

The logo for Texas A&M University Corpus Christi, featuring a stylized blue and white graphic of a fan or wing shape on the left side.

TEXAS A&M UNIVERSITY CORPUS CHRISTI

Cardholder On-line Training Procurement Card Program

Presented by Procurement and Disbursements Department

***Upon completion of this training,
Cardholder will be able to:***

- Understand the Cardholder's responsibilities.
- Understand the basic delegation of purchasing authority.
- Understand the difference between acceptable, restricted and unacceptable purchases.

PURPOSE OF THE PROCUREMENT CARD

To establish a more efficient, cost-effective method of processing delegated purchases from vendors that accept the State Procurement Credit Card and to reduce paperwork.

WHAT IS A PROCUREMENT CARD?

- ▶ A State issued credit card which allows State employees to purchase goods and services, under the delegated authority limits, directly from vendors.
- ▶ The card is issued in the employee's name and deemed responsible for all charges, transactions and safe keeping of the card.

HOW DO I GET A PCARD?

- Complete and deliver an original PCard Application to Pcard office.
- Pcard Specialist orders the card from credit card company.
- The card should arrive within 4 - 5 business days after it's ordered.
- PCard Specialist will notify you or your admin when it has arrived.

WHAT HAPPENS WHEN I GET MY PCARD?

- ▶ Sign a Pcard Agreement acknowledging you understand the intent of the program and agree to follow the established guidelines as listed in the Purchasing Card Program Guide.
- ▶ Activate the card and obtain a 4 digit PIN.
- ▶ Set up a user name and password through Citi website.

WHAT HAPPENS IF I HAVE TROUBLE ACTIVATING MY CARD?

Call: Pcard Specialist - Susana Reyes - ext 2777

or

Card Services Coordinator - Elizabeth Longoria - ext 2749

WHAT HAPPENS WHEN I START USING MY PCARD?

- Need to keep track of your purchases (maintained in department)
- Keep quotes, registration forms, screen prints of online purchase quotes, food menus, and itemized receipts of items purchased.
- Utilizing STATE Funds?? Accounts which start with 1.
- *Original* documents with Expense Report are required

DATES TO REMEMBER

- Credit card cycle date:
- From the 4th of every month through the 3rd of the next month (ex. 11/4/15 - 12/3/15).
- Reconcile due date:
 - ▶ on or before the 15th of every month
 - ▶ www.globalmanagement.citidirect.com
- Expense report due date:
 - ▶ on or before the 20th of every month
 - ▶ pcard@tamucc.edu

HOW DO I TITLE MY SCANNED PDF REPORT?

- Ex: Smith, Joe - Jan 2016
Pcard
- Email report to
pcard@tamucc.edu

HOW DO I USE THE PCARD?

- ▶ The card is utilized like a common credit card but does not affect the employee's personal credit or credit score.
- ▶ In accordance with established guidelines/controls.
 - ▶ PCARD_TRAINING PROGRAM GUIDE

<http://purchasing.tamucc.edu/assets/P-Card%20Forms/P-Card%20Program%20Guide>

CAN SOMEONE ELSE USE MY CARD?

- ▶ *No*, effective September 1, 2012, a 2nd user *CANNOT* be authorized to use your card.
- ▶ If a 2nd user is required, a card will have to be issued in their name.
- ▶ The cardholder is ultimately responsible for all charges and transactions on the card.

WHO DO I CONTACT IN CASE OF DECLINES OR QUESTIONS ABOUT MY PCARD?

▶ Card Services Coordinator

- ▶ Oversees Card Program including approvals of applications and limit changes.

Elizabeth Longoria

361-825-2749

▶ PCard Specialist

- ▶ Responsible for the day to day processes of the program for TAMU-CC.

Susana Reyes

361-825-2777

pcard@tamucc.edu

DEPARTMENT HEAD, SUPERVISOR or DESIGNEE RESPONSIBILITIES:

- ▶ Designates cardholders
- ▶ Assigns cardholder monthly and single transaction credit card limits
- ▶ Approves monthly expense reports
- ▶ Ensures expense reports include ALL receipts and are within TAMU-CC's policy guidelines
- ▶ Reviews usage of PCards

CARDHOLDER RESPONSIBILITIES:

- ▶ Read and understand Procurement Card Program Guide.
- ▶ Maintain a PCard Transaction Log.
- ▶ Reconcile monthly transactions in GCMS.
- ▶ Keep proper itemized receipts and documentation of all purchases including screen print price quotes for all online purchases.

CARDHOLDER RESPONSIBILITIES continued...

- ▶ Reconcile expense report by the 15th of each month.
- ▶ Submit all original itemized receipts to accounts payable when State funds are used and deliver report to USC 119A by 20th of each month.
- ▶ Email approved, PDF scanned expense report to pcard@tamucc.edu by 20th of each month.

CARDHOLDER IS ALSO RESPONSIBLE TO CHECK FOR VENDOR HOLDS

3.4.1.1. Tax Verification: The State Comptroller's office requires that for any purchase over \$500.00 the agency must check the Vendor's tax status for holds. You may not purchase from any vendor that is on hold for either franchise or sales tax. Vendor tax status may be obtained one of two ways:

3.4.1.1.1. FAMIS screens 171 or 172

3.4.1.1.2. Texas Comptroller of Public Accounts web site:
<http://ecpa.cpa.state.tx.us/staxpayersearch/SlsTxpyrSearch.jsp>

WHAT ACTION IS NEEDED FOR RETURNS, CREDITS, and DISPUTED CHARGES?

Every attempt shall be made to first resolve the issue directly with the supplier.

- ▶ Returns: If a cardholder needs to return an item to a supplier, contact the supplier and obtain instructions for return.
- ▶ Credits: If the supplier accepts an item as a return, a credit for this item should appear on the current or following month's statement. Please note on expense description.
- ▶ Disputed Charges: If a cardholder finds a discrepancy on a monthly statement, the cardholder has 60 days from the date of posting to dispute the charge. Contact Citi for details and keep copies of all forms and/or letters for documentation purposes.

WHAT IF MY CARD IS LOST OR STOLEN?

1st Immediately contact *CitiBank* to report incident at:
Citibank Customer Service:
1-800-248-4553

Citibank will verify transactions on credit card

2nd Contact P-card Specialist at ext. 2777

3rd Notify your Department Head/Supervisor/Designee

4th Cardholder will need to reconcile all other transactions.

UPON EMPLOYEE TERMINATION/TRANSFER

- ▶ The Procurement Card will be cancelled upon the cardholder's termination.
- ▶ Notify P-card coordinator cardholder's effective separation date.
- ▶ Cardholder should reconcile and leave all expense reports and receipts with department. Final expense report will be audited.
- ▶ Turn in credit card to Card Services Coordinator or PCard Specialist
- ▶ If an employee transfers to a different department, a new application must be completed and approved by new department head. Final reconciliation needs to be completed for current department transactions.

MY SINGLE TRANSACTION LIMIT?

SINGLE TRANSACTION limit is up to \$5,000. The total transaction will include the purchase price, freight, warranty, and any type of installation.

MY MONTHLY CREDIT LIMIT?

MONTHLY LIMIT is determined by the Department Head, Supervisor or Designee.

RESTRICTED VENDORS (MCC CODES)

Merchant Category Code (MCC) is used to classify the business by the type of goods or services it provides.

The PCard Program restricts the use of certain MCC codes.
(Ex. hotels, airlines, vehicle rentals, jewelers, etc.)

Please contact PCard Specialist if you have issues with an MCC code decline.

Vendor's that are on State hold for any purpose are restricted and may not be utilized.

CAN I SPLIT A PURCHASE?

NO!

Splitting purchases is **NOT** allowed under any circumstance.

Splitting is done by breaking up a large purchase into smaller purchases in order to circumvent state and federal laws, rules, regulations or policies.

Examples:

- ▶ Two or more purchases from the same vendor, at virtually the same time.
- ▶ Using the procurement card to pay for the goods or services that exceed the single transaction limit assigned to the cardholder.
- ▶ Dividing the purchase between different dates.
- ▶ Dividing a purchase between two cardholders.
- ▶ Cardholder dividing a purchase for the same type goods or services between two vendors.

CAN I PAY TEXAS SALES AND USE TAXES?

NO!

Texas A&M University-Corpus Christi is tax exempt. The cardholder is responsible for ensuring that sales and use tax are not charged.

Texas A&M University-Corpus Christi's tax identification number is:

37607607605000

Federal ID # 74-1760663.

“Texas Sales and Use Tax” Exemption form available on Purchasing website

WHAT HAPPENS IF I GET CHARGED TEXAS SALES AND USE TAX?

- ▶ There are two options:
 - 1) Request credit from supplier
 - 2) Cardholder reimburses TAMU-CC for the State and Use tax (submit copy of receipt with expense report)

WHAT HAPPENS IF I HAVE OUT OF STATE SALES TAXES?

Nothing...

- ▶ We are not sales tax exempt from other States, although some States may honor our tax exemption
- ▶ Out of state taxes on an item purchased do not have to be split from the item purchased
- ▶ They will be coded together with the original item purchased

ACCEPTABLE PURCHASES

Please see PCard Program Guide for detail list of Acceptable Purchases, which include some of the following:

- ▶ Employee Training-Registration Fees (5215)
- ▶ Freight/Delivery Services (UPS/FEDEX/Yellow Freight 5650)
- ▶ Non-Controlled & Non Capitalized Furnishing & Equip (5750 - 5773)
- ▶ PC Peripherals/Add Ons (5760)
- ▶ Reproduction Services - Local Only (5616)

ACCEPTABLE PURCHASES CONTINUED...

- ▶ *Food Purchases (Research, Seminars, Teaching)
[Not for Consumption]*
- ▶ *Business Meals - with Business Meal Form, if VP signature is required form must be signed prior to purchasing meal.*
- ▶ *Catering - with Business Meal Form (may require food exemption form)*

Procurement Guide available on Purchasing Website

<http://purchasing.tamucc.edu/assets/PCard%20Forms/PCard%20Program%20Guide>

UNACCEPTABLE PURCHASES

- ▶ No Travel or travel related transactions allowed on PCard (Object Codes 3010 - 3415 Airlines, vehicle rentals, hotels)
- ▶ Consulting or Professional Services (5350 - 5471)
- ▶ Contract Services
- ▶ Maintenance Agreements
- ▶ Reoccurring Charges -rents are best paid with a PO so that service obligations can be tracked on the vendor file in Famis/Bam

UNACCEPTABLE PURCHASES CONTINUED...

- ▶ Controlled Assets over \$500 (5775-5799)
 - ▶ Controlled Items are not normally allowed on the PCard, unless you have prior approval from the Director of Procurement and Disbursements, and the Property Officer. Proof of approval must be submitted with expense report.
 - ▶ All controlled assets over \$500 are required to be tagged and inventoried.
 - ▶ Printers and projectors over \$5000 require prior approval and an asset tag

HISTORICALLY UNDERUTILIZED BUSINESS (HUB) PROGRAM

The HUB program promotes effective strategies that allow the university to achieve HUB procurement goals specified by the State of Texas, the Texas A&M University System Board of Regents and University Senior Executives.

Purchasers using the Procurement Card are encouraged to identify and utilize HUB vendors.

PCARD AUDIT FINDING NOTICES

- ▶ P-Card Audit Finding Notices may include: late receipt of an expense report; unacceptable purchases (controlled or personal); lack of documentation to support expenditure(s); over spending of budgeted funds; splitting transactions; Texas Sales Taxes.
- ▶ Multiple notifications to a single cardholder/department may result in the reduction of credit limit or revoking of all card privileges. After 3 findings, credit card limit may be reduced to \$1 until all infractions are corrected.

SUMMARY

- ▶ Check vendor holds for purchases of \$500 or greater.
- ▶ Obtain original itemized receipt from vendor.
- ▶ Keep screen prints of online quotes.
- ▶ If using local funds, itemized online invoices can be used as originals (must have quotes).
- ▶ If using State funds, original quotes, and itemized receipts are required... and must include proof and method of payment with zero balance.
- ▶ Verify there is **NO** Texas Sales and Use tax charged on any purchase(s).
- ▶ Highly recommend to keep Transaction Log of all purchases.

Summary continued...

- Reconcile all online transactions by the 15th of each month and email all Expense Reports in a PDF format to pcard@tamucc.edu by the 20th of each month.
- All original expense reports and receipts for State expenditures must be hand delivered to USC Rm 119A on or before the 20th of each month.
- Failure to meet this deadline will result in all transactions defaulting to a local account.
- The Expense Report must be signed & dated by both the cardholder & the Approver/Designee.
- Utilize Hub Vendors.

HELPFUL HINTS

- ▶ Purchasing website: http://purchasing.tamucc.edu/purchasing_p_card.html
- ▶ Print or bookmark the Procurement Card Guide for easy reference
- ▶ Print or bookmark the Expenditure Guidelines for easy reference
- GCMS is the online system used for reconciliation/allocation of monthly credit card transactions
url address is: <https://www.globalmanagement.citidirect.com>
- Summus is the State contracted office supplies vendor. Cardholders are automatically set up with Summus upon completion of PCard training. url address is:
<https://Summus.eDiversityNetwork.com>

Congratulations!

You have successfully completed your PCard training.

Thank You!