#))
- Blocked Vendors
- Chemicals and other potentially Hazardous Materials
- Consulting, Medical Services, Personal or Professional Services



# Prohibited Purchases

- **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, etc.
- **Donations, Contributions, and Sponsorships**
- **eBay Purchases**
- **Individual Amazon Prime Accounts**



# Prohibited Purchases

- In-State Sales Tax
  - Including Tax on Carry-Out or Delivered Meals
- Lease or Rental of Space
- Medical Licenses for states other than the State of Texas
- Notary Applications
- Payments to Patient/Study Participants

# Prohibited Purchases

- 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
  - Airline ticket, hotel and rental car reservations, restaurant services within a hotel complex, and internet services, etc.
- Uniforms (includes lab coats)



# Prohibited State & Federal Purchases

- State and Federal Funds
  - 10XXXX, 11XXXX, 12XXXX, 21XXXX, and 22XXXX
- Alcoholic Beverages
- Food and Entertainment
- Flowers
- Promotional Items
- Membership Dues



# Additional Guidance

- Purchases for Food and Entertainment **must** be documented using the [Food and Entertainment Substantiation Form](#) and [Pre-Approval Form](#).
- Alcoholic Beverages may only be served on campus at appropriate events with prior written approval of President or Designee
- All IT purchases including Software and Software Licenses must be approved by IT. Requests for approval can be made through [Purchasing@ttuhsc.edu](mailto:Purchasing@ttuhsc.edu) and evidence of approval must be submitted with the expense documentation.





# Additional Guidance

- PayPal Services prohibited.
- An Organization must be on the [Professional Membership List](#) for payment of Membership Dues.
- Gifts for Length of Service including Retirement (<\$400) and Non-Cash Gifts for Donors or Participants of Official Functions must include [OP 72.03 Attachment B](#).



# Permitted Purchases

- Permitted Purchases of \$5,000 or less must be made using PCard subject to vendor accepting credit cards.
- Malpractice Insurance
- Flowers
  - Official TTUHSC Functions or for Employees and Immediate Family Members in cases of illness or death
- Food and Entertainment
- Books
  - If not available through an institutional contract in TechBuy.



# Permitted Purchases

- Equipment
  - If not available through an institutional contract in TechBuy.
- Advertising in Out-of-State Newspapers and Online for Staff Recruitment
- Accreditation, Certification and Examination Fees
- Magazine/Journal Subscriptions
- Membership Dues
- Professional License Fees
- Registration Fees



# Deviation Request Guidelines

- Deviations are not required for permitted PCard purchase of \$100 or less with the following exceptions
  - Medical Supplies
  - Pharmaceuticals
  - Consumable Office Supplies
- Exceptions must have prior written approval from Purchasing and filed with reconciliation documentation.
- Standard PCard policy still applies in regards to permitted and prohibited purchases, refer to [OP 72.15](#).



# PCard Reminders When Ordering

- Payment at time of order
  - Past due invoices should not be processed on Pcard please issue a purchase order with non-compliant form attached.
- Sales tax (State of Texas) on an invoice must be credited by the vendor or personally reimbursed to TTUHSC.
  - [Tax Exemption Forms](#)



# PCard Reminders When Ordering

- Itemized Invoices Required
  - Ask vendor for an itemized invoice.
- Ship To Location other than a TTUHSC Address requires approval from Purchasing.



# 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

- 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

- Registration
  - Order form or screen shot 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 and recipient's name and their relationship to the employee
    - If for death in family, please submit death notice or obituary
- Other Items (if applicable)
  - 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
  - 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

- Proper documentation is required.
- Not allowed on State Funds.
- Documentation for:
  - Amount
  - Time, place and description of entertainment
  - Business purpose (clear and specific) and benefit to TTUHSC and the State of Texas
  - Business relationship of person(s) entertained
    - Name, title and occupation
  - Must include a [Food & Entertainment Substantiation Form](#)

# Reimbursement for PCard Transactions

- The check or cash **must be sent to the PCard Coordinator for correct processing.**
- A Cash Receipt (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 will be made for the cardholder folder and also sent to the department.
- **Note:** All campuses must send reimbursements to the PCard Coordinator for processing.
  - Mail to: Celeste Ramirez at 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 PCard, 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.
- Link to the Citi website:
  - [CitiDirect Global Card Management System](#)
- Close date for reviewing and reallocating FOAPs in order to load to Banner correctly will be announced in the monthly PCard update
- Allocations should be done daily or weekly





# 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 the [Accounting Services Systems web page](#)) should be used to submit all cost transfer requests.
  - The [Cost Transfer Request Form](#) (located on the Accounting Services [Frequently Used Forms web page](#)) must be used to change an account code for a current FY expenditure.
    - For additional information contact [hscacc@ttuhsc.edu](mailto:hscacc@ttuhsc.edu)



# Disputed Items

- Call vendor first to 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 U.S. vendor item, the claim must be completed within **60 days from the cycle end date of the expense report.**



# PCard Cancellation

- Send cancellation notification to PCard at [pcard@ttuhsc.edu](mailto:pcard@ttuhsc.edu), stating reason for cancellation
  - Employee separation
  - Extended leave
  - Department Transfer
- Cut PCard in half and return with a written card cancellation request to the PCard Coordinator
  - Mail to: 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 **As Soon as Possible**:
  - Celeste Ramirez: **(806)743-3565**
- Card must be returned with the transaction documentation since the last review date to the PCard Coordinator.
  - Mail to: Celeste Ramirez, STOP 6283



# 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.
- [Post Payment Review Monthly Process](#)



# 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.



# Laserfiche

- 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, email [c.ramirez@ttuhsc.edu](mailto:c.ramirez@ttuhsc.edu)
- 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

## **PCard Program Coordinator**

Celeste Ramirez

[Pcard@ttuhsc.edu](mailto:Pcard@ttuhsc.edu)

(806)743-3565

STOP: 6283

## **Analyst II**

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## **Citi**

Customer Service

(800)248-4553

## **Managing Director Procurement Services**

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## **Associate Managing Director Payment Services**

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# Questions

If you have additional questions,  
please contact Payment Services at:  
[Pcard@.ttuhsc.edu](mailto:Pcard@ttuhsc.edu).