SFASU Procurement Card

Program Guide

STEPHEN F. AUSTIN STATE UNIVERSITY
PROCUREMENT CARD (P-Card) PROGRAM GUIDE
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OVERVIEW

INTRODUCTION

The purpose of the Stephen F. Austin State University Procurement Card (P-Card) Program is to establish a more efficient, cost-effective method for paying for small orders and to delegate the authority and capability to make these purchases to the end-user. This program is intended to compliment existing processes. The P-Card program will be administered in accordance with the terms of the state of Texas contract, University Policy C-44 'Procurement Card', and this Program Guide. **The P-Card is not intended to avoid or bypass appropriate purchasing procedures or bidding requirements**. This program is designed to empower the cardholder to make needed small purchases without a delay and with minimal paperwork.

THE PROCUREMENT CARD

The P-Card is issued in the employee's name with the SFA logo and the wording 'Official Use Only' clearly indicated on the card. The p-card will be issued in a tyvek sleeve additionally identified with the SFA logo and p-card reminders, to help distinguish the university p-card from other credit cards. **The P-Card is to be used for official University business purposes only and may not be used for any personal transactions.** The monthly bill is paid by the University, not the employee. The card will also indicate the FRS account number to which payments will be charged. Cards used for multiple accounts (account selection takes place in Oracle) will have no FRS account number designation imprinted on the card and will be designated as a multiple account card with 'MISC' in place of the FRS account number.

ACTIVATING THE PROCUREMENT CARD

The Cardholder must call the number on the card to activate the Procurement Card before using it. Upon receipt of the card, the cardholder should sign the back of the Procurement Card and always keep the card and card number in a secure place. **Please call from an SFA phone to activate the card. Do not call from a personal phone.** This will provide an additional level of security and tracking.

SECURITY OF THE PROCUREMENT CARD

The cardholder is responsible for the security of the card and card number. This card shall be treated with the same level of care as the cardholder would use with his/her own personal charge cards. Guard the P-Card account number carefully. It should not be posted in a work area or left in a conspicuous place. It must be kept in a secure location.

CARD USE BY SOMEONE OTHER THAN THE CARDHOLDERS

If the cardholder wants to allow another University employee or a student to use his/her p-card, the cardholder MUST complete a P-Card Use Form and file it with the Program Coordinator in the Purchasing Office. The P-Card Use Form will identify either by name or category those individual(s) that will be approved to use the Cardholder's card; i.e., named employees or students, all employees within the department, all full-time employees within the department, students making purchases for classes, student employees, etc. The P-Card Use Form must be updated as named department heads, employees, and students that will be using the P-Card change. A copy of the updated form must be sent to the P-Card Coordinator. **The Cardholder is responsible to ensure that the individual using the card is aware of appropriate uses for the card and the need to return the card and associated documentation immediately after making the purchase.** Please note that vendors may question a different person signing the card and may choose to refuse the sale.

Card Use By Another Employee

It is the Cardholder's option to allow another University employee within the Cardholder's department to use the card. ***It is required that the name of the employee using the card be recorded in the Oracle P-Card System.*** Failure to document another employee's use of the card or to allow inappropriate use of the card will result in points accumulation toward deactivation or cancellation of the card as provided by University policy and herein.

Card Use By A Student Other Than A Student Employee

If a student is allowed to use the card, the Cardholder must ensure that the student's use of the card is necessary to carry out University funded student responsibilities for a class or University funded student activities. The Department and/or Cardholder is required to have a procedure in place to identify the student to whom the card was given and to ensure that the student returns the card and appropriate documentation in a timely manner; i.e., hold student ID, student signs card check-out form, etc. In addition, the student should always be advised that misuse of the card is considered fraud and when discovered, the student will be subject to appropriate disciplinary action. ***It is required that the name of the student using the card be recorded in the Oracle P-Card System.*** Failure to document student use of the card or to allow inappropriate use of the card will result in points accumulation toward deactivation or cancellation of the card as provided by University policy and herein.

POINTS OF CONTACT - RESPONSIBILITIES

Program Administrator Responsibilities:

- Administration of the program
- Establishing credit limits
- Establishing University policies related to the program.
- Diana Boubel, ext. 2206, dboubel@sfasu.edu

Program Coordinator Responsibilities:

- Issuing cards
- Cardholder training
- Monitoring and maintaining documentation of P-Card activities
- Periodic auditing of cardholders
- Answering day to day questions
- Kyley King, ext. 4353, kingkr1@sfasu.edu

Account Manager Responsibilities:

- Designating cardholders and determining cardholder spending limits
- Approving each cardholder's monthly P-Card documentation
- Determining annual encumbrances for accounts to which charges will be made
- Ensuring that all employees issued a card understand the department budget constraints under which cards are to be used

Cardholder Responsibilities:

- Following all P-Card policies, procedures, rules and guidelines outlined in the Program Guide and University policy and updated via the P-Card ListServ
- Maintaining the necessary documentation related to purchases made with the P-Card

JP Morgan Chase Customer Service

- Available 24 hours a day, 7 days a week
- Assists the cardholder with general questions about the P-Card account
- If a P-Card is lost or stolen, Customer Service should be notified immediately: 1-800-890-0669

PROCUREMENT CARD CONTROLS

Credit Limits

All P-Cards will have Cardholder spending limits as approved by the Department Head. Purchases in excess of these limits will be denied at the point of sale.

Payment Cycle Limits: ....will limit the dollar amount available toward purchases during a single billing cycle. Department Heads should request a Payment Cycle Limit consistent with the anticipated use of the card, up to a *maximum* limit of $15,000.

Daily Spending Limits:................will limit the dollar amount available toward purchases in a 24-hour period.

Transaction Spending Limits:......will limit the total dollar amount available toward a single purchase. The *maximum* Transaction Limit allowed is $2000. **A transaction includes the purchase price, plus freight and installation.**

Cardholder limits will be compared to actual expenditures every 6 months and adjustments made as needed by the P-Card Coordinator in order to limit the University's risk of liability and exposure.

Restricted Vendors

Vendors are assigned a Merchant Category Code (MCC) based on the type of business they operate. The P-Card program is restricted from use with certain types of suppliers and merchants. If the P-Card is presented for payment to these vendors, the authorization request will be declined. <u>If this happens and the purchase is within other guidelines, call the Program Coordinator while still at the vendor's place of business.</u> The change allowing the purchase to be completed may be made by phone. If this is not possible, the Program Coordinator will advise what steps to take to complete the purchase. The cardholder may be required to return to the office and submit a requisition.

Please note that many vendors who operate within acceptable Merchant Category Codes may sell some items that are restricted from purchase on the P-Card. **Just because the vendor sells it does not mean the Cardholder can buy it.** See Acceptable and Unacceptable Purchases.

LOST OR STOLEN CARDS

If a P-Card is lost or stolen, immediately contact JP Morgan Chase Customer Service at 1-800-890-0669. After contacting JP Morgan Chase, notify the Program Coordinator and your Department Head.

Prompt, immediate action will reduce the possibility of fraudulent activity. It is imperative that the cardholder contact the bank immediately to report a card lost or stolen. The cardholder may be required to reimburse the University for any charges resulting from a failure of the cardholder to immediately report the loss or theft of a card. The department may be subject to suspension or termination of all departmental cards for failure to report lost or stolen cards. Any fraudulent charges made on a lost or stolen card should be reported to the University Police Department and the Program Coordinator. The Program Coordinator will report fraudulent activity to the Department of Audit Services. Keep in mind that the department may have to pay the full amount of card charges and work through the legal system to receive reimbursement.

EMPLOYEE TRANSFER/TERMINATION

It is imperative that in either of the following cases the Department Head or his/her designee ensure that the Procurement Card is returned to the Program Coordinator or upon approval from the Coordinator that the p-card may be shredded:

- upon employee transfer to another University department
- upon employee termination from University employment

The FRS account number associated with the card will be responsible for all charges made on the card until it has been cancelled. If the card is used for multiple accounts, the Department Head is responsible for determining the FRS account number for outstanding charges. Any fraudulent charges made after an employee's termination from employment at the University should be reported to the University Police Department and the Program Coordinator. The Program Coordinator will report fraudulent activity to the Department of Audit Services. The department may be subject to suspension or termination of all departmental cards for failure to secure and return cards from employees transferred or terminated.

REFRESHER TRAINING

All cardholders will be required to complete refresher training either in person or on-line with testing every 2 years. Acceptable grades and actions associated with not meeting grade requirements will be outlined herein when on-line refresher training is developed.

CARD TERMINATION

Privilege does not come without responsibility. Use of the credit card is a privilege that carries a great deal of responsibility, but one that will be worth it due to the ease with which purchases can be made. If any one cardholder is allowed to abuse the use of the P-Card, the whole program is impacted. Therefore, abuse of the P-Card can result in immediate consequences with no appeal.

Certain P-Card rule violations will result in immediate deactivation or cancellation of all of a cardholder's cards as noted herein and in University Policy C-44 'Procurement Card'. Other violations will be tracked on a points basis accumulated by cardholder. Every 6 months, accumulated points will be reviewed and appropriate action taken as noted herein and in University Policy C-44 'Procurement Card'. Points will not carry over from one 6-month period to another. Note the actions and subsequent consequences outlined herein or in the policy should not be considered all inclusive. Points may be accumulated during any transaction review, research or audit by either the P-Card Coordinator or the Department of Audit Services.

Occasionally, exceptions to the P-Card rules may be approved by the P-Card Coordinator prior to the transaction taking place. If so approved, the cardholder and P-Card Coordinator will have an Exception form on file with the transaction, and card cancellation, deactivation, or points will be waived.

Immediate Card Cancellation – results in cancellation of all cards with no option to ever receive another card

- Items purchased for personal use – when determined to be intentional abuse or fraud
- Use of the P-Card to secure a cash advance
- 2nd Lost or Stolen Card within 3 years after the 1st lost or stolen card

Immediate Card Deactivation – results in a waiting period of 3 months for re-activation and re-training at a cost of $25

- Transaction Details not posted by the required date for 3 consecutive months or 3 months during a 6 month period
- Splitting purchases to avoid purchasing procedures (2nd offense)
- Failure to provide documentation within the requested timeframe for an audit

Points Schedule

Points will accumulate as noted below against each cardholder. An accumulation of points over a 6-month period will result in the following actions:

4 points accumulated within the first 4 months of a 6-month period will trigger a need for a full audit of 3 months worth of transactions.
6 points accumulated within a 6-month period will cause all of cardholder's cards to be deactivated for a minimum of 3 months. Before any cards will be reactivated, the employee will be required to attend training at a cost of $25
10 points accumulated within a 6-month period will cause all of cardholder's cards to be cancelled for a minimum of one year. New cards will be issued only after the one-year waiting period and only upon completion of a new P-Card Application/Approval Form and attendance at training.

Points will accumulate as noted below when the following unacceptable purchases are made, procedures are not followed, or documentation is not produced:

1 ....Not using TIBH (www.tibh.org) as a vendor for items available when using state funds
1 ....Food purchased with state funds
1 ....Food purchases not documented with 5 W's
1 ....Purchase of controlled, hazardous or radioactive materials
1 ....Purchase of postage
1 ....Fuel for automobiles
1 ....Membership dues
1……..Charitable donations
2 ....Gift Cards
1 ....Cell phones
1 ....Phone cards
1 ....Professional and consultant services or any other services requiring a written contract
1 ....Unable to produce Bank statement upon request
1 ....Problem resolution/documentation form
1 ....Tax charged/no credit received
1 ....Failure to document the name of another employee or student using the p-card
2 ....Alcoholic Beverages purchased without documented approval from the President prior to the purchase
2 ....Travel related expenditures

2 ....Items for personal use – when determined to be accidental
2 ....Purchase of "Controlled Equipment"
2 ....Unable to produce printed and signed Transaction Detail Summary upon request
2 ....Exceeding a card's transaction, daily or monthly credit limit
2 ....HUBs not being utilized
2 ....Card use by another employee or student without a P-Card Use Form on file
3 ....Unable to produce verification of purchase upon request; e.g., receipts, invoices, credit receipts, printed internet or email confirmations, etc.
3 ....Splitting purchases to avoid purchasing procedures (1st offense)
3 ....Inappropriate purchase for the account charged; i.e., course fee accounts are limited to course needs
3 ....Failure to secure the p-card account number; i.e., card number posted in a public area, cards left laying around or not kept in a secure location

Other Card Cancellations and Actions

Non-Use - If the cardholder has not used the procurement card within one year, the P-Card will be cancelled. To receive a new card, the cardholder will be required to submit a P-Card Application/Approval Form and attend training.

Termination of University Employment - When a cardholder terminates employment with the university, the department has specific obligation to reclaim the P-Card and return it to the Program Coordinator prior to the employee termination date. A request may be made to the Program Coordinator for the card to be shredded by the Department Head or his/her designee. The request can be granted at the Program Coordinator's discretion. Failure to reclaim or dispose of cards as designated may result in the department being responsible for payment of any fraudulent charges and revocation of all department card privileges. Verification of card return will be part of an employee's exit interview with Human Resources. Any fraudulent charges made by a terminated employee after the employee's termination will be reported to the University Police Department. The employee will be expected to reimburse the University.

Transfer to a Different University Department - When a cardholder changes employment from one University department to another, the department has specific obligation to reclaim the P-Card and return it to the Program Coordinator prior to the effective date of change. A request may be made to the Program Coordinator for the card to be shredded by the department head or his/her designee. The request can be granted at the Program Coordinator's discretion. Failure to reclaim or dispose of cards as designated may result in revocation of all department card privileges.

Failure To Promptly Report A Lost Or Stolen Card - If a cardholder fails to make a report of a lost or stolen card immediately upon discovery, the cardholder may be required to reimburse the University for any fraudulent charges made on the card until it has been cancelled. The University will pay the charges and the employee will be required to reimburse the University. The cardholder will be subject to a minimum 3-month waiting period before a new card will be issued and will be required to attend training again at a cost of $25. If a 2nd p-card is lost or stolen within 3 years after the 1st lost or stolen card, all of cardholder's cards will be cancelled with no option to ever receive another card.

Failure to Complete the Required Refresher Training – Any cardholder who fails to complete the required fresher training every 2 years will have all cards deactivated until the refresher training is complete. If the refresher training is not completed within 6 months of card deactivation, all cards will be cancelled, and the employee will be required to submit a P-Card Application/Approval Form and attend training before receiving new cards.

Administrative Authority - The Department Head or supervising Dean, Vice President, or President has the authority to request that the Program Administrator deactivate or cancel an employee's cards at any time for any reason. Any cards so deactivated or cancelled may be reactivated or new cards issued with approval by the position that originally requested the deactivation or cancellation. The P-Card Coordinator, Department of Audit Services, or General Counsel's Office has the authority to request that the Program Administrator deactivate an employee's card while transactions are being researched or investigated, or an audit is being conducted. At the conclusion of the research, investigation or audit, the cards will be reactivated and/or appropriate action taken as specified herein and in policy.

USING THE PROCUREMENT CARD

The Cardholder is responsible to ensure that he/she is following the latest policies, procedures, rules and guidelines each time a purchase is made. All cardholders are automatically subscribed to an electronic mail list for the purpose of insuring that all cardholders receive notice of changes and updates to the P-Card Program.

MAKING A PURCHASE

- ❑ Determine if the transaction is an acceptable use of the card.
  - a. *Items available through TIBH must be considered when using* ***'State' funds***
  - b. *Splitting purchases to avoid purchasing procedures or bidding requirements is not allowed*
  - c. *Consider available contracts for best value:* State Contracts, TX-MAS Contracts, DIR Contracts, Tex-An Contracts, and Cooperative Contracts
  - d. *Always consider Recycled Products*
  - e. *See examples of Acceptable and Unacceptable Purchases*
  - f. *NOTE: Payments for food purchases may be made on the University Procurement Card (P-Card) ONLY within the city limits of Nacogdoches and when not on travel status. The only exception is for food purchases in Lufkin when not completing a Travel Voucher.*

- ❑ Determine if the transaction is within the cardholder's spending limit. A transaction includes the purchase price, plus freight and installation and excluding tax.
  --NEVER split purchases to stay within the cardholder's spending limit
  --Sales Tax should never be charged. SFA is a tax exempt agency. Sales tax is not a disputable item. If tax is charged, it must be paid and the department will be responsible for obtaining a credit from the vendor charging the tax.

- ❑ Identify the vendor.
  State law mandates, on both state and local accounts, that SFA make a good faith effort to increase business with **Historically Underutilized Businesses (HUBs).** Contact the Program Coordinator or your Purchaser for help identifying HUB vendors. Remember that SFA's percentage of business with HUBs is considered during the state's biennial budget allocation process. HUBs may be searched at the State of Texas CMBL search site or via a pdf file of HUBs on the Purchasing web-site.

- ❑ Prior to the commitment of funds, **state law mandates that the cardholder verify the vendor's warrant hold status FOR ANY PURCHASE EXCEEDING $150**. Refer to Policy #C-48, "Restrictions on Purchasing and Contracting with Certain Vendors" for detailed instructions on conducting this search or contact the Program Coordinator.

- [ ] Call or fax the order, visit the vendor, or place the order over the internet if you feel that the site is secure. Confirm pricing including shipping and installation and excluding tax.
    a. *If a supplier requires a purchase order number, use the university p-card PO number for the current fiscal year.. (FY08-C800030; FY09-C900030; etc.)*
    b. *The P-Card identifies Stephen F. Austin State University as being a **tax exempt** entity of the State of Texas but does not automatically result in the charge being tax exempt. **Stress to the vendor that SFA is tax exempt.***
    c. *Card size tax exempt statements will be provided with the P-Card.*
    d. *The following companies have assigned a specified tax exempt ID that must be presented to have tax removed from the charge.*

        Wal-Mart Tax Exempt ID #4675 (Nacogdoches and Lufkin)
        Lowe's Tax Exempt ID#177200052 (Nacogdoches and Lufkin)
        Hobby Lobby Tax Exempt ID – pick up card from Procurement Card Coordinator

- [ ] Provide detailed shipping instructions including the building and room number where delivery is to be made. P-Card Deliveries **should not come through Central Receiving**. <u>Request that the Cardholder's name, delivery address and purchase order number, if applicable, appear on all packing lists and box labels. This will help ensure that the shipment gets to the right person.</u>

- [ ] Secure a receipt or invoice, and/or P-Card Documentation/Problem Resolution Form to fully document the purchase and if applicable, any problems associated with the purchase. Always instruct the vendor to send the receipt/invoice directly to the cardholder, **not to Accounts Payable**. A state agency may not pay for goods before their delivery to the agency. Vendors should only charge the account when goods are shipped. Back Orders should not be charged until the goods are shipped.

- [ ] Ensure receipt of goods and follow up with vendors to resolve any delivery problems, discrepancies and/or damaged goods.

ACCEPTABLE AND UNACCEPTABLE PURCHASES

ACCEPTABLE PURCHASES – EXAMPLES (this list is not all inclusive)

The P-Card may be used for a wide variety of purchases of goods and services with a maximum single transaction limit of $2000. **A transaction includes the purchase price, plus freight and installation.** Examples include but are not limited to:

- Tools/Hardware
- Safety Supplies
- Books
- Janitorial Supplies
- Lab Supplies
- Medical Supplies
- Office Supplies
- Computer Supplies and Software
- Registration for conferences, seminars, etc.
- Subscriptions
- Small Equipment (not capital or controlled; see below)
- Purchases from the Barnes & Noble Bookstore, unless otherwise prohibited below
- Food purchases (local funds only) in Nacogdoches and when not on travel status – one exception: Lufkin
  Description must include the 5 W's: Who, What, When, Where, Why
- Services (unless it requires a written contract, AND only if the vendor record is in FRS)
- Rentals

Buy from a HUB when possible.
HUB Resources are available on the Purchasing web-site in a searchable pdf file, or contact the Assistant HUB Coordinator, ext. 4529

UNACCEPTABLE PURCHASES

The P-Card ***MUST NOT BE USED*** for the following purchases.

- Items for Personal Use
- Items purchased with state funds from a source other than TIBH when the same item is available from TIBH
- Printing that does not require approval from Public Affairs
- Animals that are required to be reported on the Annual Financial Report
  NOTE: Consumable animals, such as lab rats, are acceptable purchases
- Travel and related expenses (Note: Registration is no longer considered a travel expense)
- Cash advances or cash refunds
- Gift Cards
- Controlled, hazardous, or radioactive materials
- Fuel for automobiles (must use Comdata cards)
- Professional membership dues (required VP approval)
- Charitable Donations
- Alcoholic Beverages unless documented approval from the President is in place prior to the purchase
- Professional and consultant services, or other services requiring a written contract
- Cellular phones (must be issued by Telecommunications Department)
- Phone Cards (unless approved by the Assistant Director of Networking and Telecommunications)
- Postage
- *STATE DEFINED CONTROLLED EQUIPMENT*: Equipment with a single unit value from $500 to $4999.99 and identified as any one of the following:
  - a. stereo systems
  - b. Cameras (not digital)
  - c. TVs
  - d. VCRs
  - e. DVD players
  - f. camcorders (including digital)
  - g. any combination of b-f
  - h. Microcomputers, servers and laptops
  - i. printers
  - j. data projectors
- *SFA DEFINED CONTROLLED EQUIPMENT*: Equipment of any value and identified as any one of the following:
  - a. firearms
  - b. microcomputers, servers, laptops and handheld computers
  - c. monitors
  - d. PDAs
  - e. digital cameras
  - f. palm pilots
  - g. historical treasures and works of art

RETURNS, CREDITS AND DISPUTED CHARGES

Should a problem arise with a purchased item or charge, the cardholder shall make every attempt to first resolve the issue directly with the supplier. Review of future statements is vital to ensure the account is properly credited for returns, credits and disputed charges. Returned, credited or disputed charges must be documented on a P-Card Documentation/Problem Resolution Form.
Sales tax is not a disputable charge.

Returns and Credits

If a cardholder needs to return an item to a supplier, contact the supplier and obtain instructions for return. Note that some suppliers may charge a restocking or handling fee for returns. All returns must be recorded on the P-Card Documentation/Problem Resolution Form. If an item is accepted as a return by the supplier, a credit for this item may appear on the same statement on which the original charge is posted. If not, the charge will have to be disputed or paid until the credit is posted or other resolution is reached.

Disputed Charges

If a cardholder finds a charge on a monthly statement that is inaccurate the cardholder may choose to dispute payment by disputing the charge on a JP Morgan Chase Disputed Item form. All disputed charges must be detailed in the Oracle System according to Oracle instructions. The Disputed Item Form is to be faxed to JP Morgan Chase, to the number indicated on the form. ***The Disputed Item Form MUST also be faxed to Accounts Payable, x2207 and the Program Coordinator, x4282.***

If a charge appears for which a credit is pending, the charge can be disputed until the credit is posted, or the charge can be paid and the credit utilized against future charges. The JP Morgan Chase Dispute Form may be downloaded from the Purchasing web-site.

If disputed, JP Morgan Chase will place the charge in a 'State of Dispute' and the account may be given a provisional credit until receipt of adequate documentation from the vendor is provided. If the documentation appears to be in order, the transaction will be re-posted to the account and the dispute considered closed. If the charge is suspected to be fraudulent, the card will be immediately blocked. An investigation of the charge will continue and a provisional credit will be issued. A new card will then be re-issued to the cardholder, if appropriate. If, after the investigation, the disputed charge appears to be legitimate, the transaction will then post to the new account.

REQUIRED DOCUMENTATION

PROCUREMENT CARD TRANSACTION DETAIL AND DOCUMENTATION

Each cardholder is responsible to retain documentation on each purchase and make transaction detail entries into the Oracle P-Card System through MySFA. Each individual purchase must be detailed electronically, showing a detailed description, the object code(s) to which the charges apply and the associated amounts. Refer to the Oracle P-Card System Transaction Detail and Discoverer Reports instructions. Each Monday transactions from the previous week are loaded into the Oracle P-Card System and available for entering detail.

Acceptable paper documentation for each transaction may include but is not limited to:

- ✓ Sales Receipts/Invoices or printed internet or email confirmation **(always required)**
- ✓ Packing Slips
- ✓ Credit Receipts/Slips/Invoices
- ✓ P-Card Documentation/Problem Resolution Forms
- ✓ JP Morgan Chase Disputed Item Form
- ✓ Other information or correspondence related to the purchase

MONTHLY STATEMENT, RECONCILIATION, AND APPROVAL

At the end of each billing cycle a monthly statement will be mailed by JP Morgan Chase to each cardholder listing purchases made with the P-Card. Upon receipt of the statement, the cardholder must complete all transaction detail entries in the Oracle P-Card System and reconcile the entries with the JP Morgan Chase Statement. The following reports are available in the Oracle P-Card System Discoverer Reports to assist in the reconciliation process:

- Transaction Detail Summary Report
- Missing Detail Summary

All transaction detail entries related to charges on the current statement and the reconciliation with the statement must be completed on or before the 18th day of the month following the billing cycle close date shown on the JP Morgan Chase Statement. The statement total must match the Transaction Detail Summary Report Grand Total. It is the cardholder's responsibility to resolve all discrepancies. The Missing Detail Report may be of assistance in resolving discrepancies between the Transaction Detail Summary Report and the JP Morgan Chase Statement.

After reconciliation of the Transaction Detail Summary with the JP Morgan Chase Statement, attach all receipts and invoices (in order of the transactions on the Transaction Detail Summary Report) and any other documentation, to the Transaction Detail Summary. The Transaction Detail Summary must be signed by the Cardholder and routed to the Department Head for approval.

Two DIFFERENT signatures must be on the Transaction Detail Summary.

The Transaction Detail Summary MUST BE SIGNED by the Cardholder.
The Transaction Detail Summary MUST BE SIGNED by the Department Head.

> **If the Department Head is the Cardholder, the Department Head must sign as the Cardholder, and another employee within the department must sign as the Reviewer.**

It is the Department Head/Reviewer responsibility to review the transactions listed on the Transaction Detail Summary to verify that all purchases are appropriate expenditures for the department and account charged. If the Department Head/Reviewer questions any transaction, they should bring it to the attention of the department head or the P-Card Coordinator, or it may be reported anonymously through the University's fraud and ethics reporting process. Reported transactions will be audited and appropriate action taken as specified by University policy and herein.

AUDIT

Monthly Statements, Transaction Detail Summary Reports and associated documentation will be periodically audited by the Purchasing Office. Upon receipt of a request to audit, the cardholder must forward copies of all documents to the Program Coordinator within 48 hours. The Cardholder should keep all originals at all times as this is the official University record.

Audits may be conducted in 1 of 3 ways:

- The Program Coordinator will contact the cardholder advising them to copy and fax or bring over all documentation for a specific time period; a timeframe for providing the documentation will also be provided.
- The Program Coordinator may notify the Cardholder that an on-site audit will be conducted within 24-48 hours at which time the Cardholder must make all original documents available at the time of on-site audit.
- The Program Coordinator may visit the cardholder's workstation without notice and request an immediate review of all documentation.

The Department of Audit Services may also conduct p-card audits at any time without notice to the cardholder or the Program Coordinator.

All statements, transaction detail summary reports, receipts/invoices, and any other documentation must be kept for three (3) years plus the current fiscal year to comply with the University's Records Retention Schedule. **These are the official University records.** The records for Procurement Card purchases will be required when SFA is audited by the Texas Procurement and Support Services Division of the State Comptroller's Office, State Auditor's Office, State Comptroller, or Department of Audit Services.

PROCUREMENT CARD PAYMENT

SFA has selected *a billing cycle of 30 days with payment due in 30 days*. SFA's statement closing date will be the 5th day of the month or the 1st business day after, if the 5th falls on a weekend or holiday. Accounts Payable will receive a summary billing listing all transactions during the period by each cardholder. Accounts Payable will pay the summary billing in full, except for charges officially disputed on a JP Morgan Chase Disputed Item Form and detailed in Oracle with object code 9999. Payment will be made from a clearing account and all charges posted to the account identified in the Oracle System. Please note that there will be no late payments to JP Morgan Chase. Payment will be made from the department accounts even if there is insufficient budget.

At the same time the summary billing is issued, JP Morgan Chase will mail a statement to each cardholder that is to be used for the reconciliation.

END-OF-YEAR PROCEDURES

All expenditures appearing on the JP Morgan Chase statement (not necessarily purchases made) through 8/31/xx will be charged to the xx fiscal year.
Charges made through 8/31/xx but not posted by the vendor until after 8/31/xx will be charged to the next fiscal year. The only exception will be for those expenditures for which the department requests funds remain encumbered for charges that were made prior to 8/31 but were not posted by the vendor until after 8/31.

Please remember that Purchasing is your partner in this venture and is willing to assist in any way.

REFERENCE DOCUMENTS AND FORMS

University Policy

Requesting A P-Card

Cardholder Application/Approval Form

P-Card Purchasing Procedures Quick Reference

Tax Exempt Letter
If a vendor requires a signed original, the Cardholder should contact the Program Coordinator.
Refer to the Guide for tax exempt numbers/cards for Wal-Mart, Lowe's or Hobby-Lobby

P-Card Documentation/Problem Resolution Form

JP Morgan Chase Disputed Item Form

Exception Form

PROCUREMENT CARD PURCHASING PROCEDURES
QUICK REFERENCE

1. Determine if the transaction is an acceptable use of the card. Refer to the P-Card Program Guide, Page 11, for details.

2. Determine if the transaction is within the cardholder's spending limit (max $2000 per transaction). **A transaction includes the purchase price, plus freight and installation and excludes tax.**

3. Identify the vendor and verify the vendor's state of Texas warrant hold status if the transaction amount exceeds $150, and verify that the vendor is not on the federal Excluded Parties List System (EPLS). **Both verifications must be done prior to conducting business with the vendor.**

4. Call or fax the order, visit the vendor, or place the order over the internet if you feel that the site is secure. Confirm pricing including shipping and installation.
   a. If a Purchase Order number is required, use the Purchase Order Number identified as the university P-Card PO number (FY08-C800030; FY09-C900030; etc.).
   b. Inform the vendor at the time of check-out that SFASU is tax exempt.

5. Shipping instructions should include the building and room number where delivery is to be made. Request that the Cardholder's Name appear on all packing lists and box labels. **Shipments should not come through Central Receiving.**

6. Keep all receipts/invoices and any other supporting documentation.

7. Record the purchase in the Oracle System providing a detailed description and breaking down the transaction dollar amount by object code and account if needed; include additional information as required by the P-Card Program Guide.

8. Upon receipt of the JP Morgan Chase monthly statement, reconcile the statement with the Oracle System Transaction Detail Summary by the 18th day of the month to ensure the accuracy of all charges.

9. Print and sign the reconciled Transaction Detail Summary Report and attach the JP Morgan Chase statement and all supporting documentation in the order the transactions appear on the Transaction Detail Summary Report.

10. Forward the reconciled Transaction Detail Summary Report, JP Morgan Chase statement, all receipts/invoices and any other supporting documentation to the Department Head/Reviewer for review and signature.

11. Retain the monthly Transaction Detail Summary Report, JP Morgan Chase Statement, all receipts/invoices and any other supporting documentation in a secure place for three years plus the current fiscal year.

ORACLE PROCUREMENT CARD SYSTEM

TRANSACTION DETAIL ENTRY

AND

DISCOVERER REPORTS

TRANSACTION DETAIL ENTRY

ACCESSING THE ORACLE SYSTEM THROUGH MYSFA

(NOTE: Mac Users must use the Safari browser available with OS X; otherwise, you must use a PC)

Log In to MySFA

If you do not have a UserName and Password for MySFA, contact Mary Burton at ext. 1248.

Click on the 'My Services' tab

Click on the 'P-Card Transactions' menu

If you do not already have the needed Oracle Software, follow the prompts to download JInitiator.

After the download is complete, Oracle and the P-Card application should automatically open.

NOTES FOR USING THE ORACLE SYSTEM

(Read CAREFULLY before proceeding with entry)

- By moving the mouse over the icons, the name associated with each icon will appear.
- Searches are completed using the 'Enter Query', 'Execute Query', or 'Cancel Query' icons.
  - Click 'Enter Query' to begin a search
  - Click in the field to search and type the character string to search (you can only choose a field in the 'box' in which you are currently active)
  - Click 'Execute Query'
  - If the search is unsuccessful or you get stuck, click 'Cancel Query' or 'Execute Query' and start over.
- Searches on the Transaction Detail Entry screen are case sensitive and the '%' sign may be used as a wildcard. For example: To locate the transaction listed as WM Supercenter
  - WM will find no match
  - %m will find no match
  - W% will locate the first transaction for which the vendor name begins with 'W'
  - WM% will locate the first transaction for which the vendor name begins with 'WM'
- All Cardholder names have been set up with the first letter capitalized and others lowercase (i.e., Diana Boubel, Kyley King etc.) Contact Vicki Gibbs or Kyley King, x4353, Procurement Card Coordinators to confirm your name entry, if needed.
- Transactions are added to the System weekly so that you may make these entries at a time that is most convenient for you. Weekly transactions for each Saturday through Friday should be available the following Monday afternoon or Tuesday morning.
- Selected transactions will appear in **BOLD print** (PC only; no difference in appearance on Macs)

MAKING TRANSACTION DETAIL ENTRIES

The following information is populated by Procurement Card Coordinator data entry or by data feeds from JP Morgan Chase. **You cannot change any of this information**.

- Cardholder (Employee Box)
- Credit Card/Account Number (Credit Card Box)
- Charges To Be Detailed (Charge Box)

Your responsibility is to select a Cardholder, Card, Account (if using a multi-account card), and Charge and enter the following detailed information about the charge (Detail Box):

- Object Code
- Description
- Amount

The following instructions are provided as a guide to assist you in navigating the screen to make the required entries.

EMPLOYEE BOX
<u>Select A Cardholder</u>

1. You will be able to view and update only those cardholders and cards to which you have access.
2. If you have access to more than one cardholder or card, scroll or use the Query function.

CREDIT CARD BOX
<u>Select the Credit Card/Account Number</u>

1. Scroll or use the Query function to select the Credit Card number and associated FRS account number for which you wish to see charges and provide detailed charge information. The list is Card Number order and then by account number.

CHARGES BOX
<u>Select the Charges To Be Detailed</u>

1. Scroll or use the search function to select a charge to be detailed.
2. The charges are listed in Transaction Date order.
3. Disregard the Statement Date. It is for internal use only.
4. The Amount field should match the amount shown on the receipt/invoice.

> As you scroll through card or charge selections, you will receive pop-up messages regarding tax status or detail entry amounts. **These pop-up message can be eliminated as follows**:
>
> **Tax Status Pop-Up Message** – This message appears anytime the vendor's tax status could not be verified for any charge greater than $150. Click OK to close the message. However, the message will continue to pop-up every time you scroll through the card and/or charge until you click the 'Tax Status Verified' Field in the 'Charges Box' to confirm that the vendor's tax status was verified prior to making the purchase.
>
> **Detail Entry Amounts Pop-Up Message** – This message appears anytime the Detail Box 'Total' does not match the Charges Box 'Amount'. Click OK to close the message. However, this message will continue to pop-up every time you scroll through the card and/or charge until you make correcting entry(ies) in the Detail Box. NOTE that this message will always pop up if you are splitting a charge between two or more accounts.

NOTES FOR MULTIPLE ACCOUNT CARDS:
The same charges will appear on all cards that have the same card number, but different FRS account numbers. Your choice of credit card and associated FRS account number will determine which FRS account number is charged.

Never post detail against the '999999' FRS Account number.

DETAIL BOX
Enter the Detailed Object-Code Information

OBJECT CODE

1. Click in the Object Code Field and type in the Object Code if known, or click on the '?' for a pop-up alphabetical list of object codes.
2. **It is important that the object code be accurate for accounting purposes.** Your buyer or the Procurement Card Coordinator is available to assist in identifying the correct object code, if needed.
3. A more detailed alphabetical list is available on-line.

DESCRIPTION

1. Tab to the description and **TYPE OVER** what is shown with a **more detailed description** of what was bought. To avoid description separation on the Transaction Detail Summary, an object code must be entered for each line detailed. If a description continues to a second or more lines, re-enter the object code in the proper area and continue with your description.

AMOUNT

1. Tab to the Amount Field and enter the amount of the charge applicable to the object code and/or account number.
    - *Click in the description field on the next line to continue a longer description. It is not necessary to enter an amount when extra lines are used only for additional description. Repeat as many times as needed.*
2. Repeat from OBJECT CODE for additional object codes, descriptions and amounts on the same charge. A single charge may be split into as many object codes as necessary to correctly identify the items purchased.
3. Disputed charges must be entered with object code 9999 (use this only in conjunction with completing a Disputed Item Form) to prevent payment until resolved. See Disputed Charges for more information regarding disputed charges and resolutions.
4. The Detail Box 'Total' field must match the Charges Box 'Amount' field unless the charge is being split between two or more accounts.
    - *If there is an account split Save the transaction and repeat from Select the Credit Card/Account Number to post amounts for the same charge on a different account. Remember, you will receive a pop-up message every time you scroll through this card and charge.*
    - *The amounts entered on one account will not be seen on the screens when you select a different account on which to enter amounts for the same charge.*
    - *You should ensure that the total amount of detail entries on two or more accounts equals the total charge amount.*

SAVING THE TRANSACTION

1. Confirm all Detail information
2. Click the ‘Save’ icon
3. If the Detail Box ‘Total’ does not equal the Charges Box ‘Amount’, you will receive a warning message.
4. Make the appropriate correction, if needed (you will always receive the warning message when working with an account split), and click the ‘Save’ icon again.

CHANGING ENTRIES

1. Once a transaction is saved, if you need to make changes, access the detail entry and change the object code, description or amount. To delete any or all of these entries, click on the field and press the delete key.
2. Once a transaction has been paid, you cannot change or even view the transaction.

MAKING ADDITIONAL ENTRIES

Repeat from *Select the Charges To Be Detailed* to make detail entries for more charges on the same card.

Repeat from *Select the Credit Card/Account Number* to make detail entries for charges for the same cardholder on a different credit card or different FRS account number.

Repeat from *Select a Cardholder* to make detail entries for charges for a different cardholder.

EXITING THE SYSTEM

It is important that you **DO NOT close windows to exit** the program. **YOU MUST:**

1. Click the ‘Exit’ icon.
2. Log out of MySFA.

DISPUTED CHARGES

Follow these instructions ONLY in conjunction with completing a JP Morgan Chase Disputed Item Form.

Reasons for a disputed charge:

a) an item(s) may have been received but returned but a credit has not been issued or is in the process of being issued
b) an item(s) may have been ordered but cancelled before the goods were shipped and the credit has not been issued or is in the process of being issued
c) a vendor may have keyed in an incorrect card number when submitting the transaction

A complete charge or portion of a charge may be disputed. **The detail entry for the amount to be disputed must be recorded with 9999 as the object code until resolved.**

For **any charge** appearing on the Statement **that is not to be paid**, do the following:

1. Submit a JP Morgan Chase Disputed item form to JP Morgan Chase per directions on the form.
2. Make the detail entry using 9999 as the object code.

Once a disputed item has been resolved, one of two options should be addressed:

1. You agree to pay the charge.
   - Update the detail entry by changing the 9999 to the correct object code, completing the detailed description and confirming the amount.

2. You receive a credit. When the credit appears on the JP Morgan Chase Statement, you will need to make 2 entries:
   - Update the detail entry for the original disputed charge by changing the 9999 to the appropriate object code, completing the detailed description and confirming the amount.
   - Complete the detail entry for the credit using the same object code as the original charge, typing the detailed description and entering the amount as a negative; i.e., -22.22.

NOTE: ALL CHARGES DETAILED WITH OBJECT CODE 9999 WILL NOT BE PAID UNTIL CHANGED TO THE APPROPRIATE OBJECT CODE.

DISCOVERER REPORTS

(NOTE: The Discoverer Reports cannot be viewed or printed on a Mac unless the Mac has PC capability)

Using a PC browser and Internet Explorer, access URL
http://jack.sfasu.edu:7778/discoverer/viewer

FIRST TIME/ONE TIME ONLY Create a Connection as follows:
Click Create Connection
Connect To: "Leave as Oracle BI Discoverer"
Type Connection Name as your first and last name
Tab and Type Connection Description as 'P-Card'
Tab and Type User Name (same as MySFA)
Tab and Type Password (same as MySFA)
Type Database name as 'pora'
Click Apply
NOTE: These connections are unique to the PC being used to create the connection.

1. Select and Click your Connection (your name)
2. Type Password (same as MySFA); Click Connect
3. Click on the bullseye to the left of the Workbook Name desired
   a. Transaction Detail Summary (See Report uses below)
   b. Missing Detail Summary (See Report uses below)
4. Click on Sheet 1 (under your name)
5. Enter any parameters required to define the report
   a. Statement Date (*use format 05-mar-2005*)
   b. P-Card Number (last 8 digits only; do not use dashes)
   c. A default Start Date may appear; Do Not Change this date
6. Click Go
7. A report will be automatically generated showing and can be viewed on-line for accuracy. Any data appearing as 'NULL' simply means that field is blank.
8. To print the report, Click 'Printable Page' – Under Actions
9. Click Printable PDF and then PDF Icon
10. Print the Report using **Landscape** mode

If you need to print the same report for several different cards, do the following:
After the desired report is printed, click into P-Card Card #. Enter new P-Card number, leaving quotes on each side of the card #.

If you need to print a different report, do the following:
After the desired report is printed, Click the Viewer URL again and log-in or use the Back button on the browser to return to the List of Workbooks.

1. **Transaction Detail Summary – Owner - Vicki Gibbs**
   Transaction_Detail_Summary
   - This produces a summary for a specific P-Card listing all detailed entries that should be on the current JP Morgan Chase Statement. The Grand Total MUST match the Statement Total.

   - Once the totals match as indicated above, select Printable Page, Printable PDF and PDF Icon and proceed with printing the Summary Report.

   - **Report formats** published by Purchasing **MUST BE USED FOR MONTHLY DOCUMENTATION AND MUST NOT BE CHANGED.**

   Using the Transaction Detail data for your own purposes may be accomplished as follows:
     - Click Export
     - Use the pull-down menu to select the desired Export format
     - Click Export

2. **Missing Detail Summary – Owner – Vicki Gibbs**
   Missing_Detail_Summary
   - This produces a listing of all charges for which detail entries have not been made and charges for which the detail entry total did not match the charge amount. This is provided as a tool to quickly identify problems if the Transaction Detail Summary Grand Total does not match the Statement Total.

   - This report must be blank before the Transaction Detail Summary Report will balance with the JP Morgan Chase Statement.

PLEASE NOTE: If you export any report, be aware that you are placing **sensitive data** (credit card numbers, account numbers, etc.) on your PC. If you think a desktop firewall and/or an encrypted folder would provide protection, please visit with your network technician. If the firewall and/or an encrypted folder is not feasible, you must be careful about who has access to the data on your computer.

NOTE: ANY REPORTS YOU PRINT AND ULTIMATELY DISCARD CONTAIN SENSITIVE DATE (CREDIT CARD NUMBERS) AND SHOULD BE SHREDDED