

Process:	PCard Acknowledgement		
Contact:	Humanities and Social Sciences Financial Services	Last Revision Date:	9/24/24

**Introduction:**

University purchasing cards (PCard) can provide a convenient means to manage small purchases; however, the ease with which purchases can be made can also inadvertently create risks. The purpose of this document is to establish college processes and procedures related to PCard use and reconciliation to ensure compliance with University policy and mitigate risk associated with PCard misuse.

**PCard Issuance:**

PCards are convenient but challenging to manage because the purchase is made by the PCard holder with limited provisions in place to ensure the purchase is in compliance until the time of reconciliation, which is after the fact. There is significant work involved in reconciling PCards and sometimes violations of purchasing practices occur as an unintended factor of the convenience.

In our college, those with department-level budgetary authority are allowed a PCard. Specifically, the Head and Business Liaisons are allowed cards in departments, the Director and the staff member that coordinates business services in centers and institutes, and the lead administrator and liaison for business services in administrative units. Upon request, and presenting your plan to the Assistant Dean for Finance, next level administrators with department-level budgetary authority, faculty with Professorships that have spending budgets, Student Service's staff, other staff, and faculty will be considered. To request a PCard, access the *PCard Center* through the financial system, in the *MyPack Portal*.

**CHASS Expectations of PCard users:**

- 1) PCard holders complete a mandatory University training during which the 106-page PCard User manual is reviewed. Therefore, adherence to all aspects of the University manual is required. To follow are a few requirements often cited during financial audits:
  - a. PCards are for purchases external to the University, with the exception of the Bookstore.
  - b. PCards should not be used for purchases available in the financial system's MarketPlace.
  - c. PCards are for small purchases of goods and services under \$5,000. Splitting payments to deceptively make a purchase appear as less than this threshold is a PCard policy violation.
  - d. PCard purchases are subject to university [Spending Guidelines](#). PCard holders should be familiar with the spending guidelines; questions related to the permissibility of a purchase should be directed to the department's Business Services Coordinator or Financial Services accountant.
  - e. PCards are established with assigned spending limits. Splitting payments to circumvent an assigned spending limit is PCard policy violation. Under certain circumstances, spending limits can be temporarily increased prior to a purchase. A temporary increase is requested through the *MyPack Portal* financial system's *PCard Center* and will route for approval.
  - f. PCards can only be used for NC State business purposes. It is not appropriate to use a PCard for personal use or non-NC State purposes and then reimburse, or have some other entity reimburse, the University.

- g. The cardholder is responsible for all purchases. **Do not allow others to use your PCard.**
- h. The NC State sales tax exemption number is on each PCard. Cardholders must ensure sales tax is not charged and will be tasked with seeking associated vendor tax refunds for their purchases. Additional sales tax exemption information can be found at <https://controller.ofa.ncsu.edu/university-tax-compliance/>. University Tax Status and Forms can also be found at <https://controller.ofa.ncsu.edu/university-tax-compliance/documents-and-forms/>
- i. The billing address for PCard purchases is NC State University, 2721 Sullivan Drive, Campus Box 7212, Raleigh, NC 27695, Phone # 919-515-8097. **The shipping address for purchases must be a NC State business address. Do not use a home address or any non-NC State address as a shipping address!**
- j. A non-exhaustive list of allowable and unallowable PCard purchases can be found at [Allowable Purchases](#) and [Non-Allowable Purchases](#). Here are a few examples of non-allowable purchases:

- **Online vendors that require the cardholder to agree to terms and conditions in order to complete the purchase** (e.g. [Clickwraps](#)), unless reviewed and approved by the Purchasing Department's Contract Review Services staff;
- **Any items requiring the signing of a vendor agreement** (e.g., customizable software);
- Meals while in travel status;
- Hotel incidental charges such as movies, bottled water, room service and laundry;
- Fuel for a personal vehicle;
- Additional insurance on rental vehicles (in the U.S.);
- Goods or services for **personal use**;
- Contracted Services (Make these payments through the voucher system.)
- Research Incentives (College Policy); please refer to CHASS Research Office <https://chass.ncsu.edu/intranet/research-office/award-management/incentives-cash-giftcards/>
- Gift cards
- Payments to other NC State University departments (with the exception of Campus Enterprises units); please use an interdepartmental transfer (IDT) or service unit billing (SUB) for these purchases.
- [Parking Tickets](#); the driver is responsible for how and where he/she parks regardless of ownership of the vehicle.
- Purchases from Debarred Vendors: [NC Debarred Vendors](#) [Federal Debarred Vendors](#)

- 2) PCard holders are responsible for assisting with the reconciliation of their purchases by providing a receipt and business justification for each purchase. It is the cardholder's responsibility to upload receipts immediately, minimizing instances of lost receipts and allowing for the reconciliation of purchases by our established deadlines.
- a. Receipts must be legible, with the business purpose clearly indicated on each receipt. The business purpose should include the financial project supporting the purchase, a description of what is purchased, for whom it was purchased, why it was needed, and where it is located. For travel related purchases, notating the approved travel authorization number is sufficient. For meal purchases, receipt justifications should include who attended and what was discussed (in general terms). The business purpose identified in the PCard Center is not linked to the receipt image in the Wolf Reporting System (WRS); including the business purpose on the receipt meets audit requirements.
  - b. Cardholders should put receipts in the PCard electronic file cabinet and match these receipts to bank transactions as they appear. **We recommend using Google calendar to schedule reminders to match receipts to bank charges monthly by the 18<sup>th</sup> or 19<sup>th</sup>.** Cardholders must resolve [disputes](#), report unauthorized charges, and report lost or stolen cards. Please call the PCard Administration at 919-515-6130 regarding lost or stolen cards.

- c. Cardholders should work with their BSC/Liaison to ensure receipts are uploaded and matched with bank transactions as soon as purchases are made, but no later than the **20<sup>th</sup> of the month**, with continuing monitoring of PCard activity (for pending transactions) through the end of the month. Liaisons with “reconciler” access should modify PCard system data to reflect data supplied on receipts; failure to do so will require a journal voucher request to correct, which requires a detail justification for processing. “Reconciler” access is granted solely to permit the changing of project numbers; only CHASS Financial Services staff and Research Office staff are permitted to reconcile PCard charges.
- d. Monthly bank statements are generated and Financial Services staff will initiate the routing of these statements by the 26<sup>th</sup> of the month. Cardholders must review and approve monthly statements to certify their knowledge of the purchase(s) listed, which routes the statement to their supervisor for approval. **We recommend using Google calendar to schedule reminders to approve monthly statements on the 27<sup>th</sup> or 28<sup>th</sup>.**
- e. The cardholder’s supervisor should approve his/her statement **by the last business day of the month**. A written request for alternate approval should be submitted to the unit’s Financial Services accountant if the supervisor will be unable to approve the statement by the last business day of the month. Cardholders may confirm the status of their statement in the *PCard Center*; remember, “monthly pay day = monthly statement approval”.

3) **Missed Deadlines and Holds:** If the deadlines for statements (last business day of the month) and receipts (20<sup>th</sup> of the month) are missed, the Assistant Dean of Finance will contact the cardholder and his/her supervisor to establish an action plan to avoid future missed deadlines. Repeatedly missed deadlines may result in mandatory additional training and/or inactivation of the PCard. College PCard deadlines are earlier than [University deadlines](#) to permit resolution of unusual circumstances before garnering undesirable attention from the University. University PCard Administrators track unreconciled transactions and late statement approvals as indicative of unsound financial management. PCard use violations, and associated penalties, established by PCard Administration are listed in the chart below. **PCard use may be temporarily or permanently suspended at the request of the Department Head or Office of Financial Services at any time.**

4) **Violations and Holds:** If a violation is suspected, Financial Services staff will immediately notify the cardholder and unit BSC/Liaison, via email, to describe the suspect activity. Unless the cardholder is able to show, within two business days of notification, that no violation has occurred (for instance, by disputing or reporting an unauthorized charge), the card may be temporarily suspended, at the request of the College Accounting Manager or Assistant Dean for finance, to help mitigate associated risk. Offenses for violations will be enforced by University PCard Administration. Please find the offenses and actions listed below. **PCard use may be temporarily or permanently suspended at the request of the Department Head or Office of Financial Services at any time.**

**In order to assure compliance with state law, university policies and program procedures, the actions listed on this chart will be taken when non-compliance is detected.**

<p>Documentation Infractions:</p> <ul style="list-style-type: none"> <li>● Late statement submission</li> <li>● Missing or improper receipts</li> <li>● Failure to include required additional documentation</li> </ul>
<p>Purchasing Policy Infractions:</p> <ul style="list-style-type: none"> <li>● Split Transactions (to avoid single transaction limit)</li> <li>● Inappropriate and Non-Allowable purchases</li> <li>● Personal Purchase made in error</li> <li>● Failure to comply with State Contract terms</li> </ul>

First Offense	PCard is placed on hold. Hold will be lifted within 7 calendar days of the statement being fully approved.
Second Offense	PCard is placed on hold. Hold will be lifted four (4) weeks after the statement is fully approved. A memo from the cardholder's lead business officer describing the procedures established to prevent the behavior from recurring is required to release the hold.
Third Offense	Second offense consequences apply <b>AND</b> the cardholder must attend PCard class in-person to reactivate the card.
	<b><i>After the Third Offense within a 12 month period, the card is revoked.</i></b>
Criminal Activity <ul style="list-style-type: none"> <li>Intentional personal purchase</li> </ul>	
First and Only Offense	An intentional personal purchase is theft of state property and considered a felony. The card is revoked immediately. The Department Head, Internal Audit Division, Human Resources and the Campus Police are notified. Appropriate disciplinary action will be taken. The cardholder is not eligible for future PCard privileges.
<b><i>A PCard may be put on Hold or suspended at the request of the Department Head or College Business Office at any time.</i></b>	

5) **Acknowledgement of Policy:** As a PCard holder I certify that I have reviewed the college and university policy and will adhere, by signing and returning a copy of this document to my PCard reconciler via my BSC/Liaison.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

**Additional References:**

Billing Cycle Calendar:

<https://procurement.ofa.ncsu.edu/pcard-billing-cycle-calendar/>

Card Center Instructions/Cardholder Resources:

<https://procurement.ofa.ncsu.edu/card-services/pcard/>

Sales Tax Exemption:

<https://controller.ofa.ncsu.edu/university-tax-compliance/documents-and-forms/>

Sourcing and Procurement Services:

<https://procurement.ofa.ncsu.edu/procurement-services/>

University Spending Guidelines:

[https://docs.google.com/document/d/1JDW18JBx\\_ikxnenDmqIhYQueMV8xUfwRCgGaOJm19Vo/edit](https://docs.google.com/document/d/1JDW18JBx_ikxnenDmqIhYQueMV8xUfwRCgGaOJm19Vo/edit)