PCard Quick Reference Guide

OVERVIEW OF THE PURCHASING CARD PROGRAM

PURPOSE

1. The Procurement Card (P-Card) is designed to simplify the purchasing of goods and services costing $5,000 or less to vendors.
2. This excludes any state agency or university system of Maryland institution. You must use the interagency payment process (RSTARS). The Comptroller's Office can assist with that process.
3. The intent of the program is to improve the efficiency and effectiveness of the university's small corporate purchasing methods.
4. Each purchase must be allowed by law and policy and be within the budget authority. Budget overruns are the responsibility of the cardholder and department supervisor. Prior approval is encouraged and required by some departments.

Important reminder: the card is ***not*** to be used for ***personal purchases or personal identification*** under any circumstances. Doing so will result in disciplinary action against the cardholder, such as loss of leave, suspension, and/or criminal prosecution.

Benefits

1. Employees obtain goods and services much faster
2. Reduce paperwork for the employees, Accounts Payable, and Procurement
3. Cost saving through consolidated payment
4. Suppliers receive payment in 3 business days
5. No after-sales invoicing and collection activities

Purchasing Card Company

US Bank through a State of Maryland contract

Where to get help

The Office of Procurement:

Purchasing Card Program Administrator (PCPA)

Tamarra Tilghman
Buyer Associate I
Student Development Center
Phone: 410-651-6407
E-mail: tatilghman@umes.edu

The PCPA and the Deputy Purchasing Card Program Administrator (DPCPA)

- Provide support and assistance to cardholders and campus departments
- Responsible for conducting mandatory training for all cardholders
- Receive and distribute cards to cardholders
- The Vice President for Administration and Finance and/or the PCPA approves the Procurement Card Request in Workday.

Policies and Procedures

1. **Training**: **Mandatory and must be attended to receive the P-Card**.
   - Cardholder must submit a New Card Request in Workday. After the PCPA receives the approved request, training is set up.
   - After the Mandatory P-Card training, **Procurement Card training in Workday** is required, and confirmation of the completed training should be sent to the PCPA.
2. **Obtaining the Card**
   - After approval of the New Card Request (P-Card application) by the Vice President of Administrative Affairs and the PCPA, the card is ordered.
   - The card is delivered to Procurement within 3-5 business days or less
   - The cardholder must sign the card out from the Procurement Office.

**A waiver may be granted due to a unique situation.

- After receiving the card, the cardholder is responsible for setting up the account in Access US Bank.

3. **KEEPING THE CARD SECURE**
   - Keep the card in a secure place
   - Cardholder is responsible for the physical security of the card
   - **CARDSHARING IS NOT ALLOWED**. NO ONE OTHER THAN THE DESIGNATED CARDHOLDER IS AUTHORIZED TO USE THE CARD FOR ANY PURPOSE.
4. **LOST AND STOLEN CARDS**
   - During normal business hours, cardholders may contact the bank or the PCPA
   - After normal business hours, call US Bank at 1-800-344-5696 immediately, available 24 hours 7 days a week.
   - **If Fraud is suspected**, contact US Bank's Fraud Department at 800-523-9078. **INCLUDE WHAT INFORMATION IS NEEDED TO VERIFY THE CARDHOLDER

****Note**: After a report is placed, the bank blocks or cancels the card, and a new card or replacement card is issued. The cardholder must inform the bank that the card should be sent to the Office of Procurement.

5. **SPECIFIC LIMITATIONS TO THE PURCHASING CARD**
   - **Single purchase** limit is $5,000 per transaction (including shipping and tax cost). Any request exceeding $5,000 must be submitted in Workday.

   ****Splitting/Stringing purchases are prohibited**

   - **Monthly Spending limit** is $5,000. This amount may be lower or higher depending on the department's budget. The monthly spending limit may be determined by the supervisor and the PCPA.

6. **Sales tax exemption**

   UMES is exempt from paying sales tax in the STATE OF MARYLAND.

7. **Restrictions (University and State) ON ALL CARDS.**

   *****Purchases not allowed under the Purchasing Card Program*****

A. Group Restrictions

- Airlines (no ticket purchases or other purchases associated with air travel)

B. Specific Restrictions

  - Money Service Providers
  - Personal Service Providers
  - Amusement and Entertainment
  - Splitting/Stringing Purchases
- Miscellaneous: Drinking Places, Eating Places/Restaurants, Package Goods Stores
  - Fines
  - Cash Advances

C. UNIVERSITY RESTRICTIONS

  - Furniture
  - Copiers
  - Gift/Money Cards
  - Gratuity
  - Fuel
- Auto Rental (Waiver required from Ms. Beatrice Wright of Administration and Finance prior to purchase)
  - Flowers
  - Dry Cleaning (Waiver required for specific departments)
  - Personal Items/Services
  - Tuition for Employees
  - Donations
  - Ride Share Services (UBER, LYFT, etc.)
  - Personal Rewards/Personal Accounts

D. INFORMATION TECHNOLOGY RESTRICTIONS

  - Computers
  - Monitors
  - Laptops
  - Scanners
  - Printers

- Printer toner (Prior approval from Vice President of Administration and Finance, Mr. Wade Henley)
- Projectors
- Fax Machines
- Cell Phones
    - Conference and Desk Phones
    - Tablets
    - Zoom and other video services
    - Refurbished Equipment
    - Technology Purchases over $100 (prior approval required from IT)
    - Cloud Storage
    - Video Displays

***NOTE: Warning notices may be issued to the cardholder for restricted items purchased with the P-Card. Reimbursement to the University may be requested for items purchased from the restriction list if considered a personal purchase.**

E. ALLOWED ON THE CARD WITH LIMITS

- **Food – (Not ALLOWED ON A STATE ACCOUNT**) Thompson Hospitality has the first right of refusal. With a waiver from Thompson Hospitality, if they are unable to render their service, prepackaged foods (meat tray, vegetable tray, fruit tray), snacks, and drinks may be purchased using the card. No foods that have to be prepared (cooked) for consumption are allowed (i.e., fresh meats, frozen meals, frozen/fresh vegetables, frozen pastries, etc.)
- **Promotional items and Giveaways – (NOT ALLOWED ON THE STATE ACCOUNT)** Prior approval is required from the VP of Administration and Finance, Mr. Wade Henley. Giveaways require a sign-in sheet so that those receiving the items.
- **Hotels** – only, room and applicable taxes, garage/hotel parking, and internet usage needed to perform University - related tasks are allowed on the card. **NO FOOD (RESTAURANT; ROOM SERVICE), PERSONAL TELEPHONE CALLS, MOVIES, ETC.**
  Personal membership/rewards points with a hotel cannot be

applied. Cardholders and others cannot personally benefit from university business.

8. **RENEWAL**

Card will expire after a three (3) year period. Replacement cards are sent to Procurement and distributed by the PCPA.

*Cards no longer in use, or where no activity has been recorded for 6 months, require justification. Cards with no activity for 12 months may be purged from the system.

Cardholders and log reviewers are encouraged to review the previous year's card usage after the Fiscal Year ends.

9. **SURRENDER OF CARD, CHANGING LIMITS & UPDATING CARDHOLDER AND RECONCILER INFORMATION**

The cardholder will need to log into Workday to create a Procurement Card (P-Card) Request

A. Access P-Card Request Form
B. Request P-Card Maintenance

Follow the steps provided in the Job Aid

https://elevate.umd.edu/support

C. Submit the request and attach any supporting documentation

D. The request is then forwarded for approval to the Supervisor and the Procurement Card Lead.

10. **Obtaining Minority and Small Business Participation**

The University must adhere to the State of Maryland **Mandate** to include minority, small, and disadvantaged businesses in its procurement processes.

A. **MBE (Minority Business Enterprise) Goal 29%** of the total dollar value of Procurement to certified MBE Firms during the fiscal years
B. **Small Business Reserve (SBR) Goal 15%** of its Fiscal Year procurement expenditures with qualified small businesses. **A list of qualified vendors can be obtained by visiting the Office of Procurement website**

11. **Making Purchases with the Purchasing Card**

A. The cardholder is the only person authorized to make purchases using his/her card for other departmental personnel. Sharing the card number or giving the card to someone else is not allowed
B. Making unauthorized Purchases is not allowed.
C. Vendor must accept VISA
D. Follow internal procedures established by the department to obtain authorization to make purchases
E. Be certain, the total amount of the purchase (including shipping, handling, postage, freight, etc.) does not exceed the single purchase limit of $5,000.
F. **Third Party Payment Processors (PAYPAL, SQUARE/SQ, ETC.)** are considered a go-between entities that provide payment service from a credit card to a vendor, merchant, or person. 2 (two) Receipts are required (Detailed/Itemized Vendor invoice or receipt and the Third-Party Payment Processor receipt).
G. Ensure that Maryland vendors do not charge Maryland State Taxes due to the University's exemption status.
H. All packages being delivered must be delivered to Central Receiving. The cardholder should inform the merchant of this and state that the package must be labeled "Purchasing Card" to assist Central Receiving with their process.
I. Purchases from Amazon must be made using the University Business Account. To be added to that account, email the Procurement Office, Ms. Crystal Neal, cmneal@umes.edu
J. Making purchases from a vendor (Amazon, Staples, Food Lion, etc.) using a personal account is not allowed using the Purchasing Card.
K. For Returns, Damaged Goods, Credits, the cardholder must work directly with the supplier (vendor).

12. GENERAL RECONCILIATION INSTRUCTIONS

A. Purchasing Card transactions are reconciled (verified) in Workday. New Cardholders must take the training for the Procurement Cards (P-Cards) in the Workday System before receiving the P-Card. Accessing the following link will direct you to the training
   On-Demand Courses | Elevate Program

- Click View All On-Demand Trainings

B. After the course is completed, it is encouraged to review and save all job aids associated with the Purchasing Card (P-Card) process by accessing the following link: https://elevate.umd.edu/support
    - Click Find a job aid, and you will be directed to all job aids.
    - Click Procurement and Purchasing
    - Find the section for Procurement Cards
    - Print or save the following job aids: **Create P-Card Requests; Edit Procurement Card Verification; Upload P-Card Statements; Verify Procurement Card Transactions**

C. Responsibility of the Cardholder (to name a few)
- Verifying all transactions posted in Workday daily
- Obtaining and uploading itemized receipts to each verification
- Uploading the Bank Statement after all verifications have been approved by the last day of the cycle month (i.e., cycle begins October 26, 2024, Cycle ends November 25, 2024, November 30, 2024, the last day of the month). **The bank statement will be accessible through Access US Bank.**
- Resolving discrepancies
- Keeping the card secure
- Declining Gifts and Gratuities
- Following the purchasing card guidelines
- Adhering to the restriction list

D. Responsibility of the Verification Reviewer (Supervisor or Manager)
- Review and approve the transaction verifications to ensure the information included is correct
- Review and approve the bank statement to ensure the transactions match the approved verifications
    - Ensure detailed receipts indicate what is purchased
    - Recognize discrepancies (unauthorized purchases)

- Ensure contract and grant funds are spent within the guidelines
- Keep track of P-Card spending within their jurisdiction to prevent budget overruns
- Review and approve all requests from cardholders.
- Decline verifications and/or requests with incorrect information

E. WARNING NOTICES DUE TO VIOLATIONS

A warning system is in place as an aid in assisting the cardholder with proper documentation and processing procedures. If guidelines are not followed, a warning notice is sent directly to the cardholder. After receipt of two warnings in a fiscal year, may result in the cardholders losing card privileges for the duration of the Purchasing Card Program.

F. Automatic Cancellation

When one or more of the following items are not submitted timely as requested by the PCPA, purchasing cards may be automatically cancelled for the remainder of the current fiscal year.

- Missing/incorrect documentation (receipts, waivers, approvals, etc.)
    - Justification of items purchased (if requested by procurement)
- Reimbursement of restricted items (gift cards, restaurant charges, telephone calls, any purchase of a personal nature, etc.)
    - Repeated late transaction verifications in Workday.

G. AUDITS

Periodic audits of each cardholder's records will be performed by members of either or both the Financial Services and the Office of Procurement. Additional audits may be conducted by the University System of Maryland, the State of Maryland, and the Federal Government.

Periodically, the State of Maryland Comptroller's Office and State Legislative Auditors perform audits on transactions that appear "questionable". Procurement will contact the cardholders to provide written responses to these audits.

H. Disputed Transactions

Disputes fall into two broad categories – suppliers' refusal to take back defective or incorrect shipments and discrepancies between the cardholder's records and the monthly bank statement.

Disputes are made through **Access US Bank** and must be reported no later than sixty (60) days after the item appears on the bank statement.

Resolution of the dispute results in the cardholder receiving credit during US Bank's investigation. When the investigation is completed, the cardholder is notified of the resolution. If you are not pleased with the resolution, you may contact Ms. Tamarra Tilghman.