

DIXIE STATE UNIVERSITY **PURCHASING CARD GUIDE**

1. INTRODUCTION

This document is only a supplemental guide to University purchasing policies and provides internal processes relating to the use of purchasing cards (PCards). All purchases must be made in accordance with University policies 221, 222, 223, and 224. The PCard program has been designed to allow for the direct procurement of small-dollar goods and services. The intent is to drastically reduce the use of purchase orders (POs) and decrease the use of petty cash and reimbursement claims. A Pcard will provide instant payment and allow for greater flexibility in ordering while reducing overall administrative paperwork and processing.

Any merchant which accepts a VISA card will accept the DSU PCard. If your card is declined it is typically due to attempting to use your PCard outside of the restrictions the University has put in place, or it is considered a 'suspicious transaction' according to the bank's fraud algorithms. If your card is declined and you would like an explanation, you may contact Purchasing Services or US Bank's Customer Service.

DSU is a publicly funded University. Funds must be spent in a responsible and efficient manner. Your PCard activity will be audited on a regular basis to ensure that procedures are followed. The PCard is a privilege. Improper use of the card will result in revocation of this privilege and possible disciplinary action, including termination. In severe cases of misusing of public funds, it may result in criminal charges.

Individual groups or departments may have their own set of internal policies regarding PCard use. Internal department policies may be defined as long as they do not contradict or conflict with this guide or any of the University purchasing policies. All cardholders should check with their budget administrator and PCard coordinator if further internal policies exist before using their PCard.

2. OBTAINING AND ACTIVATING A PCARD

Anyone who needs a PCard must submit a 'Purchasing Card Application Form' and a completed 'Cardholder's Agreement' to Purchasing Services. Supervisor and budget administrator approval is required. Cards are issued to the individual employee and may NOT be shared with others. Most PCards are not normally used for travel expenses; however, the need for travel expenses may be approved on the initial application.

After Purchasing Services approves the application, you will be given access in Canvas to take a PCard quiz. This quiz ensures you, as the cardholder, is aware of all the responsibilities of using a PCard.

After passing the PCard quiz you may pick up your card from Purchasing Services.

The application requires that you provide your Dixie ID number. This number is used for security and identification purposes for US Bank in lieu of your personal SSN. When you first receive your Pcard it will need to be activated. **Use the last four digits of your Dixie ID to activate your PCard and whenever you are asked to provide the last four of your SSN.**

If you suspect your card is lost or stolen, immediately notify Purchasing Services to place a hold on the card. After it's determined lost or stolen, contact US Bank and inform them the card has been lost or stolen. US Bank will reissue a new PCard.

3. PCARD EXPIRATION & EMPLOYMENT CHANGES

You will automatically receive a new card prior to the expiration date of your old one. If the expiration date is within two weeks, contact US Bank or Purchasing Services for a status update. Old cards should be destroyed. Upon leaving the University, you will be required to return your card to Purchasing Services. Employees who leave one department to work in another must return their card to Purchasing Services and should submit a new application signed by their new supervisor and budget administrator.

4. PCARD LIMITS & BILLING CYCLE

Each card will have a single transaction limit and a billing cycle spending limit. The default limits are \$1,000 per transaction and \$5,000 per billing cycle. In certain circumstances a PCard may be the best option of payment for items over the limit. In those occasions, requests for temporary limit increases will require approval of the applicable Budget Administrator as well as the Director of Purchasing. There are no daily or weekly limits, only transaction and billing cycle limits.

Splitting transactions to circumvent the transaction or cycle limit is prohibited. To avoid the appearance of splitting transactions, multiple transactions to a single merchant on the same day, when combined, which exceed the single transaction limit is prohibited.

When you are on extended leave for any reason, you should contact Purchasing Services to place a hold on your card in order to protect it while it's not in use.

The billing cycle ends on the 7th of each month; however, your billing cycle limit will not reset until the next available business day.

5. PCARD GENERAL GUIDELINES

PCards should be used for all purchases related to DSU that are within your limits. Purchasing Services will return submitted requisitions when a PCard should have been used. To ensure your requisitions do not get returned please state your reason for not using a PCard on the requisition. Mini POs should also not be used if you have a PCard.

DSU is tax exempt. Our sales tax exemption number is printed on the face of the card (12020247-002-STC). In some cases, sales tax cannot be avoided, such as some out of state purchases (online) and travel (hotels and flights). Merchants will not automatically know your purchase is tax exempt, therefore it is **your responsibility** to ensure that sales tax is not charged. Always request tax exemption prior to the purchase, and if you are charged sales tax, contact the merchant and request a credit for that amount. Ensure they credit the PCard; do not accept cash from the merchant if they attempt to refund your tax via cash. If in the end you paid sales tax and attempts to avoid or correct it failed, please leave a note on your receipt detailing your actions. Some merchants require you to provide specific information for tax exemption; please reference the Purchasing Services website for a listing of these vendors and their requirements.

When using your PCard for online or over-the-phone purchases, please ensure your name is going to be on the shipping label. Orders that do not indicate who the shipment belongs to has a slim chance of it being delivered to you. You must always have items shipped to an approved DSU address. Items may never be shipped to a residential address, even if you are working remote. Never email your card number. Online purchasing should only be from trusted and secure vendor sites. Storing your PCard number with online vendors increases your risk for your PCard number to fall into the wrong hands. You are responsible for working with the merchant if your item(s) need to be returned for any reason.

An itemized receipt is required to be retained for all transactions. An itemized receipt shows the detail of each item you purchased and its price. Some merchants provide you with a condensed receipt that only shows the total of the transaction; this type of receipt is NOT acceptable. Always request an itemized receipt. If you lose your receipt, immediately contact the merchant to request another copy. If a duplicate receipt isn't possible, you must complete a 'Missing Receipt' form. See section 7 for instructions on what to do with your receipts.

6. UNALLOWABLE PURCHASES

The following expenses are **NOT** allowed on a PCard:

- **Personal purchases of any kind**
(if this mistake is made, immediately contact your PCard Coordinator and Purchasing Services to resolve it)
- **Gift Cards**
- **Programmable I.T. Equipment:** Computers, tablets, cell phones, MP3 players, etc.
- **Prepared Food:** Restaurants, catering, lunches, etc.
- **Alcohol for consumption**
- **Travel (see Appendix A):** out of town conference fees, airfare, lodging, transportation, etc.

7. RECONCILIATION & ACCOUNTING

All transactions require an 'index code' and 'account code' in order to properly allocate expenses. Index codes identify which budget the expense will come from and account codes identify the type of purchase. Each PCard will have a default index code that was selected by you and your budget administrator on your initial application.

To assist you in the reconciliation process, all cardholders have been assigned a PCard Coordinator. In some cases, you may be your own PCard Coordinator. PCard Coordinators are NOT your Budget Administrator, Supervisor, or Approver, but are critical to the program's success.

You must submit all paperwork (receipts, etc) to your PCard Coordinator by Friday of each week (NOTE: your PCard coordinator may request an earlier day to satisfy their schedule and deadline). Your coordinator will use your receipts to enter a description, index code, and account code for each transaction. Although your index code is defaulted, it is possible for your coordinator to change the index code if provided with written approval from the appropriate budget administrator.

Statements arrive mid-month. If there are any incorrect charges on your statement you are responsible to resolve any discrepancies with the merchant. If you need to dispute a charge or suspect fraudulent activity, contact US Bank immediately and follow their guidance. Also notify your PCard coordinator and Purchasing Services when this happens.

Your receipts and statement are to be combined and submitted to your budget administrator for approval. Budget administrators are to check each transaction on the statement to ensure each transaction was approved as DSU business. Both you and the budget administrator must sign the statement as indication it has been verified, inspected, and approved. If you are the budget administrator, the statement must be signed by your supervisor. The signed statement and its receipts must be submitted to

your coordinator no later than the 25th of each month. If you did not use your PCard during the billing cycle you will not receive a statement.

8. **RETENTION & AUDITS**

Current fiscal year PCard statements and supporting documentation will be kept by your PCard coordinator. Previous fiscal year PCard statements and supporting documents will be retained by Purchasing Services.

Audits may be conducted on a frequent basis without advance notice from either DSU Internal Audit, or the State of Utah Audit Department.

The University has developed a point system to determine appropriate consequences based on violations. Please reference the 'PCard Violation Points' document on the Purchasing Services website for more details.

9. **ACCESS ONLINE: access.usbank.com**

To register go to access.usbank.com > click 'Register Online' > follow the prompts. The Organization Short Name = DIXIE.

Access Online is a web-based platform and mobile app that allows cardholders to:

- Activate your PCard
- View current and past statements and transactions
- View transaction and cycle limits
- View current available credit
(pro tip: it doesn't account for pending transactions, so your available credit – pending transactions = actual available credit)
- Sign up for suspicious activity alerts

Because you can access your statement online, you can call US Bank and request to go paperless.

Purchasing Services has the ability to grant PCard coordinators, budget administrators, and/or supervisors access to view other PCard statements. If you have the need to see others' statements contact Purchasing Services.

10. CONTACTS

US BANK Customer Service: 800-344-5696

Activate the Card
Report a Lost or Stolen Card
Name Changes (which do not require documentation)
Disputes/research

PCard Program Administrator (Purchasing Services)

Tamara Gentry: office: 435-652-7613
gentry@dixie.edu

Self reporting of non-compliance
Limit increases or temporary shut-off
Transaction or statement lookup
General inquiries

Director of Purchasing (Purchasing Services)

Brett Whitelaw: 435-862-8418 (cell)
brett.whitelaw@dixie.edu

APPENDIX A: PCARDS WITH TRAVEL PRIVILEGES

PCards with travel privileges is voluntary and does not excuse the cardholder from completing a Travel Authorization (TA). If you would rather use your own credit card for your business travel and request reimbursement, that is fine; however, you may not use your own credit card if your PCard has been authorized for travel expenses.

If you have an existing PCard without travel privileges you may complete the 'PCard Travel Addition Form' on the Purchasing Services website. Existing PCard cardholders should allow up to 30 days for processing.

PCards with travel privileges are subject to the passing of a supplemental Travel Quiz in Canvas.

When budgeted trip expenses are greater than your current PCard transaction and cycle limit, a completed 'PCard Trip Change Form' must be submitted to Purchasing Services.

If travelling internationally with a PCard, you must contact US Bank so your card is not shut down during the trip.

ALLOWABLE & UNALLOWABLE TRAVEL EXPENSES

The following travel expenses are allowed on a PCard with travel privileges:

- Airfare
- Lodging
- Conference fees
- Rental Vehicles – must be reserved via State Travel or online through Enterprise (enterprise.com) using promo code XZ47075)
- Public transportation (taxis, shuttles, transit systems, rideshare, etc)
- Travel agencies (i.e. State Travel)

NOTE: hotels typically will not provide sales tax exemption.

The following travel expenses are **NOT** allowed on a PCard with travel privileges:

- Meals (you must request meal per-diem)
- Fuel for personal vehicles (you must request mileage per-diem)
- Travel insurance
- Medical services
- Personal entertainment or transportation during the trip, including upgrades
- Bellhop / Valet (unless required by the hotel)
- Incidentals (room service, mini bar, in-room media)
- Expenses not listed on the Travel Authorization form

NOTE: This list is in addition to section 6, Unallowable Purchases.

TRAVEL RECEIPTS & RECONCILIATION

Before travelling or paying for any travel expense, a Travel Authorization (TA) must be approved by your supervisor and submitted to the Travel Specialist. After the TA is approved and submitted, a copy must be provided to your PCard coordinator.

You must have two copies of every receipt related to the TA form. Receipt #1 must contain the TA# so that your PCard coordinator can document the expense appropriately in the budget. Receipts should be turned in on the regular schedule when making advance purchases. Receipt #2 should be attached to the TA with a note saying "Paid via PCard.". After all expenses related to the TA are completed, a 'Travel Reimbursement Claim' (aka Travel Claim Form) and copies of all the receipts is then submitted to the Travel Specialist for reconciliation.