

Samford University
Purchasing Card (PCARD) Program
Policy and Procedures
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I. Overview

A. Introduction

The Business Services Department offers a procurement program for ordering supplies or services as an alternative for processing low dollar value orders from vendors by using a Samford University VISA Purchasing Card (PCARD). The PCARD may also be used for travel related services with proper approval. The appropriate vice president, dean, department head or director must request the travel option on a card.

B. Definitions

Approver- A budget administrator, dean, department head or director responsible for reviewing and approving PCARD transactions.

Card Issuer- Regions Bank, which contracted with Samford University to issue Visa PCARDS to University employees. The card issuer bills the University for PCARD transactions.

Cardholder- A full-time Samford University employee whose name appears on the face of the card.

PCARD Program Administrator- The Business Services staff member who coordinates and manages the PCARD Program for the University and acts as the University's intermediary with the card issuer. The University's Director of Business Services assigns the PCARD Program Administrator.

Record Retention- Original documentation from card transactions should be retained for at least 6 months after the end of the fiscal year to which they relate. Documentation from transactions related to federally sponsored research projects should be retained in accordance with Uniform Guidance rules.

Retail Limits- Retail items are tangible goods and services purchased for consumption by the University. Limits are imposed upon the dollar value and number of transactions per day and per month. Current limits are \$500 per single transaction, 3 transactions per day and \$2,000 aggregate purchases per month.

Sales Tax Exemption- Samford University is sales tax exempt on tangible items. The sales tax exempt number is printed on the front of the card.

Travel Limits- Travel purchases are those goods and services incurred while travelling on University business, which include transportation, lodging, parking, food etc. Limits are imposed on the dollar value of transactions per month. Current limits are \$8,000 aggregate purchases per month. There is no single transaction or number of transactions per day limit.

University- Samford University. The University arranges with a card issuer to have PCARDS issued to an approved cardholder. In doing so, the University agrees to accept liability for the cardholder's use of the PCARD.

Vendor- The merchant from whom a cardholder makes a purchase.

II. Card Issuance

A. Cardholder Eligibility

An applicant must be a full-time employee of the University. It is not necessary for every full-time employee to have a PCARD. Only those persons who make the majority of department purchases or travel on University business should receive one.

B. Application Process

1. The applicant must e-mail a request for a card to the PCARD Program Administrator who will provide them a PCARD Set-Up and Maintenance Form.
2. The applicant must complete the form with all the required information, obtain all necessary signatures and submit it to the PCARD Program Administrator.
3. The applicant must attend a training session conducted by the PCARD Program Administrator or his/her designee that reviews important features of the program and the Terms & Conditions provided in this policy manual.
4. The applicant must sign a PCARD Cardholder Agreement in the presence of the PCARD Program Administrator or his/her designee. The PCARD Cardholder Agreement will be maintained by the Purchasing Office.
5. The applicant must pass an online certification test prior to card activation.

III. Accountability

A. Cardholder Responsibility

The PCARD is a corporate charge card. The University is responsible for paying the card issuer for all PCARD transactions. Using the card will not affect a cardholder's personal credit rating.

The Cardholder shall use the card in accordance with the Terms & Conditions provided in this policy. Violations of those Terms & Conditions may result in disciplinary action up to and including termination of employment. An Approver who is aware of any violations should notify the PCARD Program Administrator.

B. Terms & Conditions

1. The Cardholder shall only use the PCARD for legitimate University business purposes.
2. The Cardholder shall not use the PCARD to purchase goods or services that benefit themselves, a member of their family, or an individual or business with whom they are associated. (See the University's Conflict of Interest policy (4.08))
3. The Cardholder shall not assign their PCARD to another individual.
4. The Cardholder shall safeguard their PCARD and card number at all times.
5. The Cardholder shall abide by the University's policies for Reimbursement for Travel Expenses (4.09) and Reimbursement of Entertainment and Guest Expense (4.18) when using a PCARD for travel related purchases.
6. The Cardholder shall not split a single transaction into smaller transactions to circumvent the single transaction limit.
7. The Cardholder shall not use their PCARD for the following prohibited transactions:
 - Alcoholic beverages or any substance, material, or service that violates University policies or procedures or State of Alabama laws or regulations.
 - ATM disbursements
 - Capital expenditures
 - Cash advances
 - Charitable Contributions
 - Computer hardware and software
 - Gift cards
 - Traveler's checks
 - Utilities
8. The Cardholder shall maintain adequate documentation for each PCARD transaction, including but not limited to, receipts, invoices, packing slips, and confirmation e-mails. Receipts must be itemized with an adequate description of each item purchased. If the Cardholder does not have a receipt then they must complete and submit a Missing Receipt Form in place of the actual receipt. The documentation should be filed by month with the PCARD statement. While the documentation is in the Cardholder's possession, he/she must provide detailed information upon request to any one or all of the following persons: the Department Approver, the PCARD Program Administrator, the Departmental Vice President, the Internal Auditor, the General Counsel, or any other person designated by the President.
9. The Cardholder shall inform merchants of the sales tax exemption status for the University prior to making a purchase.

10. The Cardholder shall upload all documentation to the Regions Bank system each month (see separate instructions).
11. The Cardholder shall review their transactions and provide a business purpose for each one on a monthly basis.
12. The Approver shall review transactions on all cards assigned to their supervision and approve them on a monthly basis.
13. The Cardholder shall abide by any other rules or regulations established by their Approver relating to the use of the PCARD, provided such rules or regulations do not violate or circumvent the University policies and procedures, state, or federal law.

C. Audits

The PCARD Program Administrator shall perform regular audits of card transactions. He/she shall issue a Letter of Notice to the Cardholder for any violations of the Terms & Conditions in this policy and procedure manual. The first Letter of Notice shall serve as a warning. A second consecutive Letter of Notice shall result in an immediate 30-day suspension of card privileges. A third consecutive Letter of Notice shall result in an immediate 90-day suspension of card privileges. Continued violations may result in termination of card privileges, suspension or termination of employment, and, if necessary, legal action by the University to collect amounts owed by the cardholder.

IV. Monthly Procedures

A. Uploading Receipts

Cardholders must upload documentation supporting their PCARD transactions to the Regions Intersect card management site <http://intersect.regions.com> on a monthly basis. They will be required to log in to the site with a user id and password assigned by Regions Bank. Cardholders may direct any questions to the PCARD Program Administrator.

B. Cardholder Transaction Review

Cardholders must provide a business purpose for each PCARD transaction. Business purposes should provide an adequate description of the items purchased and their intended use. Cardholders should not use generic descriptions such as “supplies”. They should enter the business purposes in the Regions Intersect site when they upload their documentation.

C. Approver Transaction Review

Approvers are required to review transactions on all PCARDS assigned to their supervision each month by logging in to the Regions Intersect site. They should review the business purposes provided and either approve or disapprove each transaction.

V. Miscellaneous

A. Credits and Returns

Returns should be credited to the appropriate PCARD account. The Cardholder should review the subsequent bank statement to verify the credit was applied. The Cardholder shall not accept cash for the returned goods. The vendor must issue a credit to the PCARD account.

B. Disputes and Billing Errors

Cardholders should attempt to resolve any disputes or billing errors directly with the vendor. In most cases, the vendor will issue a credit to the PCARD account. If the Cardholder cannot reach an agreement with the vendor, he/she should contact the PCARD Program Administrator for assistance.

C. International Travel

Cardholders traveling internationally should notify the PCARD Program Administrator via e-mail and provide the last four digits of their card and the dates of their travel.

D. Renewals

PCARDS renew automatically. The PCARD Program Administrator or his/her designee will notify cardholders when their new cards arrive. Cardholders must sign a new PCARD Cardholder Agreement prior to receiving their card. They must also pass the online certification test again prior to card activation.

E. Temporary Limit Increase

Cardholders may request a temporary card limit increase for purchases in excess of current limits in situations where a purchase order is not a reasonable option (i.e. conference registrations). Cardholders must complete and submit a Temporary PCARD Limit Increase Request form to the PCARD Program Administrator. The form requires the signature of the appropriate Budget Administrator. The PCARD Program Administrator will direct the card issuer to increase the PCARD limit for a specified period of time during which the Cardholder may complete the transaction. Card limits will reset automatically once the time period has expired.

F. Vendor Decline of Card

Samford University requires the card issuer to block certain types of vendors from PCARD use. Transactions are blocked at the point-of-sale level. If a vendor declines to accept a PCARD, the Cardholder should contact the PCARD Program Administrator. Declines are most likely due to blocked vendors.

VI. Cancellation

A. Lost or Stolen Cards

Cardholders shall report any lost or stolen PCARDS immediately to the PCARD Program Administrator, their Approver, and Regions Bank toll-free at 1-888-934-1087. Bank representatives are available to assist them 24 hours a day, 365 days a year.

B. Termination of Card Privileges

Continued misuse of a University PCARD shall result in the termination of card privileges. The PCARD Program Administrator shall notify the Cardholder and Approver in writing of the pending termination prior to cancelling the card.

C. Termination of Employment

When Cardholders leave the University, they must relinquish their PCARD to their Approver who will forward the card to the PCARD Program Administrator for cancellation and destruction.

D. Transfers Between Departments

When Cardholders transfer employment from one department to another, they must surrender their current cards to the PCARD Program Administrator for cancellation. In order to obtain a new PCARD, they must complete the application process again obtaining the appropriate signatures from their new department.

VI. Policy Changes

The PCARD Program Administrator is responsible for maintaining and updating the Policy and Procedures Manual. He/she will ensure the most current version of the manual is available to Cardholders via an appropriate electronic format.

VII. Record Retention

Cardholders shall maintain all original documentation in a location that can be readily accessible for review by the Approver, PCARD Program Administrator, or Internal Audit as required. Documentation and statements should be filed chronologically by month. Cardholders must keep all documentation from transactions for at least 6 months after the end of the fiscal year to which they relate. Documentation from transactions related to federally sponsored research projects should be retained in accordance with Uniform Guidance rules.

PCARD Program Summary

Limits

Retail:

- Single transactions up to \$500
- Three transaction per day
- Aggregate purchases up to \$2,000 per month

Travel:

- Aggregate purchases up to \$8,000 per month (no single transaction or daily limit)

Terms & Conditions

- PCARDS shall be used only for legitimate University business purposes.
- PCARDS shall not be used for personal transactions.
- Cardholders shall safeguard their cards and card numbers.
- Cardholders shall not assign their cards to other individuals.
- Cardholders shall not split transactions to avoid limits.
- PCARDS shall not be used for prohibited transactions (see list below).
- Cardholders shall obtain and retain detailed documentation for all transactions.
- Cardholders shall upload documentation to Regions Bank each month.
- Cardholders shall review and provide a business purpose for their transactions on a monthly basis.
- Approvers shall review and approve/disapprove transactions on a monthly basis.

Prohibited Transactions

- Alcohol
- ATM disbursements
- Capital Expenditures
- Cash Advances
- Charitable Contributions
- Computer Hardware and Software
- Gift Cards
- Traveler's Checks
- Utilities

Sales Tax Exemption

Samford University is recognized as a 501(c) 3 nonprofit organization, which allows the University to be sales tax exempt on tangible items. The University sales tax exemption number is printed on all cards, however, it is the responsibility of the cardholder to ensure that vendors do not charge sales tax inappropriately.