
P-CARD

Purpose:

To establish University policy for the appropriate use of P-Cards.

Additional Authority:

Idaho Code §59-1026

Scope:

Applies to all purchases made using university P-Cards.

Responsible Party:

P-Card Administrator, 426-1795

POLICY

I. Policy Statement

This policy is intended to formalize the use of P-Cards in the University community so as to ensure that the cards are utilized properly and without malfeasance.

II. General Guidelines

- A. Cardholders: Cardholders must be permanent faculty or staff members of the University. A P-Card is assigned to a specific individual who assumes responsibility for that P-Card. Group P-Cards may be requested from the purchasing manager.
- B. Card Issuance: To open a new account and establish limits, authorized cardholders will be asked to complete a [Cardholder Application](#) form and sign a [User Agreement](#).
- C. Account Maintenance: Change of information regarding the account (e.g., mailing address, email address, limits, or restrictions) should be communicated via the [P-Card Account Maintenance](#) form and forwarded to the departmental P-Card administrator.
- D. Lost or Stolen Cards: Cardholders are responsible for the security of the card and any purchases made on the account. Cardholders should report lost or stolen cards immediately to Wells Fargo Bank Customer Service, as well as to the P-Card administrator.

E. Termination of Employment:

1. P-Card coordinators must notify the P-Card administrator when a P-Card holder has terminated employment.
2. P-Card holders who have terminated their employment should return P-Cards to the department or P-Card administrator. They should include with their card all required documentation (e.g., receipts).
3. Cardholder should sign a "P-Card Account Maintenance" form that states there were no unauthorized purchases made with his or her card, and that all expenses were authorized State expenses. This form should be forwarded to the P-Card administrator.
4. Once the P-Card, relevant documentation, and "P-Card Account Maintenance" form has been turned in, the P-Card administrator should cancel the card via Wells Fargo.
5. If there are any remaining charges on the P-Card not accounted for in the process outlined above, those charges will be deducted from the cardholder's paycheck or recuperated through other means.

F. Limitations and Restrictions: Single transaction limits and monthly transaction limits are placed on each P-Card per the purchasing policy guidelines, unless the BSU Purchasing manager grants an exception. Exceptions will be reviewed annually.

1. Single purchases will be limited to a \$1,999 maximum unless a lower amount is requested by the department.
2. Monthly purchases will be limited to a \$10,000 maximum unless a lower amount is requested by the department.
3. There will be no daily maximum amount limit unless such is requested by the department.
4. There will be no daily transaction limits unless requested by the department.
5. There will be no monthly transaction limit unless requested by the department.

G. State Contracts: It is required that state contract merchants/vendors be used when making purchases of commodities that are available from State term or agency contracts.

H. Exceptions: Exceptions to the P-Card policy may be made by the Controller's Office.

III. Restricted Merchant Category Codes—MCC

MCC codes for vendors/suppliers that would be used during the normal course of business are not restricted. Exceptions to restricted MCC codes may be granted by the purchasing manager when warranted (e.g., if a restricted MCC code is needed for a legitimate business purpose that is not in conflict with any other purchasing policy). Exceptions will be reviewed annually.

IV. Authorized Purchases

A. Purpose and Use of P-Card: The P-Card is intended for small purchases of products and supplies needed during the course of business. Purchases against State Contracts (up to the single transaction limit amount) may be made from suppliers willing to accept MasterCard. Some common uses of the P-Card Program may include:

1. Office Supplies from contract vendors on state contracts.
2. Building materials, plumbing, electrical, hardware and tools.
3. Equipment repairs, spare parts, automotive parts except when in lieu of gas card or Wright Express Card.
4. Books and subscriptions.
5. Computer supplies, e.g., software and diskettes (but not computer systems--laptops, desktops or servers).
6. Miscellaneous items, e.g., class supplies.
7. Advertising.
8. Entertainment (e.g., meetings, meals, food, catering, and so forth).
9. Specific travel expenses (e.g., airline, rental car & gas, hotel reservations, conference registration, and so forth).
10. Non-employee travel: all expenses.

V. Inappropriate Purchases

A. Inappropriate Purchases: As with any agency or state purchase, the P-Card is not to be used for any product or service or with any merchant considered to be inappropriate for state or public funds. The following constitute examples of inappropriate purchases made with a P-Card:

1. Items for personal use.
2. Employee travel (except for conference registration, airfare, and rental cars). Exceptions to travel on P-Card will be made at the discretion of the Controller's office.
3. Alcoholic beverages. Exceptions may be made by the purchasing manager for the use of alcohol in the curriculum (e.g., cooking wine for the Culinary Arts program).
4. Cash advances.
5. Salaries and wages.
6. Bars, cocktail lounges, discotheques, etc.
7. Any items listed in BSU Policy #6470 "Purchasing", section
8. Purchases made from vendors with restricted MCC codes.
9. Gifts or donations, except as allowed per BSU Policy #6130 "Purchasing" (e.g., bereavement flowers sent to employee).

B. Split Purchases: Any action taken to "work around" or "bypass" the limits set on P-Cards is prohibited. Vendors should not be asked to "split" a purchase. "Splitting" of purchases will not be tolerated, and may result in revocation of your card.

C. Avoiding Bidding: Use of the P-Card to "split" purchases to avoid the bidding process will not be tolerated, may result in revocation of the P-Card, and may result in civil penalties.

D. Sanctions for Failure to Comply: Failure to comply with the above guidelines for authorized purchases under the State of Idaho P-Card Program may result in disciplinary action, cancellation of card privileges, and possible termination of employment.

VI. Reconciliation and Payment

- A. Receipt Retention: Cardholders are required to maintain original, itemized receipts and when applicable, packing lists for P-Card purchases.
- B. Reconciliation: The department P-Card coordinator will receive an excel spreadsheet for all cardholder purchases in their area from the P-Card administrator. The department P-Card coordinator should work with individual cardholders to reconcile transactions to the statement and provide appropriate accounting information for processing. Failure to reconcile the statement or to provide accounting information may result in the suspension or revocation of the P-Card.
- C. Documentation: Storage and safekeeping of receipts and documentation will be the responsibility of the department. Receipts must be maintained for a minimum of five years. Such records will include the following:
 - 1. Copy of the Allocation Spreadsheet forwarded to P-Card administrator.
 - 2. Cardholder statement with receipts attached for all purchases, business purpose supplied, with signatures from cardholder & manager.
 - 3. An Entertainment Expense Report for any purchase involving meals and entertainment. When making a non-meal purchase from a vendor that typically sells meals or food identify the items purchased and the business purpose on the cardholder statement.
 - 4. Any documentation associated with the purchase that may be necessary for auditing records.
- D. Disputed Charges: Discrepancies on the statement are the cardholder's responsibility to immediately follow-up on with the merchant involved in the transaction. Incorrect charges or a quality or service issue should be resolved with the merchant directly. If the matter cannot be directly resolved with the merchant, the P-Card administrator should be contacted with the relevant details for further assistance.
- E. Fraudulent Charges: Any fraudulent charge must be reported immediately to Wells Fargo Bank Customer Service and the Purchasing Card Administrator via the [Declaration of Forgery or Unauthorized Use](#) form.

- F. Returns, Damaged Goods, and Credits: Goods purchased with a P-Card that need to be returned should be coordinated directly with the supplier. Please contact the P-Card administrator for more detailed instructions.

VII. Auditing

- A. Auditing: P-Card transactions will be sampled and audited on a monthly basis to confirm compliance with Federal and State law, State policy, and BSU policy and procedure. Violations may result in deductions from employee paychecks for unauthorized, illegal, or undocumented purchases; suspension or revocation of card; and personnel action up to and including termination, as appropriate based on the violation.
- B. Responsibility of Departments and Cardholders: Departments and cardholders are responsible for providing requested documentation to facilitate the auditing process.