



Wilkes University

Procurement Card (P-Card) Policy Index

DEFINITIONS	2
ELIGIBILITY & PROCESS.....	4
P-CARD PROCEDURES.....	5
ALLOCATION OF CHARGES.....	6
CARDHOLDER RESPONSIBILITIES.....	7
APPROVER RESPONSIBILITIES	8
PROXY RESPONSIBILITIES.....	9
UNIVERSITY P-CARD AUDITS	9
PROGRESSIVE DISCIPLINARY GUIDELINES	10
GENERAL INFORMATION	12



Wilkes University

Procurement Card (P-Card) Policy

Effective Date: 1/1/2020

Responsible Office: Business Operations

Purpose:

To outline responsibilities and procedures for the acquisition, use, and maintenance of the University's P-Card Program.

A P-Card is issued for the use of the authorized University employee and is a University credit card which will never affect the Cardholder's personal credit. The P-Card is intended to simplify the purchasing and payment process of low-dollar transactions. The P-Card allows authorized cardholders to purchase materials needed for the operation of their departments, directly from a supplier. The P-Card is a cost effective and efficient option for purchases.

DEFINITIONS

Approver: A cardholder's budget manager or next level supervisor. An Approver is responsible for verifying charges, ensuring support documentation is properly retained, and overseeing the purchases of all cardholders within their hierarchy.

Budget Manager Approval: University assigned employee(s) responsible for monitoring departmental expenses.

Business Purpose: one that supports or advances the goals, objectives and mission of the University, and adequately describes the expense as a necessary, reasonable and appropriate. The 5 "Ws" (Who, What, Where, When, and Why) can help determine if the expense meets the criteria of a business purpose. An explanation of the business purpose must be documented and should contain sufficient information so the Approver, Program Administrator, and/or external auditor will clearly understand how the expense benefits the University. Explanations such as "research", "business meeting" or "lunch meeting" are NOT sufficient explanations of business purposes.

Capital Asset: Assets that 1) are used in operations and 2) have an initial useful life in excess of one year. Capital assets consist of tangible assets equal to or greater than \$3,000 (land, buildings, building improvements, vehicles, machinery, equipment, works

of art, historical treasures, infrastructure) and intangible assets (easements, software). Assets are identifiable by physical characteristics, such as the permanent location, model name or serial number.

Card Provider/Issuing Bank: The Bank or financial institution that provides the P-Cards and services to the University.

Cardholder: A permanent employee, including preferred supplier employees, whose name appears on the P-Card.

Credit Limit: A dollar limitation of purchasing authority assigned to the Cardholder for the total of all charges made during each monthly billing cycle. Cardholders may not purchase more than their monthly credit limit. (This limit is not in addition to your yearly department budget.)

Electronic Reporting System: An internet-based site that provides Cardholders with the ability to easily retrieve and maintain P-Card information 24 hours a day. Key features include displaying and downloading statements, search capabilities, email reminders and standard reporting.

External Auditor: A person selected by the Controller's Office to examine the support documentation associated with a P-Card and report the findings.

FOAP: Term used in Banner representing an accounting sequence consisting of a FUND, ORGANIZATION, ACCOUNT and PROGRAM.

Grant Approver: Authorized Approver for any grant-related purchases.

Merchant Category Code (MCC): All VISA merchants (suppliers) are assigned an industry-specific MCC code that can be used to track or restrict a particular type of purchase.

Non-Conforming Charge: Any charge that is not related to the cardholder's job functions at Wilkes University. This includes, but is not limited to, the purchase of Prohibited Items, capital items and personal purchases. Reimbursement is required.

P-Card Allocation Deadline: Transactions must be allocated on Card Provider's website by noon on the 3rd business day of the following month. (i.e. January transactions must be reviewed by third business day of February)

P-Card Proxy: A P-Card Proxy is an individual who is authorized to view and allocate the transactions of a cardholder. A Proxy may or may not also be a cardholder.

P-Card Statements: A listing of all transactions charged to the Cardholders account for the monthly billing cycle. This statement is available from the P-Card Providers online and will also be mailed to cardholders at the end of each month.

P-Card Statement Deadline: Monthly P-Card statements are due to Business Operations by the 20th day of the following month. (i.e. January statements would be due February 20)

Procurement Card (P-Card): A credit card issued to a permanent employee, including preferred supplier employees, for the purpose of making authorized purchases on the University's behalf. The University is responsible for payments to the issuing bank.

Program Administrator: A University employee responsible for administering the P-Card Program and acting as the main contact between the University and the P-Card Provider.

Support Documentation: A supplier produced or non-University document that records the relevant details for each item purchased including quantities, amounts, description of purchase, the total charge amount and the merchants name and address (e.g. sales receipt, original invoice, packing slip, credit receipt, order confirmations via email or fax, budget approvals, restricted purchase approvals, etc.).

SWEEP: A term used to describe the process of uploading un-reviewed transactions into Banner from the Card Provider's website by the P-Card upload deadline. An un-reviewed transaction is one that that has not been properly assigned a Fund/Org/Account/Program, and/or is missing an acceptable business purpose.

University P-Card Policy

ELIGIBILITY & PROCESS

P-Cards are only assigned to an individual, not a school or department. To be eligible for a P-Card, the applicant must meet the following criteria:

- The applicant must be a Full-Time faculty or staff member (Part Time faculty/staff members must be approved by the VP, Finance & General Counsel.)
- The applicant must submit a completed [P-Card Enrollment form](#).
- The applicant must successfully complete New Card Recipient training, with a score of 80% or greater on the training module quiz prior to card issuance.

Upon eligibility, an employee can expect to receive a P-Card within 7-10 business days of submitting an approved P-Card Enrollment Form.

Cardholder Employment Change within the University

All position changes should be reported to a P-Card Program Administrator as soon as possible. Please follow the below procedures for position changes.

Type of Change	Procedure
New position, same Approver	A new position within the same department which requires the use of a P-Card should continue to use the same card.
New position, new Approver	Cardholder must complete a new P-Card Enrollment form and submit to Program Administrator. This form must be sent immediately upon new position start date.
No longer need a card	Cardholders who no longer require a P-Card in their new role (whether under the same Approver or not) must return the card to the designated Approver and notify a Program Administrator.
Separation from the University	Cardholder must return their P-Card and support documentation to their Approver prior to departure. The Approver must notify a Program Administrator immediately. P-Card statements and support documentation must be forwarded to Business Operations.

P-CARD PROCEDURES

Cardholders are authorized to use the P-Card to purchase any merchandise or services required as a function of their duties at the University with the exception of [Prohibited Items](#).

Making a purchase:

1. Verify there are sufficient funds available in the department's budget and obtain Approver authorization prior to making the purchase.
2. Understand and comply with the list of prohibited purchases and the University's [Travel Policy](#) guidelines.
3. At time of purchase, emphasize the University is a Tax Exempt entity. The University's Tax Exempt number is printed on the front of every P-Card.
 - If the supplier requires a University tax-exempt certificate, contact Business Operations or Accounts Payable.
 - Wilkes University is only sales tax exempt in Pennsylvania. When traveling, other states' taxes will apply.

4. All items should be shipped to the University Mailroom, 84 West South Street, Wilkes-Barre, PA 18766. Include individual name and/or department to assist in accurate delivery.
5. Follow [Cardholder Responsibilities](#) outlined herein.

Unauthorized and/or Inappropriate Card Use

- The P-Card cannot be used to purchase items the University deems as prohibited.
- The P-Card must never be used to purchase items for personal use or for Non-University purposes, even if the cardholder intends to reimburse the University. Unauthorized transactions not reimbursed may be added to the employee's W-2 as taxable income.
- P-Card use in an inappropriate manner may be subject to disciplinary action including loss of P-Card privileges, termination of employment, and possible criminal prosecution.
- [Non-Conforming P-Card Charge Form](#) must be completed when an unauthorized and/or inappropriate purchase is made.

ALLOCATION OF CHARGES

Cardholders are responsible for verifying all transactions against the corresponding support documentation for accuracy. This verification must be done monthly using the Card Provider's website.

All monthly charges must be reviewed, allocated and locked online **BY NOON OF THE THIRD BUSINESS DAY OF THE FOLLOWING MONTH.** (Items purchased on the last day of a month may take two or three days to post on the Card Provider's website.)

Transactions not allocated by the set P-Card Allocation Deadline will be considered a P-Card Offense and subject to consequences.

Verification and Allocation of P-Card Charges:

1. On the Card Provider's website, the cardholder reviews the transaction(s) for accuracy of pricing and sales tax exemption, etc.
2. The cardholder allocates the charge to the appropriate FOAP (Fund, Org, Account, Program) and includes a detailed business purpose for the transaction.
3. The cardholder must "sign-off" on the transaction to prevent it from being charged to an inaccurate FOAP.

Business Purpose

1. A detailed business purpose for the expenditure is required both online and on the receipt/supporting documentation.
2. A business purpose adequately describes the expense as a necessary, reasonable and appropriate expense for the University. It should contain sufficient information so the budget manager, program administrator, and/or auditor will clearly understand how the expense benefits the University.
3. In regards to travel, the business purpose should include the following:
 - a. Who: If the expense is for more than one person (i.e., meal for two employees), the description should include all names.
 - b. What: Include what type of expense it is, i.e. meal, lodging, rental car, etc.
 - c. Any expenses related to a rental car should include the make, model and license plate number.
 - d. Where: Include the city and state of travel. Please note the per diem limits outlined in the Travel Policy, which are based on round-trip travel time.
 - e. Why: Substantiate why the expense is reasonable and appropriate for the University.

Below are examples of appropriate P-Card travel allocations:

Type of Travel Expense	Insufficient Description	Appropriate Description
Meal	Lunch	Lunch at recruitment fair in Boston, MA – no meals provided
General	Conference	AMA conference in Syracuse, NY
Transportation	Taxi	Taxi for John Doe and Jane Smith from airport to hotel in Dallas, TX
Transportation	Gas for Rental Car	Gas in Pittsburgh, PA for rental car license plate ABC-123

CARDHOLDER RESPONSIBILITIES

It is the responsibility of the cardholder to:

1. Act in accordance with the P-Card Policy.
2. Sign and accept the terms and conditions of the Cardholder Agreement.
3. Adhere to the Prohibited P-Card Purchases Policy.

4. Protect the physical security of their card and account information. Purchases can only be made by the person to whom the card is issued. Any other use is violation of the University policy and both individuals are subject to disciplinary action.
5. Make purchases competitively where practical: utilize educational discounts, University contracts, and preferred suppliers.
6. Comply with regulations such as gift and endowment, grants and contract funds, etc., as required.
7. Ensure purchases comply with Pennsylvania sales tax exemption guidelines.
 - a. Obtain the refund of sales tax paid on exempt purchases.
8. Review and allocate transactions on the Card Provider's website by P-Card Allocation Deadline.
9. Reconcile P-Card statement as follows:
 - a. Attach original receipts in order as they appear on the statement.
 - b. Complete a [P-Card Missing Receipt Form](#) when a receipt is unavailable. Misuse of this form may result in card suspension, card termination, and/or disciplinary action.
 - c. Cardholder must sign statement and obtain Approver signature.
 - i. If multiple budgets were charged, obtain all Budget Manager signatures.
 - ii. If Grant funds are used, obtain Grant Approver signature.
10. Submit the reconciled statements to Business Operations by the P-Card Statement Deadline.
11. Notify the issuing bank, Approver, and P-Card Administrator of a lost or stolen P-Card.

Failure to comply with these policies and procedures will result in disciplinary and other measures. The University may hold the Cardholder fully responsible for all unauthorized purchases and any other fees associated with those purchase(s).

APPROVER RESPONSIBILITIES

It is the responsibility of the approver to:

1. Act in accordance with the P-Card & University [Travel Policies](#), regardless if the approver is a cardholder.
2. Ensure the P-Card is issued only to faculty and staff members who have a valid need to purchase goods, services, and/or travel and entertainment.
3. Ensure that cardholder credit limits are appropriate and updated as needed.
4. Review cardholder's statements to ensure compliance with the P-Card & Travel Policies.
5. Sign the reviewed statement by the P-Card Statement Deadline, which indicates the transactions have a legitimate business purpose and purchases were authorized.

- a. Challenge transactions that are not authorized purchases on the University's behalf and notify P-Card Administrator.
 - b. Address individual cardholder mismanagement in order to prevent future offenses.
6. Ensure cardholders submit statements by the P-Card Statement Deadline.

PROXY RESPONSIBILITIES

A P-Card Proxy is an individual who is authorized to view and allocate the transactions of a cardholder. A Proxy may or may not also be a cardholder. It is the responsibility of the P-Card Proxy to:

1. Act in accordance with the P-Card & University [Travel Policies](#), regardless if the proxy is a cardholder.
2. Request and use individual login for Card Provider website.
3. Review and allocate transactions on the Card Provider's website by P-Card Allocation Deadline.
4. Follow [Cardholder Responsibilities](#) if providing additional cardholder assistance.
5. Notify Approver and P-Card Administrator if P-Card misuse is suspected.

UNIVERSITY P-CARD AUDITS

To ensure the continued success of the P-Card Program, and to meet University policy requirements, monthly audits will be conducted. Business Operations and/or External Auditors will review the summary of departmental charges and may query the cardholder of its relevancy to University use in accordance with University Policies and Procedures. Any findings of the audits are subject to the P-Card Policy Progressive Disciplinary Guidelines.

Audits will be conducted as follows:

AUDITS	
Tier One Audit	<p>Tier one audits on all cardholders will be conducted on the following items for compliance:</p> <ul style="list-style-type: none"> • Monthly cardholder statement received by P-Card Statement Deadline. • Each transaction listed on statement has support documentation and business purpose. Printing of monthly transaction notes (if properly completed on-line) is an acceptable means of providing the business purpose. • All required signatures are present on monthly statement.
Tier Two Audit	<p>Tier Two audits will be conducted on a random selection of P-Card Statements and cardholders will not be notified in advance. Each cardholder will be audited a minimum of one (1) time per fiscal year. The audit will be conducted on the following items for compliance:</p> <ul style="list-style-type: none"> • Compliance with Tier One Audits.

	<ul style="list-style-type: none"> • All transactions adhere to P-Card Policy (i.e. prohibited items, sales tax, etc.) • Use of preferred vendors, where applicable. • Compliance with the University Travel Policy. • Adherence to any temporary policies and/or restrictions.
Tier Three Audit	At the discretion of Business Operations, audits may be conducted on the past 12 consecutive monthly statements of individual cardholders. Audits may include documenting the departmental internal controls related to the cardholder approval process, authorized purchases of goods and travel, use of preferred vendors, sales tax payments, prohibited items or personal use, and proper submission of statements and receipts.

Results will be documented by Business Operations and retained with the cardholder’s statement. Corrective action needed (i.e. reimbursement, suspension/cancellation of card, and/or disciplinary action) will be addressed with the cardholder and Approver.

PROGRESSIVE DISCIPLINARY GUIDELINES

Mismanagement, misuse, or violation of the P-Card policy will result in disciplinary action as follows:

DISCIPLINARY GUIDELINES			
Offense	1 st Offense	2 nd Offense	3 rd Offense
Late Statement*	Written warning. If the statement is not received after 7 business days, the card will be suspended until received.	Additional training is mandatory. P-card will be suspended until training is complete and statement is received.	The card will be terminated without further notice.
Missing Signature	Written warning. If the appropriate signatures are not received after 7 business days, the card will be suspended until received.	Additional training is mandatory. P-card will be suspended until training is complete and signatures are received.	The card will be terminated without further notice.
Missing Receipt / Support Documentation	Written warning. If the appropriate documentation is not received after 7 business days, the card will be suspended until items are received.	Additional training is mandatory. P-card will be suspended until training is complete and items are received.	The card will be terminated without further notice.

DISCIPLINARY GUIDELINES

Offense	1 st Offense	2 nd Offense	3 rd Offense
Overuse of Missing Receipt Form	Written warning will be issued after the 3 rd missing receipt	Additional training is mandatory after a 4 th missing receipt. P-card will be suspended for a minimum of 30 days or until training is completed, whichever is longer.	The card will be terminated without further notice after 5 th missing receipt.
P-Card Allocation Not Completed by Deadline (SWEEP)*	Written warning. Cardholder must submit corrected allocations for all swept transactions via email reply to pcard@wilkes.edu . P-card will be suspended until the correct allocations are received.	Additional training is mandatory. P-card will be suspended for a minimum of 30 days or until training completed and allocations received, whichever is longer.	The card will be terminated without further notice.
Unauthorized / Prohibited Purchase	P-Card immediately suspended for 30-days. Cardholder liable for reimbursement to University of any or all unauthorized purchases. Card will not be reinstated until reimbursement is received, if applicable.	P-Card immediately suspended upon further review. Card reinstatement at the discretion of Business Operations and/or VP, Finance & General Counsel.	The card will be terminated without further notice.
Splitting Purchase Willfully	Written warning.	P-Card suspended upon further review. Card reinstatement at the discretion of Business Operations and/or VP, Finance & General Counsel.	The card will be terminated without further notice.
Other Non-Compliant or Inappropriate Card Use	At discretion of Business Operations with VP, Finance & General Counsel approval.		

**Late Statements and/or Allocations: If you know you will be traveling, please make reasonable accommodations to submit your statement on time and verify all transactions.*

Multiple offenses that occur within the same monthly card cycle will be subject to automatic and immediate card suspension. If policy offenses continue after the card is reinstated, Business Operations may request cancellation or suspension of the card for up to one year. If the incident or combination of events is so severe, the card may be suspended permanently and the individual may be subject to disciplinary action.

GENERAL INFORMATION

CUSTOMER INQUIRY TOLL FREE NUMBERS:

Cardholder Support Customer Service: 1-800-685-4039

- Report a Lost or Stolen Card
- Dispute Inquiries

WEBSITE - <https://www.pncactivepay.com>

- Decline Information
- Balance Inquiries
- Statement Requests

University P-Card Program Administrators

Janet Cussatt, Business Operations (570) 408-4820

Bryn Timlin, Business Operations (570) 408-4707

Alicia Bond, Business Operations (570) 408-6024