

University of Arkansas at Little Rock

P-Card Program Policy and Procedures

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1.0 INTRODUCTION

Welcome to the State of Arkansas/University of Arkansas at Little Rock P-Card (P-Card) Program. This program is designed to help departments or organizational units manage purchases of predetermined dollar limits. The P-Card will facilitate the acquisition of lower dollar purchases needed for conducting official University business. **Personal purchases are strictly forbidden and may result in disciplinary action.**

- 1.1 Responsibility and accountability for P-Card transactions will reside at the department or organizational unit level.
- 1.2 It is accepted that no policy and procedure statement can cover all eventualities. Exceptional cases will be resolved as circumstances and prudent business practices warrant on a case-by-case basis.
- 1.3 University departments and organizational units, as a condition of participation in the P-Card program, shall abide by the terms of these procedures unless written exception is requested and approved by the P-Card Administrator.
- 1.4 The success of the P-Card Program and its continuing use depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within this document.

2.0 WHAT IS THE P-CARD?

- 2.1 The P-Card is a Visa credit card issued by US Bank. It is a fast, flexible, purchasing tool, which offers an alternative to the existing campus purchasing process. **The P-Card is to be used only for official business purchases for the University of Arkansas at Little Rock. Use of the P-Card for personal purchases can result in disciplinary action and loss of future P-card privileges.**
- 2.2 The issuance of a P-Card to you represents the trust bestowed upon you by the University to protect its assets and integrity. Under your oversight, review and approval, you provide the key point of control to maintain appropriate spending activities to protect your departmental or organizational unit funds.
- 2.3 The P-Card will be issued in the individual P-Cardholder's name with the wording "Purchasing" clearly imprinted on the card. The card's application form will require some personal information from the prospective P-Cardholder, but this does not affect your personal credit in any manner. The information is for security and services purposes only.

3.0 THE P-CARD PROGRAM BRINGS MANY BENEFITS TO:

- 3.1 P-Cardholders** - You will be able to obtain various supplies directly from our vendors without using a purchase order. This streamlines the purchasing process and can help improve turnaround time on receipt of your order. It significantly reduces the workload and processing costs related to the purchase and payment for supplies.
- 3.2 University of Arkansas at Little Rock** - The P-Card program provides a cost-efficient, alternative method for purchasing low-dollar purchases. Built-in card features make the program easy to control, manage, and reduce processing costs at all levels by reducing the number of requisitions, purchase orders, blanket purchase orders, invoices and checks. The P-Card program can enable Purchasing staff to provide better procurement services to high dollar transactions.
- 3.3 Vendors** - Vendors who accept Visa will welcome the P-Card. When they accept the card for business purchases, vendors will receive payment within 72 hours and eliminate the expensive billing and receivable collection process.

4.0 NON-RESTRICTED AND RESTRICTED CHARGES

- 4.1** There are many items that can and cannot be charged to the UALR P-Card. The allowable items that can be purchased are vast. Some examples are books, educational supplies, lab supplies, maintenance services/repairs to office and computer equipment, postage, subscriptions, UPS, FedEx and many more. In general, the P-Cardholder may purchase goods that serve as official business purposes for the University of Arkansas at Little Rock.
- 4.2** **Meals at restaurants are no longer allowed. Food purchases for meetings held off campus may be allowed, only by obtaining permission from the Director of Purchasing prior the purchase.**

4.3 Purchase of these items is NOT ALLOWED:

There are items available from merchants that **cannot** be purchased with the P-Card due to existing state contracts and restrictions imposed by Constitutional Amendment 54 or University policy. UALR has developed the following list to make users aware of restricted items. This list may not include all non-allowable items and is subject to change. If in doubt, please contact the Purchasing department.

Note: If ANY of these items are purchased on a P-Card it will result in an immediate strike on the p-card holder's status.

First strike: Card will be shut down for 30 days

Second strike: Card will be shut down for 60 days

Third strike: Card will be shut down indefinitely and cardholder may not reapply for a university issued p-card.

In the event that ANY purchases appear to be fraudulent in nature, the P-Card Administrator reserves the right to immediately shut down the card permanently and contact university administrators to alert them to potential fraud.

This list may be adjusted and evaluated from time to time. Please contact the Purchasing department for any questions prior to making a purchase on the card.

CONTRACT ITEMS

Ammunition

Capital Equipment-Commodity purchases \$2,500.00 and above (including taxes and freight)

Cell Phones

Copier Rental

Custom Continuous Forms

Custom Snap-out Forms

Diploma Inserts and Covers

Envelopes – Plain or Printed

Lawn Care Equipment

Letterhead and Envelopes

Light Bulbs/Ballasts

Office Supplies (other than from OFFICE DEPOT—card may be used in-store only)

Paper Towels

Software-Microsoft and Adobe Products

Stock Continuous Blank Labels

Telephones

Toilet Tissue

Tires (auto, truck, bus, agricultural tires)

Vehicles-New or Used

Vehicle Rental

Xerographic and Print Shop Paper

COMPUTERS

Dell Computers and Laptops

IPads (AT&T Data plans are allowable). IPads must be purchased using a purchase order.

AMENDMENT 54

Printing. The UALR Print shop has first right-of-refusal on all UALR print jobs. Please contact the UALR Print shop first for your printing needs.

PERSONAL ITEMS

Decorative Items (items for non-public areas)

Narcotics/Prescriptions and Other Over the Counter Medication

Party/Holiday Decorations

Plaques/Awards Unless Specifically for Students or Guests of State

Regalia

Small Appliances-Microwaves, Toasters, Refrigerators, Coffee Makers

Supplies and Food for Birthday & Other Celebrations

Flowers/Plants/Greeting Cards/Gifts

Please see the University of Arkansas Board Policy 260.1 which addresses gifts for employees and definitions of an Official Function.

FOOD AND MEALS

Alcoholic Beverages

Bottled Water (must be purchased from Sodexo)

Candy, Soft Drinks, Juices and Food (must be purchased from Sodexo or Barnes and Noble)

Coffee

Restaurants/Catering

Cakes/Pastries/Doughnuts (must be purchased from Sodexo)

PROMOTIONAL/LOGO ITEMS

Items That Have the Official UALR Logo and Brand

Novelty Items (mugs, pens, rulers, stress balls, cups, Frisbees, etc.)

Shirts (to include polo style, button down and t-shirts) Note: This does NOT include uniforms for faculty or staff

OTHER

Airfare or Other Travel Expenses

Cash Advances

Cell Phone Services

Certifications

Construction or Remodeling

Fuel/Gasoline

Gifts/Contributions/Sponsorships/Pledges

Gift Certificates/Gift Cards/Shopping Cards (only with prior approval of: Director of Purchasing, Associate Vice Chancellor of Finance or Vice Chancellor of Finance and Administration)

Hotel/Motel Lodging

Internal Service Providers (Printing Services, Parking & Transit, PHPL, Telephone Services)

Items for Non-University Purposes

Medical Service with the Exception of Medical Supplies

Personal Purchases of Any Sort

Phone Cards

Registration Fees (allowed if for an online webinar only)

Restaurants

CONTRACTS

Anything that Requires an Official UALR Signature

NOTE

Additional items that may be of potential concern and/or liability to the University are:

Maintenance Agreements Requiring Signature

Service Agreements Requiring Signature

Site Licensing

Software Licensing

Any Document/ Agreement/Contract/License Agreement that Would Substantially Alter the University's Master Terms & Conditions

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4.4 Purchase of Furniture and Equipment

4.4.0 The P-Card is intended to be used for the purchase of low dollar purchases.

4.4.1 Purchase of furniture and equipment with a unit price of \$2500 or greater with the P-Card is prohibited.

4.4.2 Purchase of furniture and equipment with a unit price between \$500 and \$2499 must be reallocated using account code 721700.

4.5 NOTE: All purchases must be for official business for the University of Arkansas at Little Rock.

5 MAKING A PURCHASE

All items resulting from any transaction on a university issued P-card must be delivered to the UALR campus or the official place of business. You may only have merchandise delivered to another or home address with prior written approval from the Director of Procurement Services.

5.1 When making a P-Card transaction the P-Cardholder shall check as many sources as reasonable to assure the best price, quality, service and delivery, and that the

purchase is in the best interest of the University. There are many methods of procuring with the P-Card.

- 5.2 **Purchasing In Person** – The P-Cardholder takes the P-Card to the supplier and verifies the supplier accepts the Visa card. The P-Cardholder selects the order, carefully ensuring that the selection is not listed as a restricted item that cannot be procured with the P-Card and makes sure that the total cost does not exceed the control limits set for the individual P-Card user. The P-Cardholder takes the order to the supplier’s cash register and presents the P-Card for payment. The supplier either swipes the P-Card through a card reader or calls for an authorization. The supplier then asks the P-Cardholder to sign for the charges. The supplier issues the P-Cardholder a copy of the slip, cash register tape or paid invoice. The P-Cardholder shall retain all P-Card transaction documentation and provide it to the Department or organizational unit P-Card Coordinator for logging on the P-Card Transaction Log.
- 5.3 **Phone Orders** – The P-Cardholder may telephone an order to a supplier. The supplier shall request the P-Cardholder’s P-Card number and expiration date. For security reasons, ensure others do not overhear or view this information. The P-Cardholder advises the supplier that the **University is not Arkansas sales tax exempt** and shall pay all applicable sales tax. The P-Cardholder shall ensure the supplier includes a P-Card authorization slip, cash register tape or paid invoice with the delivery of the order. All orders shall be made delivered to the department or organizational unit’s official university address. The P-Cardholder shall ensure all transaction documentation is provided to the Department or organizational unit P-Card Coordinator for updating the P-Card Transaction Log.
- 5.4 **Internet Orders** – The P-Cardholder may use an internet web site to submit an order to a supplier. The P-Cardholder shall ensure the supplier includes a P-Card authorization slip, cash register tape, paid invoice and/or delivery slip with the order. Receipts must have detailed list of each item purchased including item unit price. If the supplier intends to mail the P-Card transaction documentation as a separate item, the P-Cardholder shall ensure the documentation is mailed to the department or organizational unit’s official university address. The P-Cardholder shall ensure all transaction documentation is provided to the Department or organizational unit P-Card Coordinator for logging to the P-Card Transaction Log. Internet orders may be subject to Use Tax.

6 PARTIES INVOLVED

- 6.1 **Agency** - The University of Arkansas at Little Rock who arranges with the card issuer, US Bank, for the issuance of P-Cards to approved department or organizational unit Personnel

- 6.2 **P-Cardholder** – A full-time employee of the University of Arkansas at Little Rock who has been approved by his/her department or organizational unit head to use the P-Card to execute purchase transactions on behalf of their department or organizational unit. In cases where the P-Cardholder is the department or organizational unit head, approval must come for the next level supervisor.
- 6.3 **Card Issuer** – Bank services were contracted for/by the State of Arkansas, to issue Visa P-Cards to the University of Arkansas at Little Rock employees. The card issuer bills the University of Arkansas at Little Rock for all purchases made on the cards and collects payment from the University of Arkansas at Little Rock.
- 6.4 **Approver (Departmental or Organizational Unit Head)** - University of Arkansas at Little Rock official who must approve employee's request for a P-Card, assign Department or organizational unit P-Card Coordinators, designate default FOAPAL for purchases with the P-Card, and submit applications to the P-Card Administrator. **Approver (Department Head) must review monthly transactions and sign cardholder's transaction log. Approver (Department Head) is defined as the Administrative individual charged with departmental budget responsibility. These individuals include Directors, Chairmen, Associate Dean, Dean, Associate VC, Vice Chancellors and Chancellor.** The department or organizational unit heads' approval delegates' transaction authority to the P-Cardholder.
- 6.5 **Department or organizational unit P-Card Coordinator** – The Department or Organizational head may appoint an employee(s) in each department or organizational unit/college who is responsible for logging, maintaining and reconciling within their assigned department or organizational unit. The P-Card Coordinator will be responsible for reviewing transactions of individual P-Cardholders to make sure the transactions are classified as an appropriate expense. P-Card Holders may also serve as P-Card Coordinators.
- 6.6 **P-Card Administrator** This person will coordinate the P-Card program and will act as an intermediary in correspondence with the card issuer and perform some audit functions.
- 6.7 **Vendor** - The merchant from whom a P-Cardholder is making a purchase.
- 6.8 **Department or organizational unit** - This is derived from the University's budget reporting structure. It is used to provide a means of security so that Department or organizational unit P-Card Coordinators can manage their P-Cardholders and FOAPALs.

7 **P-CARDHOLDER ELIGIBILITY**

- 7.1 Criteria to receive a P-Card is as follows:

- 7.1.0 The applicant must be a full-time employee of the University of Arkansas at Little Rock.
- 7.1.1 The potential P-Cardholder's Department or organizational unit Head must approve the applicant's request for a P-Card.
- 7.1.2 Each individual P-Cardholder must attend a P-Card training session, sign a P-Card Employee Agreement and P-Card Receipt forms.

4 P-CARDHOLDER RESPONSIBILITIES

- 8.1 P-Cardholders are responsible for knowing and applying all of the rules related to the P- Card program. Misuse of the card may subject the P-Cardholder to disciplinary action in accordance with University of Arkansas at Little Rock Policies and Procedures relating to disciplinary action and termination for cause. The "3 strikes and your out" principle will apply to all P-Cardholders. This is intended to allow for "honest" mistakes that can be made by an individual P-Cardholder. Procurement mistakes can be simple ones such as buying an item that is on an agency/state contract, attempting to use your P-Card in an ATM, attempting to use the P-Card for a printing need, etc. If an individual P-Cardholder makes procurement mistakes his/her card will be revoked upon the discovery of the third mistake. This ruling is for procurement mistakes only. **FRAUD is the intent to deceive and will not be considered a procurement mistake.** Buying item(s) for personal use, purchases other than UALR official business, etc. will be considered as fraud. The P-Cardholder must:
 - 8.1.0 Ensure the P-Card is used only for legitimate UALR business purposes;
 - 8.1.1 Maintain the P-Card in a secure location at all times;
 - 8.1.2 Not allow other individuals to use their P-Card;
 - 8.1.3 Adhere to the purchase limits and restrictions of the P-Card and ensure the total transaction amount of any single transaction does not exceed established limits.
 - 8.1.4 Obtain all sales slips, register detailed receipts, and/or P-Cards slips and provide those to the Department or organizational unit P-Card Coordinator for reconciliation, approval and allocation of transactions. **Note:** All sales slips are to be submitted to the P-Card Department or organizational unit P-Card Coordinator. All receipts must have detailed listings of each item purchased including unit price for each item. These receipts must be included along with the monthly P-card Log that is turned in to the Purchasing department at the end of the month.
 - 8.1.5 Notify Department or organizational unit P-Card Coordinator if the FOAPAL should be changed on a transaction;
 - 8.1.6 Attempt to resolve disputes or billing errors directly with the vendor and immediately notify the Department or organizational unit P-Card Coordinator and the P-Card Administrator if the dispute or billing error is not satisfactorily resolved;
 - 8.1.7 Ensure that an appropriate credit for the reported disputed items(s) or billing error appears on a subsequent P-Cardholder's Statement;

- 8.1.8 It is not permissible to accept cash in lieu of a credit to the P-Card.
- 8.1.9 **Immediately report a lost or stolen card to VISA at 1-800-VISA911 (24 hours a day, 365 days a year);**
- 8.1.10 Notify Department or organizational unit P-Card Coordinator and/or P-Card Administrator of a lost or stolen P-Card at the first opportunity during business hours;
- 8.1.11 Return the P-Card to the P-Card Administrator upon termination of employment with UALR or upon any event that would cause the cardholder to no longer need or qualify for the P-Card.
- 8.1.12 If the P-Cardholder is changing department or organizational units within the University of Arkansas at Little Rock they must contact the P-Card Administrator to coordinate the change.
- 8.1.13 P-Card Holders **will** perform the duties of P-Card Coordinators if the department or organization **does not designate a coordinator(s)**.

8.2 P-CARDHOLDER LIABILITY

The P-Card is a corporate purchasing Visa charge card, which will not affect the P-Cardholder's personal credit. Your department or organizational unit is liable for all charges made on the P-Card issued to you. This includes transactions made on a lost or stolen card before it is reported lost or stolen. However, it is the P-Cardholder's responsibility to ensure that the card is used within stated guidelines of the Universities Policies and Procedures as well as University of Arkansas at Little Rock guidelines and procedures relating to the expenditure of University of Arkansas at Little Rock funds. Failure to comply with program guidelines may result in revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination of employment. **The ultimate responsibility for use/misuse of the P-Card rests with the cardholder.**

9 DEPARTMENT OR ORGANIZATIONAL UNIT P-CARD COORDINATOR RESPONSIBILITIES

- 9.1 The Department or organizational unit Head may designate a Department or organizational unit P-Card Coordinator. Department or organizational unit heads who are also P-Cardholders will require signature approval from next level supervisor for their transactions. The Department or organizational unit P-Card Coordinator must attend all required training sessions and will be notified of these by means of a P-Card Listserv to which they will be subscribed. Responsibilities include:
 - 9.1.0 Collecting vendor detail receipts with each item listed including unit price for each item and P-Card receipts from each P-Cardholder, validation of those documents and reconciling to billing statements;

- 9.1.1 Maintain a P-Card Transaction Log for each card within that department or organizational unit;
- 9.1.3 Log each individual transaction as the P-Cardholder presents the transactions and maintain the back up (detailed receipts, sales slips, packing list, etc.) for reconciliation to the monthly billing from US Bank
- 9.1.4 The Department or organizational unit P-Card Coordinator will receive a copy of their monthly P-Card charge statement for reconciliation purposes. The Department or organizational unit P-Card Coordinator will compare the statement to the P-Card Transaction Log. If there is a disputed transaction, the card holder or coordinator should register a dispute with the Bank using Access On-Line.
- 9.1.5 All adjustments to the billing will be reflected in a future billing cycle.
- 9.1.6 **NOTE:** Remember that it can take up to three (3) days for the entire transaction to complete the entire process, therefore, in some cases a P-Card transaction that is posted to the Transaction Log may not appear on the billing. This is known as a timing difference between the transactions that the bank processed and the transactions that were recorded on the Transaction Log. If this occurs, line through the posting on the Transaction Log, annotate it with “Not billed on this cycle” and re-enter that data on the log that will be used for the next billing cycle.
- 9.1.7 Department or organizational unit P-Card Coordinators will reallocate the charges to their default P-Card FOAPAL to the appropriate department or organizational unit FOAPAL(s).
Reallocation will be accomplished by using the US Bank Access Online system. Default FOAPAL may be changed to appropriate FOAPAL by the P-Card Coordinator during the billing cycle.
- 9.1.8 **Reallocation must be completed before the 15th of the month.**
- 9.1.10 Charges not reallocated will be posted to your default FOAPAL.
- 9.1.11 Reallocations not made by the deadline may be accomplished by submission of an expense transfer to UALR Financial Services for posting. **Excessive failure to reallocate using US Bank Access Online and relying on expense transfers may result in cancellation of your P-Card.**
- 9.1.12 If a change in FOAPAL has occurred these adjustments must be addressed within a 45-day period. The Department or organizational unit P-Card Coordinator is responsible for written notification to the UALR Financial Services Department for the creation of a journal entry to correct the necessary charges.
- 9.1.13 Attempts to resolve any disputes with vendor and/or US Bank that were not resolved by P-Cardholder are to be reported to the P-Card Administrator. **Note:** there is a 60-day period for resolution of disputes;
- 9.1.14 The P-Card Coordinator may request the P-Card Administrator to make a change to the default FOAPAL for individual cards as needed. All changes to cardholder account must be approved by department head.
- 9.1.15 The P-Cardholder is responsible for notifying the P-Card Administrator of lost or stolen cards;

- 9.1.16 Requests to the P-Card Administrator to cancel a P-Cardholder's card (e.g. terminated employees, loss of purchasing card privileges) must be approved by the Department or organizational unit Head;
- 9.1.17 Department or organizational unit P-Card Coordinator is responsible for making sure that they are receiving messages from the P-Card Listserv.

10. P-CARD APPROVER RESPONSIBILITY

- 10.1 A P-Card Approver is defined as that individual who is charged by the University with budget authority and responsibility for the department. UALR P-Card Approvers are Directors , Chairman, Associate Dean, Dean, Associate VC, Vice Chancellor or Chancellor.
- 10.2 The P-Card Approver reviews and approves cardholder application and transaction log with receipts.
- 10.3 Approvers assure with their signature approval that the transactions are for official University business and comply with all University and State Procurement laws, policy and procedures. Under no circumstances may an approver approve their own p-card log.

11. P-CARD ADMINISTRATOR RESPONSIBILITIES

- 11.1 The University will assign a P-Card Administrator to be responsible for the over-all P-Card program. Responsibilities include:
 - 11.1.0 Initiating University of Arkansas at Little Rock contact with US Bank;
 - 11.1.1 Reviewing department or organizational unit P-Card applications
 - 11.1.2 Submitting completed application to US Bank and receiving approved P-Card from US Bank;
 - 11.1.3 Training P-Cardholders and Department or organizational unit P-Card Coordinators before releasing P-Cards to the P-Cardholders;
 - 11.1.4 Requiring the P-Cardholder to sign the P-Cardholder agreement, which signifies agreement with the terms of the P-Card program;
 - 11.1.5 Assist in resolving disputed charges/discrepancies not settled by the P-Cardholder or Department or organizational unit P-Card Coordinators;
 - 11.1.6 Initiating change of P-Card default FOAPAL upon request of department or organizational unit heads;
 - 11.1.7 Securing revoked P-Cards and submitting the information to US Bank;
 - 11.1.8 Reviewing usage of P-Card data for appropriateness;
 - 11.1.9 Performing audit functions and/or coordinating them with the Auditor or other University officials.

12 ACCOUNTS PAYABLE RESPONSIBILITIES

- 12.1 US Bank will electronically bill the University of Arkansas at Little Rock
- 12.2 Payment in full will be made to US Bank.
- 12.3 UALR Accounts Payable will pay the US Bank Statement from a liability fund and charge the various default P-Card FOAPALs
- 12.4 Department or organizational unit P-Card Holders will be mailed a copy of their portion of the US Bank statement by the Bank. Cardholders and/or coordinators may print a current statement by using Access On-Line.
- 12.5 Payment will be transmitted in accordance with US Bank instructions

13 P-CARD TERMINATION

- 13.0 Departmental or organizational unit head must immediately notify the P-Card Administrator of a change in status of a P-Cardholder that would cause the cardholder to no longer need or qualify for the P-Card. Delays in notification may subject the department to unauthorized P-Card charges.
- 13.1 The P-Card Administrator may void a P-Card if the P-Cardholder:
 - 13.1.0 Moves to a new job in which a P-Card is not required:
 - 13.1.1 Terminates his/her employment with the University of Arkansas at Little Rock;
 - 13.1.2 Unauthorized use of P-Card that could be interpreted as fraud, which could be grounds for employee termination. **Any unauthorized use of the P-card will be reported to: the employee's direct supervisor, and the Vice Chancellor of Finance and Administration.**
 - 13.2 The P-Card Administrator may counsel, suspend or apply the three strike rule and void a P-Card if the P-Cardholder:
 - 13.2.0 The P-Card is used for personal or unauthorized purposes
 - 13.2.1 The P-Card is used to purchase alcoholic beverages or any substance, or material, which violates policy, law or regulation pertaining to the University of Arkansas at Little Rock;
 - 13.2.2 The P-Cardholder allows the card to be used by another individual;
 - 13.2.3 The P-Cardholder splits a purchase to circumvent the limitations of the Arkansas Procurement Law;
 - 13.2.4 The P-Cardholder uses another P-Cardholder's card to circumvent the purchase limit assigned to either P-Cardholder or the limitations of the Arkansas Procurement Law
 - 13.2.5 The P-Cardholder fails to provide the Department or organizational unit P-Card Coordinator with required detailed receipts;
 - 13.2.6 The P-Cardholder fails to provide, when requested, information about any specific purchase;

13.2.7 The P-Cardholder does not adhere to all of the P-Card policies and procedures.

13.3 The above conduct by the P-Cardholder may subject the employee to disciplinary action in accordance with the University of Arkansas at Little Rock policies and procedures that relates to disciplinary measures and termination for cause.

14 DOCUMENTATION OF EXPENDITURES

14.1 The Department or organizational unit P-Card Coordinator and/or P-Card Holder must review all documentation submitted and determine that valid and complete documentation is **provided** for every transaction listed on P-Cardholder's statement. Each P-Cardholder will provide valid documentation of each transaction to the Department or organizational unit P-Card Coordinator within sixteen (16) working hours after each transaction. **P-Cardholders and/or Coordinators must deliver original/approved transaction log with original receipts to Purchasing by the last day of the month following the close of a billing cycle for which there were charges.**

14.1.0 Valid source documentation may be:

- 14.1.0.1 A detailed receipt and/or card transaction slip from the merchant;
- 14.1.0.2 An order form for books, subscriptions, or similar items
- 14.1.0.3 An invoice showing credit card payment; and
- 14.1.0.4 A packing slip from the delivery annotated by the P-Cardholder as ordered by, received by, paid by and signature of the P-Cardholder.

14.1.1 All documentation must include the following minimum information (P-Cardholder must provide the information listed below if it is not already printed on the form):

- 14.1.1.0 Vendor name
- 14.1.1.1 Date of the purchase
- 14.1.1.2 Description and quantity of each item purchased
- 14.1.1.3 Per item cost
- 14.1.1.4 Total cost of the transaction; and
- 14.1.1.5 P-Cardholder name and **the last four (4) digits of the** card number.

14.1.2 If documentation is unavailable, the P-Cardholder is to complete a Missing Detailed Receipts form. Completion of this form will be required for each transaction where the documentation is unavailable. The form is to be completed whether or not the P-Cardholder failed to provide the documentation through no fault of his/her own, or through willful or negligent default. **Use of the missing receipts constitutes a "strike" against the cardholder. Continued reliance on missing receipts forms will result in suspension and /or cancellation of the card.**

15 REBATES, REFUNDS AND PROMOTIONAL ITEMS

- 15.1 Any rebates or refunds received by the P-Cardholder resulting from the use of a P-Card transaction shall be deposited back into the appropriate department or organizational unit and documentation reflecting the transaction shall be attached to the P-Card Transaction Log for verification. Any promotional type items received as the results of a P-Card transaction shall become the property of the University of Arkansas at Little Rock and shall be utilized by the applicable university department or organizational unit.

16 CARD DECLINES

- 16.1 Should a vendor decline the P-Card, the P-Cardholder should immediately contact the P-Card Administrator for assistance. If a purchase is being made outside normal business hours, the employee must find an alternate payment method or terminate the purchase. Contact the P-Card Administrator during normal business hours.

17 EMERGENCY TRANSACTIONS

- 17.1 Emergency transactions over \$5,000.00 may not be handled with the P-Card due to State and University procurement regulations. For any “emergency” type transaction, or one that exceeds the spending controls assigned to the card, the P-Cardholder must contact the P-Card Administrator for assistance.

18 CREDITS

- 18.1 Vendors will issue all credits to the individual P-Card for any item returned. This credit will appear on a subsequent bank statement. **Under no circumstances should a P-Cardholder accept cash in lieu of a credit to the P-Card.**

19 UNRESOLVED DISPUTES AND BILLING ERRORS

- 19.1 The P-Cardholder is responsible for contacting the Bank to resolve any disputed charges or billing errors. The P-Cardholder/Department or organizational unit P-Card Coordinator should:
- 19.1.0 Dispute charges with the Bank using Access On-Line or contact US Bank Customer Service at 1-800-344-5696 directly for assistance.
 - 19.1.1 If the problem cannot be resolved, US Bank may request you to fax a signed Dispute Form to further clarify the problem and/or to document the reason for the dispute. In this case US Bank Customer Service will provide you a fax number.

1891.2 Contact the P-Card Administrator for assistance if an acceptable resolution is not obtained.

- 19.2 Note:** The total amount billed by US Bank will be charged to the individual department or organizational unit's default P-Card FOAPAL. Credits for disputed transactions will be posted to the department or organizational unit's default P-Card FOAPAL when the credit appears on the US Bank billing, generally during the next billing cycle.

20 SECURITY AND STORAGE

- 20.1 **P-Cards** - P-Cardholders should always treat the P-Card with at least the same level of care as one does with their own personal credit cards. The card should be maintained in a secure location and the card number should be carefully guarded. The only person entitled to use the card is the person whose name appears on the face of the card. The card may not be lent to another person for any reason.
- 20.2 **Program Documentation** - **P-Cardholder's original detailed receipts/packing slips/charge slips shall be delivered to Purchasing by the last day of the month following billing cycle close for which there are charges.** The P-Card Administrator located in the Purchasing Department will maintain **additional** documentation concerning the P-Card program. This documentation includes, but is not limited to, applications, P-Cardholder agreements, documentation, and copies of transmittals and correspondence with US Bank.

21 VENDOR SET UP

- 21.1 If a vendor does not accept the Visa card, the UALR Purchasing Department or organizational unit may assist the vendor in taking the necessary steps to begin acceptance of the card. P-Cardholders should contact the Department or organizational unit P-Card Coordinator or P-Card Administrator when encountering vendors who do not accept the card.

22 MERCHANT CATEGORY CODE BLOCKING

- 22.1 The University of Arkansas at Little Rock has adopted the State of Arkansas's blocked Merchant Category Code (MCC) List that will be blocked on the standard issue card. Transactions related to these MCC will be blocked at the point-of-sale level for the type of vendors on the Blocked Merchant Category Codes. These points of sale "blockings" prevent the P-Card from being used for the type of purchases within that category. If you attempt to use the card at blocked merchants the transaction will be denied at the time the card is swiped. The P-Card Administrator can make some adjustments to these codes but only at the request of the Department or organizational unit Head, Dean, Vice Chancellor or Chancellor and the approval of the Office of State Procurement.. You will be

notified if additional MCC are blocked for your individual card. **NOTE: MCC blocks function at vendor level and not at product level. For example; purchase of alcohol is expressly prohibited. P-Card transactions will be blocked at liquor stores. Wine and beer purchases at grocery stores and Wal-Mart will not reject but are still prohibited. Such a charge will result in suspension and/or cancellation of your card.**

23 P-CARD SET UP

23.1 All contact with US Bank for card set up, maintenance and closure (except for disputes and reporting lost or stolen cards) will be handled by the P-Card Administrator

23.2 Card Set Up:

23.2.0 University of Arkansas at Little Rock employee completes a P-Card agreement form and submits **it** to his/her Department or organizational unit Head for completion and approval.

23.2.1 Department or organizational unit Head **approves** the application by **assuring that** the name of the Department or organizational unit P-Card Coordinators (if one is required), default FOAPAL to be assigned to the card, recommends the monthly spending limit (**not to exceed \$5000**) for the potential P-Cardholder

23.2.2 Department or organizational unit Head's signature of approval delegates transaction authority to the P-Cardholder. **Additional approval/signatures are required. A cardholder who is also an approver must have the next level supervisor approval. Final approval/signature from appropriate Vice Chancellor is required.**

23.2.3 Fully approved agreement form will then be sent to the P-Card Administrator.

23.2.4 P-Card Administrator reviews agreement form for completeness and submits the application to US Bank.

23.2.5 Upon receipt of the P-Card by the P-Card Administrator from the Bank, the P-Card Administrator will notify the applicant. The P-Card Administrator will schedule a training session with the P-Card Holder. Training must be completed before any P-Card can be issued to the applicant. The applicant must appear in the P-Card Administrator's Office to sign a receipt for the P-Card.

23.3 P-Card Administrator may use all available tools of US Bank software for the maintenance of cards.

24.0 TAXES

24.1 **UALR is not tax exempt.** Despite the fact the University of Arkansas at Little Rock is a State institution; **we must pay** "sales" or "use" taxes.

- 24.2 Use Taxes. Normally vendors collect a sales tax from the customer, and remit the tax to the State of Arkansas. If the vendor does not collect the sales tax, then UALR must pay a “use tax” directly to the State of Arkansas equal to what the sales tax would have been. If sales tax is not paid, Accounts Payable will determine if any “use tax” is due from the description of the item.
- 24.3 Taxability of Items. As a general rule, the purchase of tangible property is considered taxable with few exceptions. A “tangible” item is something you can touch. An “intangible” item is something you cannot touch and is usually not taxable. For example software delivered on a CD is tangible (you can touch it), and therefore taxable. Software downloaded from the Internet is not tangible and is not taxable. There are some exceptions to this general rule. Freight is taxable unless billed separately by the shipping company. Subscriptions and periodicals are not taxable. If you have any questions on sales/use taxes in general, you can call Accounts Payable at 569-8617.

25.0 END OF FISCAL YEAR PROCEDURE

- 25.1 UALR uses the accrual method of accounting, which means that goods are recorded in accounting records in the fiscal year in which they are received. UALR’s fiscal year is July 1 – June 30.
- 25.2 US Bank’s billing period ends on the 15th of each month. There could be a 2-3 day lag between the time goods are received and when they are billed.
- 25.3 In order to assure that all goods purchased in June are recorded in the proper fiscal year, AP or Purchasing will create a report of all p-card purchases between June 16 and June 30. These charges will be posted to the correct fiscal year.

26.0 AUDIT

- 26.1 UALR Audit of P-Card **transactions** will include:
- 26.1.0 Review of P-Card charge, US Bank billing and some billing adjustments **is required by the Department Approver and P-Card Administrator.**
 - 26.1.1 Monitor the reconciliation and reallocation of the UALR US Bank statement
 - 26.1.2 Make audits of card use and P-Card charges for appropriateness. Areas to be monitored include, but not limited to:
 - 25.1.2.0 Compliance with State of Arkansas Procurement Laws and Regulations
 - 26.1.2.1 Compliance with P-Card regulations
 - 26.1.2.2 Compliance with University of Arkansas at Little Rock Policy and Procedures