



Procurement Card Program

CARDHOLDER HANDBOOK



November 2012

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Welcome to the
Western State Colorado University
Procurement Card Program

The goal of the Western State Colorado University Procurement Card Program (WSCU PCard Program) is to enable users to acquire goods and services for Western State Colorado University more easily, to manage small purchases more efficiently, to provide more timely payment to vendors, and to reduce the number of purchase orders, check payments and petty cash transactions. We hope you find the Program helpful and expeditious in conducting the University's business. Please do not hesitate to contact us regarding your questions or any aspect of the Program. We welcome your comments and suggestions to improve the WSCU PCard Program.

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ON THE WEB GO TO

<http://www.western.edu/administration/finadmn/purchasing/WSCU-PCard>

FOR

Program Policies and Procedures Manual
Cardholder Handbook
Approving Official Handbook
Forms & Related Documents

USING THIS HANDBOOK

This handbook provides a concise guide to the essential steps and procedures for Cardholders using the PCard Program. Program information, step-by-step processes, usage compliance, and related details are covered in this Handbook.

Complete Program information, policies, procedures, and forms for the WSCU PCard can be found in the **Procurement Card Program POLICIES AND PROCEDURES MANUAL** which is located on the webpage above. Contact the Program Administrator for further assistance or clarifications.

KEY CONTACTS

Bank Customer Service

Lost or Stolen: (800) 248-4553

Telephone: (800) 248-4553

**Declined purchase
Specific transaction information
Disputed transaction
Cardholder information**

LOST OR STOLEN CARD

CARDHOLDERS:

TO REPORT A LOST OR STOLEN CARD

**IMMEDIATELY CALL
THE BANK
Available 24 hrs/7 days**

(800) 248-4553

- 1) Inform the Bank customer service representative that the lost/stolen Card is a "Purchasing Card."
- 2) After contacting Bank, inform the Program Administrator.
- 3) A new Card will be issued by the Bank and sent to the Program Administrator.

RESPONSIBILITIES

Approving Official Responsibilities:

- Ensure compliance with PCard Program policies and procedures.
- Review and sign-off on the monthly account statement for each Cardholder.
- Ensure that all statement reconciliation documentation is received and retained in the department.
- Ensure that all expenditures are assigned to the correct accounting.
- Ensure that all transactions are in accordance with department authorization and the terms of any applicable grant or project.
- Monitor Cardholder activity for unusual transactions or unusual patterns of use.
- Document and report Cardholder violations in accordance with policies and procedures and take appropriate action.
- Notify Program Administrator of changes in Cardholders' employment status such as transfers or terminations.
- See **Approving Official Handbook**

Cardholder Responsibilities:

- Custody, security, and use of the Card. Do not share or allow others to use your Card.
- Use the Card only for official University business. At all times, protect and prevent unauthorized use.
- **Immediately** report a lost or stolen Card to the Bank (800) 316-6056. Your department has full liability for all purchases made before a Card is reported lost or stolen.
- Make purchases in accordance with University policies and procurement rules, applicable state fiscal rules, and code of ethics.
- Make purchases in accordance with department authorization and the terms of any applicable grant or project.
- Obtain and submit adequate supporting documentation for each purchase.
- Reconcile and sign-off on the account statement for each cycle (month) that has transactions.
- Contact merchants for all returns, exchanges, and refunds and ensure credits are posted to the Card account.
- Contact merchants to resolve disputes and complete the **Dispute Form**, when necessary.
- Ensure that all purchases are charged to the proper Banner account.
- Notify Program Administrator of changes in employment status such as a transfer or termination. Surrender Card to Program Administrator.

Reallocator Responsibilities:

- Reallocate transaction charges from the default accounting string to the correct applicable accounting string B must have departmental budget approval authority.
- Make reallocations as soon as possible after the transaction posting and no later than the 5th day of the month following.
- Initiate request for a journal entry if an accounting change is required for a transaction posted in the University's financial system (Banner).
- When reallocating to another department's account, notify the other department's PCardholder or budget authority/manager by email or copy of transaction documentation.

CARD SET UP / TRANSACTION LIMITS

Each Card is set up with the following:

Default accounting string B Banner accounting string, including account code, associated with Cardholder's department.

Single Transaction Amount (Single Purchase Limit) B Dollar limit per single purchase transaction B less than \$5,000 as recommended and approved by the Cardholder's supervisor and the Program Administrator

Amount of Transactions Per Cycle (Cycle Spending Limit CSL/Credit Limit) B Dollar limit per monthly cycle B Cycle is approximately 30 days, beginning the 26th of the month, ending the **25th** of the following month. The cycle amount limit is determined by the Cardholder and supervisor and is based on the Cardholder's needs.

Number of Daily Transactions (Authorizations Per Day) B Maximum number of transactions per day B The number of transactions per day is determined by the Cardholder and supervisor and is based on the Cardholder's needs.

Number of Transactions Per Cycle B Maximum number of transactions per cycle B The number of transactions per cycle is determined by the Cardholder and supervisor and is based on the Cardholder's needs.

PROCESS OVERVIEW

The following steps summarize the general Program process. Individual departments will provide specific instructions on how purchase authorization, information, and documentation is to flow to complete the process. Cardholder should communicate with his/her Approving Official before beginning use of the Card to ensure an understanding of the expectations and process flow through the department.

- Purchasing** - Purchases are made with the Card. Goods or services are received and reconciled. Receipts or transaction documentation are obtained by the Cardholder and retained for statement reconciliation.
- Bank Posting** - Transactions are submitted to the Bank from merchants and posted by the Bank to Card accounts. In CitiDirect, Cardholders review transactions after Card purchases are made.
- Reallocating** - Through CitiDirect, the WSCU reallocator changes the accounting for each transaction, if needed, as soon as possible after transactions are posted to the Card account.
- Banner Posting** - Transaction data is downloaded from the Bank to Banner and the defaulted or reallocated departmental accounts are charged.
- Statement Reconciliation** - Cardholders print their statement from CitiDirect. Cardholder attaches documentation for every transaction listed on the statement. Cardholder signs statement and submits it to his/her Approving Official.
- Statement Approval** - Approving Official reviews statement and documentation for violations, takes appropriate action if violations are found and signs statement.
- Filing** - Signed statements with documentation attached are filed in the department and must be available for audit upon request.

AUTHORIZATION TO PURCHASE

Your supervisor will determine how purchases are authorized for your department. If you are making purchases for a grant project, it is your responsibility to make purchases that are allowable under the terms of the grant award. When selecting a vendor, state price agreements must be used. Purchases that require pre-approval, special forms or additional processing steps, require those approvals, forms or steps before the Card may be used. See [FORMS & Related Documents](#). As a reminder, the following are such purchases:

- **State Price Agreements** - Office Supplies, Toner Cartridges, etc (See [State Price Agreements](#))
- **Computer Hardware and Software** - [HSR](#) is required
- **Official Functions purchases** - [Official Functions Report](#) form is required
- **Furniture** - Cardholder should review the State's furniture State Price Agreement vendor CCI Colorado Correctional Industries before purchasing else ware. You are allowed to go outside the state price agreement only if you find a cheaper price. Keep in mind that CCI's purchases have a life-time warranty on most items.
- **NO Gift Cards, Gift Certificates nor Gifts above \$50 can be put on the PCard** - There is a Gifts, Prizes or Awards Purchase Request Form (aka: Gift Form) that needs to be filled out for these items before the purchase can be made by other means. The Accounting Office approves the Gift Form first, and then Gift Cards and Gift Certificates are purchased with a check made out directly to the vendor. Gifts above \$50 requires the requester to do the requisition/PO process after the Accounting Office approves the Gift Form.
- **Vendor Agreement** - Maintenance agreements, anything with terms and conditions, etc., requiring a University signature must be submitted to WSCU Contract Administrator for an authorized signature prior to making the purchase. A purchase order may be required at the discretion of the Contract Administrator or Procurement Director.

PROHIBITED TRANSACTIONS

DO NOT MAKE THE FOLLOWING PURCHASES WITH THE PROCUREMENT CARD:

- **Personal Use**
- **Cash or Cash Equivalent**
- **Split Purchases** - single purchase need shall not be divided into separate transactions or to different vendors to circumvent single transaction Card limit
- **Purchases over single transaction limit** - exceeds cardholders' purchasing authority; commitment voucher (purchase order or contract) is required at \$5,000 and above per Fiscal Rule
- **Documentation Not Provided** - any vendor that cannot provide receipt or invoice
- **Taxes Charged on Transactions** - PCard transactions are tax exempt. Inform merchant.
- **Without required authorization** - [HSR](#), Official Functions, use of State Price Agreements
- **Unauthorized by Department or Supervisor**
- **Disallowed by Grant or Project**

- **Travel and related expenses** - Travel agencies, airfare, vehicle rental **Exception:** Registrations are permitted and encouraged to be paid on the PCard.
- **MCC Excluded Goods and Services**

EXCLUDED MERCHANT TYPES

To avoid prohibited or inappropriate purchases and Card transaction decline, do not make purchases with the PCard from the following merchant types.

- **Travel** - Travel Agencies, Airlines, Vehicle Rental Agencies; Telemarketing-Travel Related
- **Financial** - Wire Transfer/Money Order, Financial Institutions Manual Cash, Auto Cash, Non-Financial Institutions Cash/Money Order, Foreign Currency, Travelers Checks, Security Brokers/Dealers
- **Government Services** - Court Costs in Alimony/Child Support, Fines, Bail/Bond, Tax Payments
- **High Risk Industries** - Pawn Shops, Dating/Escort Services, Massage Parlors, Betting/Track/Casinos/Lotto
- **Medium Risk Industries** - Stamp/Coin Stores, Health/Beauty Spas
- **Misc Service** - Timeshares, Tax Preparation, Counseling
- **Restaurant-types, such as** - Bars, Taverns, Lounges, Discos
- **Telecommunication** - VisaPhone
- **Wholesale Trade** - Petroleum Products

PLACING THE ORDER

Orders may be placed in person, by phone, fax, e-mail, internet, or mail. If the order is placed on the internet make sure the site is secure. See [Procurement Card Internet Purchase Guidelines](#). If the order is placed by fax or email, call the merchant and provide the Card number instead of including it on the fax document or in the email message. If the Card number is provided by phone, be alert to others in the surrounding area who might hear the Card information.

Provide the following information to the merchant:

- **Confirm that merchant accepts credit card payment** - Don't assume all vendors accept credit cards.
- **Purchase is tax exempt** - The University's tax-exempt number **98-04524** is printed on the Card. See [Tax Exemption Certificate](#) or obtain a copy from the WSCU Accounting Office.
- **Discounts** - Purchase is subject to all applicable discounts for the State of Colorado, any government discounts or price agreement pricing, if applicable.
- **Cardholder's name**
- **Delivery instructions** - Department Office room number and building name
- **Billing address** - If a "Billing Address" is requested, give your department office's room number and building name to match information on file at the Bank. The vendor may be using the billing address as a "Security Question."

Request the following information from the merchant:

- **Documentation** - "Paid Invoice" documentation showing itemized descriptions and pricing, including any shipping cost. The "Paid Invoice" should be sent with ordered items or mailed to the delivery address.
- **Merchant information** - Contact name and phone number
- **Ship date** - Estimated or scheduled ship date or receipt date for follow-up purposes

DECLINED TRANSACTIONS

Contact the Bank Customer Service at 1-800-248-4553, for the reason a transaction was declined.

Possible reasons and remedies for decline:

- **Phone Orders** - Merchant has written down the Card number and/or expiration date incorrectly. Check the numbers with the merchant.
- **Card Limits** - The transaction exceeds your single transaction limit, cycle amount limit, number of transactions per day or per cycle. Review your Limits in CitiDirect. If necessary, re-assess your limits with your Approving Official.
- **Billing Address** - Billing Address given by the Cardholder does not match exactly what is on file at the Bank.

- **MCC Block** - The merchant's 4-digit Merchant Category Code (MCC) is one of the University's excluded codes. Ask the merchant for its MCC code. Occasionally merchants sign up with the Bank selecting a code that may not accurately represent its business.
- **Transmission Down** - If the transmission between the merchant and its bank is down, the transaction will decline. Ask the vendor to re-try the authorization later. **Note:** If the vendor makes 10 tries, and is declined each time, the Card will then decline for any vendor for the remainder of the day.

MERCHANT ACCEPTANCE, according to Visa Rules

The merchant may not impose any surcharge on your PCard transaction. A Convenience Fee may be charged by merchants who offer an alternate payment channel (i.e. mail, phone, e-commerce). If the merchant chooses to assess a convenience fee to its customers, the merchant **must** adhere to the following rules:

- The fee is being **charged for a bona fide convenience of using an alternative payment channel outside of the merchant's normal business practice.**
- The **fee must be disclosed to the customer as a charge for the alternative payment channel convenience.**
- The **fee is applied only to non-face-to-face transactions.**
- The **fee must be a flat or fixed amount**, regardless of the amount of the payment due.
- The **fee is applied to all forms of accepted alternative payment channels.**
- The **fee is included as part of the total transaction amount.**
- The **fee cannot be added to a recurring transaction.**
- The **fee is assessed by the merchant that provides the goods or services to the cardholder and not a third party.**
- The customer must be given the opportunity to cancel prior to the completion of the transaction.

TRACK YOUR ORDERS

Track your orders to follow up on late deliveries, order discrepancies, partial shipments and other order issues. Using a log and/or checklist is not mandatory, unless required by your department, and may be useful only when multiple purchases are in-process at once or for Approving Officials' requirements. See [Procurement Card Transaction Log](#) and [Procurement Card Transaction Checklist](#) for samples forms. Following are suggested approaches to tracking purchases.

- Retain documentation of orders in process in a file including letters, emails, hand prepared order information with signatures, etc. Make process tracking notes on order information. Two separate files might be used for in-process orders to separate transactions by cycle during the time that processing for the previous cycle and the current cycle overlaps. Retain a separate file of reconciled transaction statements.
- Retain order information and authorizing documentation and maintain a log of all purchases.
- Keep a checklist of process tracking with each order's documentation and information.
- Keep a checklist attached to the front of an orders-in-process file as a tracking reminder for all orders.

RECEIVE AND INSPECT DELIVERED ORDER

Inspect all goods IMMEDIATELY UPON RECEIPT. If a problem with the order exists, contact the merchant immediately. Keep notes on problems and their resolution including names, dates and conversation results.

TRANSACTION DOCUMENTATION

The Cardholder must obtain appropriate, detailed, itemized documentation to support **every** transaction charged to the PCard. Documentation shows that the purchase is appropriate and applicable to official University business **B** our proof of accountability. The purpose of supporting transaction documentation is to show what was purchased, from whom it was purchased, and the cost of the purchase.

- Must be generated by the merchant at the time of the transaction or after the transaction occurs.
- Merchant's receipt can be supported with literature or catalog information that identifies what was purchased.
- Charge slips alone are **not** adequate support except when they are itemized cash register receipts.
- If merchant's documentation is not itemized, the Cardholder must write in or attach item descriptions and amounts.
- Itemization on the Statement of Account is **not** sufficient supporting documentation.
- Credit entries can be documented with a copy of previous transaction information, such as a copy of the statement showing a double charge.

Valid supporting documentation includes:

- Itemized receipt and Card transaction slip from the vendor
- Signed delivery packing slip
- Order forms for dues, subscriptions, registrations, or similar documents
- Detailed invoice showing credit card payment
- E-mail confirmation from the merchant

Information contained in supporting documentation should include:

- Merchant name and address
- Date of purchase
- Description, unit price, and quantity of each item purchased & may be written in if not apparent on the receipt
- Total cost of the order, including shipping and handling charge
- Cardholder name and/or Card number
- Signature of Cardholder
- Official Function form, if applicable
- Explanation of the reason for the purchase, if it appears unusual

Lack of Documentation

- Contact the merchant directly if the original supporting documentation is lost or if the merchant did not provide it.
- If the merchant cannot provide documentation, completion of the [Documentation of Lost or Unavailable Transaction Information](#) form is required.
- Approving Official must sign the form.
- Lack of original documentation due to willful or negligent default is a Cardholder violation and a [Procurement Card Violation Warning](#) form must also be completed.
- Approving Official may request the Program Administrator to suspend a Card until documentation is provided.

RETURNS / EXCHANGES

- **Contact Merchant** - Receive authorization and instructions from the merchant before returning merchandise.
- **Credit/New Charge** - The merchant must credit a return and charge a new transaction. Exchange of like items, e.g., a different color, may not require a credit transaction.
- **No Cash Refund** - All refunds or credits must be issued as a credit to the Card account. Refunding cash for a credit card return is a merchant violation and accepting cash is a Cardholder violation. Do not allow merchants to make a cash refund.
- **Document all returns and exchanges** - Record the name(s), date(s) and outcome(s) of all conversations with the merchant. This information will be needed if a formal dispute becomes necessary (see **DISPUTES**).

REALLOCATION (Change Accounting)

- Transaction charges initially post to the Cardholder's default accounting string.
- Reallocators change the accounting string on individual charges on the CitiDirect website located at <https://home.cards.citidirect.com/CommercialCard/Cards.html>
- Reallocation should occur as soon as possible after the transaction posts to the Card account.
- Reallocation **must** be completed **by the 5th day of the month** following the cycle close date.
- On approximately the 5th of the month, WSCU Accounts Payable downloads the previous month's Card transactions from the Bank to prepare for posting the transactions to the Banner system overnight.
- Transactions not reallocated in CitiDirect may be adjusted by JV request to WSCU Accounting.
 - JV adjustments are an exceptional process only and should occur as infrequently as possible.
 - Cardholder sends written request to the WSCU Accounting Office.
 - Give complete details for the change & explanation of request, "from" accounting string, "to" accounting string, budget authority signature.

Reallocating to Another Department's Banner Account: Reallocating to another department's account occurs when:

- Sharing the expense of a PCard purchase with another department.
 - Providing back-up assistance for making purchases for a different department.
- Cardholder who makes the purchase on his/her PCard should:
- Advise the person with budget authority in the other department what amount was reallocated.
 - Confirm to which accounting string the amount was reallocated.
- Provide reallocation advice to other department by either:

- Sending an email and include all the details such as, explanation for reallocation, merchant, item(s), total amount, amount reallocated if different from total, accounting string, etc.
- Copying your documentation for the transaction, writing the additional pertinent information on it (explanation for reallocation, Cardholder's name, amount reallocated if different from total, accounting string, etc.) and sending it in the mail to the other department's PCardholder or budget authority/manager.

Reallocation advice to the other department is necessary for the other department's PCard Cardholder to balance PCard expenses in Banner. If the other department has no PCard, the reallocation advice explains the PCARD expense entry in Banner. The other department is not required to keep this reallocation information for any purpose other than advice and Banner balancing information. The reallocation information is not a transaction on the other department's PCard so tracking and documenting on a Statement of Account and other transaction responsibilities are not applicable.

STATEMENT OF ACCOUNT

Frequent review of Card accounts by Cardholders/Reallocators is advisable to validate transactions, reallocate charges, detect erroneous or fraudulent charges as soon as possible, initiate the dispute process, etc.

- Review Card account in CitiDirect.
- After the close of each billing cycle, the **25th** of each month, Cardholder prints an individual **Statement of Account**.
- Purchases posted within the billing cycle are listed on the statement. Purchases made near the end of the billing cycle may not be posted until the next billing cycle and so will not appear on the statement for the cycle just ended.

Review statement transactions as follows:

- Verify that each listed charge is valid and matches the transaction documentation.
- Ensure that account coding is accurate.
- Identify any disputed charges. Attach a copy of dispute information or the **Dispute Form** to the statement for transactions that cannot be resolved directly with the merchant. Retain a copy of all paperwork until the dispute has been resolved. (See **DISPUTES** below)
- Reconcile credits in the same manner as charge transactions.
- Attach all supporting documentation to the statement in the same order as the transactions appear on the statement. Documentation is required for every transaction on the statement.
- Sign the statement and forward it to the Approving Official.

Statements must be reconciled within **10 working days**. Disputed transactions must be reported to the Bank within 60 days of the statement cycle date in accordance with contract terms. Early attention to disputes is recommended to ensure resolution.

BANNER RECONCILIATION

After the month's transaction data has been downloaded from the Bank and posted to Banner accounts (after the 12th of each month) Cardholders should reconcile their month's transactions to the expense posted to their Banner account(s).

E-MAIL COMMUNICATIONS

Auto e-mail notifications are sent monthly on the 26th and the 3rd to remind Cardholders to reallocate, reconcile, run, print and approve their Statement of Account before the monthly transaction data download from the Bank occurs.

Contact the Program Administrator (WSCU Procurement - 7022) if you are not receiving the e-mail notifications.

STATEMENT RECORD RETENTION

- Cardholder statements, with supporting documentation for each transaction on the statement, signed by the Cardholder and Approving Official, are stored in the Cardholder's department by month.
- Records are retained for the current fiscal year and three (3) additional fiscal years.
- Transactions involving federal or grant funds may require a longer retention period.
- Records must be available for review or audit on request.

CHANGES TO INFORMATION, CARD LIMITS, EXCLUSIONS

Cardholders should contact the Program Administrator through their supervisor if Card limits are restricting purchases that are required to perform job responsibilities.

- To update a work address, default account code, or authorizations (Card/transaction limits) contact the Program Administrator.
- Dollar limits must be approved by the Cardholder's supervisor via email request.

CARD CANCELLATION

When a Cardholder terminates or transfers:

- The Card must be returned to the Program Administrator.
- Transfers within the same department may require Card cancellation depending on the Cardholder's job responsibilities.

DISPUTES

Disputes must be reported to the Bank within 60 calendar days from the end of the statement cycle (the **25th** of the month) in which the transaction was posted to the Card account. Any dispute not resolved directly with a merchant 30 calendar days after the monthly cycle date should be reported as a disputed item to the Bank. The following may be disputed with the Bank by phone or by a formal written report.

- Unauthorized or unrecognized charge
- Amount charged is higher than the amount authorized
- Duplicate charge
- Credit due but not received; tax charged and not credited
- Credit posted in error as another charge
- Returned goods not credited
- Goods not received
- Correct goods not received
- Goods received damaged
- Charged for services not performed
- Charges continue for a canceled monthly billing
- Charge to a previously closed Card account
- Other (provide full explanation)

Most disputes are of unauthorized or unrecognized charges by unknown merchants and are reported to the Bank's Customer Service by phone. If the merchant is known, the Cardholder must attempt to resolve a dispute directly with the merchant as most merchant disputes are resolved in this manner. Following are the procedures for a disputed transaction with a known merchant:

- Document the dates, time, names, and matters discussed with the vendor.
- If the matter cannot be resolved before the end of the next billing cycle
 - Cardholder must notify the Bank at the Customer Service number and
 - Submit dispute information and documentation via email as directed by Citi Customer Service or online through CitiDirect. Attach all documentation to your monthly statement.

Bank's process after adequate and timely notification of a dispute:

- Credit Cardholder's account with a provisional credit.
- Assume responsibility for resolving the dispute with the merchant.
- May require additional information from Cardholder to further investigate the validity of claim.
- Reserves the right to make the final decision.
- When investigation is complete, Cardholder will be notified of the resolution.
- If the dispute is not settled in favor of the Cardholder, the Card account will be charged for the disputed transaction amount.

VIOLATIONS

The Cardholder is responsible for purchasing only items that are necessary to carry out the Cardholder's job requirements and for complying with Program policies and procedures. Any procurement Card transaction contrary to the Program's authorized usage is a Card violation. Card violations range from inadvertent mistakes to negligent or fraudulent use. Any persistent disregard of the Program policies and procedures will result in Card suspension or cancellation. Any negligent or fraudulent use of the PCard will result in Card cancellation and any recovery action deemed appropriate that is permitted by law.

Per Fiscal Rule 2-10, "All incidents of procurement card misuse that are recurring, significant, or in excess of \$500 should be reported in writing to the State Controller at least annually." Significant or recurring violations in excess of \$500 are reported to the State Controller as required by this fiscal rule and shall "include results of any investigation or follow-up including corrective measures implemented to prevent or reduce the likelihood of future occurrences." The following actions are required as a consequence of all significant or recurring Card violations.

- Approving Official shall report all Card violations on a [Procurement Card Violation Warning](#) form to the Program Administrator and take appropriate corrective action.
- Review of Program policies and procedures or additional training will be required.
- Card is subject to cancellation or suspension.

Significant Violations

The following violations are deemed "*significant*" by the WSCU PCard Program.

- **Personal Purchase**
- **Cash Transaction**
- **Split Purchase**
- **Lack of Documentation (willful or negligent default)**
- **Handing PCard or PCard # over to another.**

Any occurrence of one of these violations will be treated with serious concern for the Cardholder's fitness to retain delegated purchasing authority with a PCard. At a minimum, a review of the Cardholder's understanding of his/her responsibilities as a Cardholder and retraining will take place. The Card may also be suspended or canceled. Personal purchases, not reported immediately by the Cardholder, cash transactions, and lack of documentation that requires a Card violation warning, will be investigated as suspected fiscal misconduct which could result in corrective or disciplinary action, up to and including termination of employment, and possible criminal prosecution.

- **Personal Purchase** - Any purchase of goods or services for personal use or benefit or for the personal use and benefit of another individual; not appropriate or applicable for University business and use. It is a violation of federal and state laws to use public funds for a personal purchase, regardless of reimbursement or intent to reimburse the University, and may be considered a fraudulent act.
 - A personal purchase must be reported immediately to the Program Administrator.
 - Cardholder must arrange for an immediate credit transaction from the merchant or reimbursement to the University immediately.
 - Provide proof of reimbursement or credit transaction with the Violation Warning form.
- **Cash/Equivalent** - Cash transactions such as cash back with a purchase, cash credit returns, traveler's checks, money orders, and ATM transactions.
 - A cash transaction may be deemed suspected fiscal misconduct.
 - Any inadvertent cash transaction by Cardholder or merchant must be reported immediately to the Program Administrator.
- **Split Purchase** - A single purchase need shall not be divided into separate transactions or to different vendors to circumvent a Cardholder's single purchase dollar limit or to artificially create small purchases to circumvent bidding requirements. A "single purchase need" is the identification of goods and services which are similar enough in nature to be purchased from one source (vendor) and that are known to be needed for purchase presently or over a reasonable amount of time.
 - It is a violation of WSCU procurement rules to split single need purchases to circumvent bidding requirements.
 - A commitment voucher (purchase order or contract) or encumbrance are required for single purchase needs of \$5,000 and over.
 - Remedy a split purchase (over card limit but under bid limit)
 - Return the item(s) purchased for credit and submit a purchase requisition for a purchase order to re-order the item(s).
 - If vendor has not been paid, submit a purchase requisition and an [After-the-Fact \(ATF\) Report](#) to WSCU Procurement Director.
- **Lack of Documentation (willful or negligent default)** - Purchase transactions without documentation; repeated use of the **Documentation of Lost or Unavailable Transaction Information** form as substitute for original documentation; purchases from vendors that cannot provide any form of billing, invoice or documentation for the purchase.

Recurring Violations

Violations become "*significant*" when they are "*recurring*."

- **Taxes Charged on Transactions** - The University is exempt from Colorado state and local taxes and should not be charged sales tax on transactions. Repeated tax charges on transactions is apparent negligence by a Cardholder to inform merchants that WSCU PCard transactions are tax-exempt or to obtain credit.
- **Other Authorization Requirements** - Purchases that currently require pre-approval, special forms, additional processing steps, or other requirements must also meet these same requirements before the PCard may be used. (See [FORMS & Related Documents](#))

State Price Agreements - When selecting a vendor, [State Price Agreements](#) must be used.

- **Computer Hardware and Software** - A Hardware/Software Request Form ([HSR](#)) must be approved by Computer Services prior to purchasing hardware and software on a PCard.
- **Official Functions** - The [Official and Training Functions Commitment Request](#) ([Official Functions Report](#)) form must be completed with Approving Official's signature and attached to the Statement of Account with the official function purchase documentation. Official functions expenses include: all food (catering, restaurant, fast food, grocery store, water, candy, etc.), meals, materials and supplies required for conducting official and training functions. Official functions purchases with the PCard must comply with State [Fiscal Rule 2-7](#).
- **Furniture** - Cardholder should review the State's furniture State Price Agreement vendor CCI Colorado Correctional Industries before purchasing else ware. You are allowed to go outside the state price agreement only if you find a cheaper price. Keep in mind that CCI's purchases have a life-time warranty on most items.
- **NO Gift Cards, Gift Certificates nor Gifts above \$50 can be put on the PCard** - There is a Gifts, Prizes or Awards Purchase Request Form (aka: Gift Form) that needs to be filled out for these items before the purchase can be made by other means. The Accounting Office approves the Gift Form first, and then Gift Cards and Gift Certificates are purchased with a check made out directly to the vendor. Gifts above \$50 requires the requester to do the requisition/PO process after the Accounting Office approves the Gift Form.
- **Unauthorized By Department** - Purchases generally considered permissible but are not allowed by a Cardholder's department or supervisor; purchases not authorized without prior approval of the department.
- **Disallowed by Grant or Project** - Purchases disallowed by a grant or similar project; purchases not in compliance with the terms of a grant award.
- **Prohibited or Inappropriate Purchases Blocked By Merchant Type** - Prohibited purchases are "blocked" or excluded for Card use according to merchant type, described by a Merchant Category Code (MCC) as shown in detail on the [MCC Excluded Goods and Services](#) table, i.e. travel agencies, airlines, car rental, cash transactions, financial and government services, high-medium risk industries, pawn shops, dating/escort services, massage parlors, betting/track/casinos/lotto, spas, stamp and coin stores, bars, taverns and lounges.

FISCAL YEAR END

- PCard purchases must be expensed in the fiscal year in which the goods are received or the services begin.
- If goods or services are charged to a card in the wrong fiscal year, Cardholders are required to request a journal entry (JE) from Accounting to change the expense to the correct fiscal year. The following are most commonly questioned at the close of the fiscal year:
 - Conference/meeting registrations
 - Subscription renewals
 - Dues and memberships
 - Maintenance agreements and/or License fees
 - Goods needed close to the beginning of the fiscal year

Wait, if possible, until July 1 to place these orders on your PCard. Most July 1 renewal items can be adequately processed on or after July 1. A JE must be requested if:

- orders must be placed and paid for in the fiscal year prior to receipt to ensure timely delivery.
- merchant delays charging the Card so it is charged in the fiscal year following receipt of good.
- as soon as you know an item is or will be charged in the wrong fiscal year.
- Close attention to date of receipt and date of charge on your PCard is necessary during the fiscal year change.
- **Requests for JE's to change the fiscal year expense *must be received no later than July 10.***
- Include the following information in the JE request to the Accounting Office:
 - Correct fiscal year
 - Date transaction posted to Card
 - Vendor name
 - Amount of transaction
 - Accounting info: Fund - Org - Prog - Acct

- Signature

Note: Do not make changes to the transaction in CitiDirect after submitting this JE request.

To Clarify:

- Transactions posted by the Bank to your Card by the billing cycle end date in June (6/25), will be charged to the department budget as an expense for the current fiscal year ending June 30.
- Transactions posted by the Bank to your Card on or after June 26, will be charged to the department budget as an expense to the next fiscal year beginning July 1.