

# ***Prairie View A&M University Procurement Card Guide***



***Procurement and Disbursement Services  
Office of Travel and Expense Services***

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## 1. OVERVIEW

### 1.1 Procurement Card Program

The purpose of the Procurement Card Program is to establish a more efficient, cost-effective method for delegated purchase and payments. If used to its potential, the program will result in significant reductions in data entry of small orders, voucher processing, check processing, and prompt payment interest. The Procurement Card can be used with any supplier that accepts Master Card as a form of payment and is available to all Prairie View A&M University (PVAMU) departments/divisions.

The Procurement Card Program is designed to delegate the authority and capability to purchase limited items directly to the person to whom it most matters - YOU, the user. The procurement card will enable you to purchase non-restricted commodities, priced within your delegated purchasing authority, directly from vendors without the issuance of purchase orders. Prior to assignment of a procurement card, individuals and budget authorities or approvers must attend Procurement Card Training. All purchases with the card must comply with established purchasing guidelines, Texas A&M University System regulations, Prairie View A&M University procedures, and applicable state statutes.

### 1.2 Procurement Card Contract

The terms and conditions of the procurement card contract were specified and awarded by the Texas Building and Procurement Commission for the State of Texas. PVAMU is utilizing the State of Texas contract for procurement card services with CitiBank. PVAMU will comply with the terms and conditions of the state contract in the implementation of this program.

### 1.3 Procurement Card Program Guide

The Procurement Card Program Guide provides the guidelines for using the card. It is essential for cardholders and approving authorities to read it carefully. The cardholder's signature on the Procurement Card Agreement (Attachment B) affirms that the individual understands the intent of the program and agrees to follow the established guidelines.

### 1.4 Important Points of the Program

The following important points should be reviewed before using the procurement card:

- The procurement card is issued in the cardholder's name. **The cardholder is the only individual authorized to make purchases with the assigned card.** Cardholders are responsible for the security of the card and all transactions made with it. **If you do not follow the established guidelines when using the card, disciplinary action may be taken, up to and including termination of employment.**
- The card may be used with any vendor that accepts MasterCard and is not on 'vendor hold' by the State of Texas. It may be used for in-store purchases, mail, telephone, fax orders, or Internet purchases.
- The Procurement Card (Pro-Card) may be used to purchase supplies within the delegated limits.

- Transactions must not exceed the single purchase, monthly transaction and credit limits assigned to the card.
- **Purchases may not be broken down into smaller amounts to avoid the established limits.**
- Monthly Pro-Card Account Reconciliation is required to ensure all charges are accurate.
- Each cardholder is required to submit a monthly expense report online, in CONCUR. CONCUR can be accessed through the Texas A&M University Single Sign On System via the following link: <https://sso.tamus.edu/main.aspx>.
- The CONCUR database is used to reconcile the cardholder's monthly procurement card statement. The cardholder will allocate each individual cost to the appropriate departmental account(s) and assign the appropriate expense object codes(s) for each transaction.
- Pro-Card Expense Reports should be completed and submitted in Concur for department/division approval by the 10<sup>th</sup> of each month. Department/divisions are required to approve cardholder expense reports in Concur and submit to Financial Services by the 15<sup>th</sup> of the month.
- The Procurement Card **is not to be used to avoid or bypass appropriate purchasing or payment procedures.** This program compliments existing processes available.
- The State of Texas mandates state agencies, including PVAMU, to make a good faith efforts in conducting business with Historically Underutilized Businesses (HUB) for all funding sources (state, local, grant). HUB vendors may be located by accessing the Centralized Master Bidder List (CMBL) at <http://www2.tbpc.state.tx.us/cmb/cmbhub.html> or by contacting the **HUB Office at (936) 261-1902.**
- The Procurement Card is **not for personal use.**
- The Procurement Card must be returned to the Procurement Office upon a cardholder's termination of employment with the University.
- Upon transferring to a different department, a cardholder must notify their new supervisor and the Procurement Office to ensure proper transfer of department assignment with Citibank.
- Cardholders, Delegates and Approvers **must** attend training workshops for purchasing policy and reconciliation procedures.

## 2. GENERAL INFORMATION

### 2.1 Duties and Responsibilities

#### 2.1.1 Director of Disbursements Services:

The Director of Disbursements and Accounts Payable has the overall responsibility of ensuring that the procurement card program is a success. The Director of Disbursements

ensures that the program is governed in accordance with state and local policies and guidelines.

### **2.1.2 Card Services Coordinators:**

The Card Services Coordinator and Procard Coordinator are charged with the overall operation of the Procurement Card Program. They are knowledgeable about the program, the guidelines and related forms. Cardholders shall first contact the Program Administrator or Card Services Coordinator, who will answer questions regarding the program or potential problems. The Card Services Coordinator or Procard Coordinator may refer issues to the Director of Disbursements when necessary.

### **2.1.3 Department/Division Head:**

The Department/Division Head is responsible for:

- Authorizing employee(s) to receive a Pro-Card and recommend his/her Pro-Card limits.
- Monitoring accounts being used by cardholders to ensure sufficient funds are available.
- Approving the monthly expense reports in Concur prior to the 15th of each month.
- Ensuring appropriate accounts and object codes selected for account reconciliation.
- Ensuring all vendor receipts are attached to the monthly expense reports and reviewed for accountability.
- Notifying the Pro-Card Coordinator by email when employees terminate employment or transfer.
- Reviewing department/division activity and request cancellation of cards based on non-usage to limit our liability. This review should be done at least twice per year.
- Designating an appropriate employee to review and approve monthly Expense reports if department/division head is unavailable. (Designee should have the title of Associate or Assistant Vice President, Dean, Associate or Assistant Dean, Department Chair, Director, or Associate or Assistant Director.

### **2.1.4 Cardholder:**

The cardholder is an employee who has been designated by the department/division head to utilize the Pro-Card for purchasing limited dollar supplies. The cardholder is responsible for the following:

- Attending Procurement Card training prior to requesting a Pro-Card.
- Following the purchasing guidelines of TAMU & PVAMU regarding purchases, and selection of vendors.
- Agreeing to buy within the delegated limits approved.
- Securing the Pro-Card in a safe place when not being used.
- Ensuring appropriate accounts and object codes are used when performing monthly expense report reconciliation.
- Ensuring copies of all receipts are uploaded in Concur with the monthly expense reports.
- Notifying department/division when expense reports have been submitted in Concur to ensure approval is completed prior to the 15<sup>th</sup> of each month.

- Maintaining proper documentation of all procurement card purchases for review by supervisor, Pro-Card Coordinator or auditors.
- Retaining Pro-Card records for the current plus three prior fiscal years.

### **2.1.5 Cardholder Delegate:**

The person designated by the cardholder to assist in reconciling the monthly procurement card expense report in the event that the cardholder is unavailable. Responsibilities will include:

- Ensuring appropriate accounts and object codes are used when performing monthly expense report reconciliation.
- Ensuring copies of all receipts are uploaded in Concur with the monthly expense reports.
- Notifying department/division when expense reports have been submitted in Concur to ensure approval is completed prior to the 15<sup>th</sup> of each month.

**The cardholder may assign a delegate to assist with the monthly reconciliation process, but the person whose name appears on the Procurement Card is the only person authorized to use the Pro-Card.**

### **2.1.6 Citi Bank Customer Service:**

The Procurement Card Program is serviced using a team approach with Citi Bank's Customer Service Center. This center is available 24 hours a day, 7 days a week to assist **the cardholder** with general questions about the procurement Card account. If a procurement card is lost or stolen, Customer Service should be notified immediately. The Customer Service number is: **1-800-248-4553**.

## **2.2 Procurement Card Controls**

### **2.2.1 Credit Limits:**

All cards have monthly spending limits. Limits will vary for each cardholder and will be established by the program coordinator in coordination with the respective department/division manager. Requests to increase or decrease card limits shall be sent to [procard@pvamu.edu](mailto:procard@pvamu.edu) through the department/division manager. The Program Administrator or Pro-Card Coordinator will review the request and provide a response within 1 business day.

If the request is granted, the Program Administrator or Pro-Card Coordinator will process the request with Citi Bank and notify the cardholder and division manager of the action taken.

### **2.2.2 Transaction Limits:**

**Each pro-card will have a standard single transaction limit.** Changes in the transaction limit may only be made by requests from the department/division manager to the program administrator. All requests for changes in transaction amount must have a valid justification to necessitate the change. The program administrator or designee will review the request in coordination with the Purchasing Office. If approved, the change request

will be submitted to Citi Bank. A transaction includes the purchase price, plus tax (when applicable), freight and installation. **A cardholder is not to attempt to make a purchase greater than his/her approved amount or to make multiple purchases from the same vendor within the same billing cycle to circumvent delegated purchasing limits. Departmental purchases should not be split into two or more transactions with the same vendor to avoid purchase order requirements.**

### **2.2.3 Vendor on Hold Status:**

State law requires agencies and institutions to verify whether or not a vendor is on warrant hold with the State Comptroller's office prior to purchasing or signing a contract for the purchase of goods and services. Similarly, a state agency cannot make spot purchases without first determining that the vendor is not "on hold." (A spot purchase is defined as a purchase made and picked up directly at the vendor's establishment.)

The state has created two web sites to assist state agencies in determining whether vendors are "on hold." Franchise Tax Certificate of account status information for Texas Corporations can be found at <http://ecpa.cpa.state.tx.us/coa/index.html>. Taxpayer and Vendor Account Information can be found at <http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html>. After entering the vendor's 11-digit taxpayer Identification number (TIN) or the vendor name and clicking the "Search" button, the message "Taxpayer is not on vendor hold" or "Taxpayer is on vendor hold" will be displayed. If the displayed information indicates that the vendor is not on hold, a copy of the page is to be printed and attached to your purchasing documentation. You may proceed with the bidding or purchasing process. If the message displayed indicates that the vendor is on hold, the purchase cannot be made and another vendor should be selected.

### **2.2.4 Restricted Vendors:**

The Procurement Card Program may be restricted for use with certain types of suppliers and merchants (MCC – Merchant Category Codes). If you present your Pro-Card for payment to these vendors, the authorization request will be declined. If so, contact the Program Administrator or Pro-Card Coordinator to provide purchasing details and justification for using the vendor. Once approval of the purchase has been authorized, the Administrator or Pro-Card Coordinator will contact CitiBank to have the Merchant Code overridden so the transaction can be processed.

## **2.3 Maintaining Your Procurement Card**

### **2.3.1 Procurement Card Expense report:**

Monthly expense reports must be submitted in Concur to ensure proper accounting of all purchases. Use of the expense report provides a method for invoice and expenditure tracking while using the pro-card.

### **2.3.2 Receipts and Invoices:**

**Always obtain an itemized receipt/invoice when using the procurement card.**



Cardholders must provide documentation of pricing that was agreed upon at the time of purchase. Types of documentation can include receipts, invoices, screen prints, and order forms. Screen prints with total pricing are acceptable for internet orders as are order forms with pricing for fax/mail. Cardholders are required to upload documentation of pricing in Concur for each transaction listed on the monthly expense report. Original receipts/invoices should be retained in the department.

### **2.3.3 Reporting Cycle**

At the end of each month, cardholders are required to login to Concur and create their Pro-Card expense report. The expense report should include all Pro-Card transactions that have posed in Concur for the previous month. When creating the expense report, the report name should include the month the transaction posted in Concur, the current year, and the last four digits of the cardholder's pro-card (e.g., November 2018 - XXXX). No other information should be listed under the report name. Cardholder expense reports should be submitted for department/division approval no later than the 10<sup>th</sup> of the month.

Concur can be accessed via <https://sso.tamus.edu/main.aspx>.

## **2.4 Sales and Use Tax**

PVAMU, as an agency of the State of Texas, is tax exempt. Each procurement card identifies PVAMU as being tax exempt within the State of Texas. A cardholder should carry a PVAMU tax exemption certificate with their Procurement Card.

## **2.5 Security of the Procurement Card**

The assigned cardholder is responsible for the security of the procurement card that has been issued to them. The card must be treated with the same level of care you would use with personal charge cards. Guard the card account number carefully. It should not be posted in a work area or left in a conspicuous place. It must be kept in an accessible, but secure location

**The only person authorized to use the Procurement Card is the cardholder whose name appears on the card. The card is to be used for business purposes only. PVAMU has disciplinary procedures related to unauthorized use of the Procurement Card. See section 3.13 of this guide.**

## **2.6 Employee Termination and Transfers**

The card must be cancelled upon the cardholder's termination. The department or division head should send an e-mail to the Program Administrator or Pro-Card Coordinator providing the cardholder's name to request cancellation of the card. The Pro-Card must be returned to the Procurement Office during the exiting process.

When a cardholder transfers to another department, notification of the transfer must be provided to the Procurement Office via email. Additionally, the new department head must approve of the cardholder retaining and using the card. If the cardholder will not need a Pro-Card in their subsequent position, the card must be returned to the Procurement Office to be cancelled and destroyed.

## 2.7 Lost or Stolen Cards

If a Procurement Card is lost or stolen, immediately contact Citi Bank's Customer Service at **1-800-248-4553**. After contacting Citi Bank, notify the Program Coordinator and the Department/Division Manager.

Prompt, immediate action can reduce our liability of fraudulent activity. It is imperative that you contact the bank immediately for suspension of your card because PVAMU is responsible for all charges made on the card until it has been cancelled.

## 3 PROCEDURES

### 3.1 Obtaining a Procurement Card

**3.1.1** To obtain a Procurement Card the following process shall be followed:

- Applicants must attend one of the scheduled Procurement Card Training workshops. A copy of the sign-in log from the session will be forwarded to the Program Coordinator.
- The applicant must submit a completed and approved Cardholder Application/Approval form (Attachment A) to Procurement Services. This application will provide Procurement Services with necessary information about you (the cardholder) and the Department/Division Head's approval of your application and subsequent designation of your delegated purchasing authority within the procedure of PVAMU.
- The Pro-Card Coordinator will request issuance of the Pro-Card from Citi Bank (Requires 7 to 10 days). Applicant will be contacted when the card is received.
- **Applicants must bring a photo I.D. to the Procurement Services office for verification and identification, when picking up their card.**
- **Applicant will be provided a copy of the Procurement Card Guide and will be required to sign a Procurement Cardholder Card Agreement (Attachment B).**

**3.1.2** The following items should be provided to you, the cardholder, upon issuance of a procurement card:

- Cardholder Procurement Card Agreement: This is an agreement between the cardholder and PVAMU, which affirms that the cardholder has read and understands the policy and procedures for the Procurement Card. This agreement is signed by the cardholder and Pro-Card Coordinator.
- Procurement Card Program Guide: This document outlines PVAMU procedures in regard to its Procurement Card. It also outlines some acceptable and unacceptable types of purchases.
- Statement of Disputed Items Form: The cardholder shall use this form if they are

disputing a transaction that appears on their Cardholder Statement.

- Procurement Card: Upon signing the Cardholder Procurement Card Agreement and proper identification and verification, the card will be issued to the cardholder.
- An Account Holder Guide is available to each cardholder from the Citi Bank web homepage (<https://www.citimanager.com>)

### 3.2 About the Card

The card will be issued in the assigned employee's name with the State of Texas seal and the wording "For Official Use Only" clearly indicated on the card. This card is for University business purposes only and may not be used for any personal transactions. **It is important to understand that the cardholder is personally responsible and accountable for his/her Pro-Card.**

#### Please Note:

- The department head and coordinator will establish the transaction limit for the procurement card.
- Charges can be reallocated to different accounts and object codes to reflect usage.

### 3.3 Procurement Card Activation

The cardholder must 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 in a secure place.

### 3.4 Purchasing Guidelines

#### 3.4.1 General Information

As a State institution, certain State, Local, and Federal guidelines and laws bind us. All purchases must be in accordance with the laws of the State of Texas and the purchasing procedures of PVAMU and the Texas A&M University System. The cardholder is responsible for compliance and strict adherence to all purchasing guidelines within their departmental delegated authority.

All PVAMU employees shall comply with the provisions of any export license, government approval requirements, required certifications, technology control plans, and procedures.

As a reminder, the departmental delegated authority is for limited dollar amount transactions. **State law mandates that large purchases may not be broken down into smaller purchases to meet delegated limits. To do so would be a violation of state law and of PVAMU Purchasing Procedures.**

Cardholders should promote and encourage positive interactions with suppliers. Honesty and courtesy are essential ingredients in all aspects of a buyer/supplier relationship.

All cardholders shall follow these guidelines when using the Procurement Card:

- Determine if the transaction is an acceptable use of the card, and if it is within the cardholder's spending limit. Review the acceptable and unacceptable purchases lists

included in this guide.

- Obtain Quotes from different vendors to determine the best value. HUB vendors must be included in the solicitation process. Always confirm pricing and freight in print, when possible.
- Identify the vendor and verify that the vendor is in good standing with the State on Franchise & Sales tax by visiting <http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html> and <http://ecpa.cpa.state.tx.us/coa/Index.html>.
- Contact vendor to place the order.
- Request that a hard copy of the receipt with detail pricing, and freight be faxed to the cardholder and/or included in the shipment of supplies.
- Ask the supplier if a purchase order number is required. If supplier requests a purchase order number use a combination of initials "PCP" and Name, e.g. PCP-John Doe, would be the purchase order number.
- Request that the supplier indicates your name and the initials "PCP" and your name and extension appear on all packing lists and box labels. E.g. PCP-John Doe x-1111. This will enable the receiving department to facilitate delivery of your supplies.

#### **3.4.2 Examples of Acceptable Purchases:**

All purchases must be made in accordance with the Texas and United States Constitutions, applicable statutes and regulations, the State Comptroller's rules, Texas A&M University System regulations, and PVAMU rules. A state agency may not pay for goods before their delivery to the agency. The purchaser needs to ensure goods will be delivered before the statement closing date. The statement closing date is the 3<sup>rd</sup> of each month. Vendors should only charge the account when goods are shipped. Back orders should not be charged until the goods are shipped. **(Refer to Guidelines for Disbursement of Funds <http://www.tamus.edu/assets/files/budgets-acct/pdf/DisbursementManual.pdf>).**

**Examples of Acceptable Purchases:**

4010	Supplies-Office General	Supplies-Paper Goods & Janitorial	4011
4012	Supplies-Education	Supplies-Research	4013
4014	Supplies-Other	Computer Consumables	4020
4025	Subscription, Periodicals	Fuels & Lubricants	4030-4038
4045	Medical Supplies	Food Purchases, (Rsrch, Smnrs, Tchg)	4050
4055	Farm, Ranch, and Nursery supplies	Fertilizer	4056
	Packing Supplies	Pesticides	4058
4060	Supplies & Material-Roads & Hwy	Parts-Motor Vehicles	4065
4066	Parts-Machinery & Equip	Computer Parts and supplies	4090
4068	Parts-Tractors	Shop & Industrial Supplies	4075
4070	Plants-Local Funds only	Landscaping Supplies	4077
4076	Building Supplies & Materials (incl. keys)	Furnishings & Equipment (non-inv)	4085
4080	Fabrics & Linens	Employee Training-Regis. Fees	5215
4086	Furnishing & Equip-Research	M&R- Machinery & Equipment***	5512
5620	Telecom-Parts & Supplies	M&R-Tractors***	5514
5217	Employee Training-Tuition	M&R-Improvements other than Bldg***	5520-5525
5761	Licensing Agreements (computer Software)	Memberships (with justification form)	5211
5511	M&R-Motor Vehicles***	Postal Services (not stamps for main campus)	5655
5513	M&R-Medical Equipment***	Office Furnishings & Equip	5750
5650	Freight/Delivery Services	Institutional Furnishings & Equip	5752
5751	Medical, Scientific & Lab Equip	Computer Equipment (under \$500) *	4090
5753	Shop & Industrial Equip	Educational Books, Film & Ref	5765
5755	Uniforms & Clothing	Rental of Exhibit Space	5871
5761	Computer Software (with prior approval from IT Department)	Participant Costs-Tuition	6366
5772	Fabrication of Equipment	Participant Costs-Books	6368
5810	Rental of Tools & Equipment	Participant Costs-Other	6374
6340	Entertainment/Business Meals**	Raw Material Purchased	6902
6367	Participant Costs-Fees	Participant Costs-Room & Board	6373
6369	Participant Costs-Materials		

**\*Controlled Assets** are property items that the State Comptroller requires agencies to report to the State Property Accounting System. Any purchases for furniture or equipment that are deemed “controlled assets” must be coded with the appropriate object code when the items are purchased using the ProCard. The Asset Management office must be notified within 48 hours of the purchase of any controlled asset to insure proper coding, tagging, and reporting. An Asset Information Form, along with the invoice, sales slip or packing slip, should be completed and faxed to the Office of Asset Management at **936-261-1958**. A copy of the sales receipt and a copy of the Asset Information Form are to be submitted in Concur with the monthly Pro-Card Expense report.

**Controlled Items \$1,000.00 thru \$4,999.99**

<b><i>Property Item</i></b>
Fax Machines, Telecopiers, projectors, Stereo Systems, Cameras,
Video Cameras, TV, VCR, Camcorders, Laserdisc Players, Printers, iPads

\*\* **Meals** purchased on the Pro-Card **must** always be documented as to who, what, when, where and why (5- W's). Expenditures of University funds for meals with co-workers are not allowable except for business meals. Approval by the appropriate budget authority should be received in advance if you need to conduct business during a meal. Refer to "TAMUS Guidelines for Disbursement of Funds", Food Purchases: <http://www.tamus.edu/assets/files/budgets-acct/pdf/DisbursementManual.pdf>

\*\*\* All Maintenance and Repair (5510 through 5545) purchases placed on the Procurement Card must be for the service of actual repair costs. **It does not include maintenance agreements. Automobile, building and grounds maintenance purchases for the main campus are only allowable through Physical Plant Operations.**

### 3.4.3 Examples of Unacceptable Purchases:

The Procurement Card may **not be** used for the following purchases:

Advertisements (without prior approval)	Employee travel of any type (incl. rental cars, gas, airfare, hotel, parking, etc.)
Alcohol	Employment Advertisements (Without prior approval)
Ammunition	Entertainment Services
Animals	Firearms of any type
Arbitrage	Fireworks
Capital Equipment	Food Services for Classes
Cash advances or cash equivalent	Gasoline, Automotive (for non-state vehicles only)
Catering Services	Genetic materials
Cellular phone service	Gift certificates or gift cards (with prior approval)
Cellular Phones and related charges	Hazardous chemicals or materials
Cellular Phones associated with a data plan	Housing for Guest Instructors
Chemicals (precursor per EHS list)	Hypodermic Syringes
Clothing for resale	Infrastructure Support
Clothing imprinted with university trademark/logos	Insurance
Communication devices (incl. pagers, cell phones, Blackberries, PDA; excluding fax machines)	Leases or rentals and lease-purchases
Communication Services (incl. services for Internet, pagers, cell phones, etc.)	Legal Services
Computer or telecommunication equipment (excludes SHI purchases from pre-approved list)	Maintenance Agreements
Construction or renovations	Memberships (unless membership justification is provided)
Consulting or related services	Network firewalls
Contract agreements or agreements of any type that require a signature	Network Hubs, switches and routers
Controlled prescription drugs	On-line payment services, such as Pay Pal
Cylinder Gases	Participant Cost-Conference & Short Crs
Development Fee	Personal purchase of any type
Development Fee Return	Postage stamps (main campus only)
Donations	Prepaid phone cards
Dormitory Charges for Students	Food Trucks

**\*Travel expenses should not be charged to the Procurement Card.** All travel related expenses, to include student and guest travel, should be charged to the Travel Card. Contact the Travel office for details on how to reconcile any travel related expenses.

### 3.5 Receiving Supplies:

It is the cardholder's responsibility to ensure receipt of goods and to follow up with vendors to resolve any delivery problems, discrepancies and/or damaged goods. A copy of the charge slip, sales receipt or any other information related to the purchase must be retained.

Invoices with no amount due are the most optimal documentation since they itemize the purchases. A vendor's entry system usually prints an automatic invoice with the processed order. Instruct the vendor not to send the invoice to the Accounts Payable Office but directly to the individual cardholder making the purchase (this will prevent duplicate payments to vendors). If a purchase is made via mail or telephone, ask the vendor to include the receipt with the goods when shipping the product.

All Deliveries are to be made to the Central Receiving Warehouse.

**Central Receiving Warehouse  
Reba Bland Evans St. @ Anne Preston St.  
Prairie View TX 77446**

### **3.5 Procurement Card Documentation:**

The following Expense Report documentation must be retained by the cardholder/department:

- All Purchase Voucher Requirements apply to Procurement Card transactions
- Sales Receipts
- Packing Slips
- Credit Card Receipts/Slips
- Other information or correspondence related to the purchase
- Screen prints are acceptable for internet orders

Any discrepancies identified shall be promptly investigated and resolved by the cardholder/department. If the cardholder/department is unsuccessful in resolving any disputes, cardholder will need to fill out a "Statement of Dispute Item" and forward the form to the Program Coordinator. The Program Coordinator will then forward the form to Citi Bank. Documentation of any action taken to resolve a discrepancy must be recorded and attached with the rest of the documentation.

### **3.6 Guidelines for Reconciling Procurement Card Expenditures:**

All cardholders are required to reconcile their monthly transactions. Cardholders will verify adequate available funds in all designated accounts. There should be an itemized receipt of all purchases placed on the Procurement Card. It is the cardholder's responsibility to ensure there is an itemized receipt for each purchase. Screen prints are acceptable for Internet orders and order forms for fax/mail orders if the vendor does not provide a receipt. Attach itemized invoices, receipts, and other supporting documentation to the expense report.

- 3.6.1** Upon receipt of your e-mail reminder, completed reconciliation is required by the 10th of every month. This reconciliation should reflect all items during the date range of the 1<sup>st</sup> to the last day of the previous month.
- 3.6.2** Instructions on how to reconcile procurement card Expense Reports are on the PVAMU Pro Card web site: <http://pvamu.edu/pages/5589.asp>
- 3.6.3** The Procurement Card Expense report must have department approval. Approvers must have budget approval authority on designated accounts(s) being charged.



### **3.7 Audits**

The Expense Report, along with the supporting documentation become the official records and shall be maintained by the cardholder/department in accordance with PVAMU Record Retention Schedule. Records for Procurement Card purchases will be required, when PVAMU is audited by Texas Building Procurement Commission, State Comptroller, Texas A&M University System, or other external entities (i.e. State of Texas Auditors, Public Accounting Offices). Procurement Card Specialists will make random internal audits, for compliance. Department Heads will be notified in writing if any transactions audited do not conform to these handbook guidelines.

### **3.8 Statement and Payment:**

Citi Bank will mail a summary billing to the Travel and Expense Services Office, listing all transactions during the period by cardholders. All charges will be paid in full from a clearing account. Cardholders will submit reconciled Expense Reports and supporting documentation in Concur. Program Specialists will review and balance Expense Reports for accuracy and compliance. Designated accounts are debited, and in turn reimburse the clearing account. Citi Bank pays the merchants between 24-48 hours of your placing your order or picking up merchandise.

The Texas Government Code requires Fiscal Affairs to audit all vouchers before they are submitted to the State Comptroller's office for payment.

### **3.9 Procurement Card Payment:**

Employees do not pay their own monthly statement. **The program does not affect your credit rating in any way.** The Procurement Card program carries corporate liability. **However, it is essential to note that cardholders will be held personally liable by the university for card security and for the transactions made to the card.**

### **3.10 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. The returned, credited or disputed item shall be noted on the expense report.

- Returns: 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 should be indicated on the expense report.
- Credits: If the supplier accepts an item as a return, a credit for this item should appear on the following month's statement. All expected credits should be indicated on the expense report.
- Disputed Charges: If a cardholder finds a discrepancy on a monthly statement, the cardholder should contact the supplier and attempt to resolve the problem directly. Unresolved disputed items should be documented on line and by completing the Citi Bank Dispute Form. A copy of the form and letters shall be kept as documentation.

If a cardholder cannot resolve a disputed item directly with the vendor, the cardholder shall complete the Statement of Disputed Item Form and forward to Citi Bank. Citi Bank will place the

charge in a "Statement of Dispute" and the account may be given a provisional credit until receipt of adequate documentation from the vendor. 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, continue to have a provisional credit (if given) and an investigation of the charge will continue. A new card will then be re-issued to the cardholder, if appropriate. If the charge appears legitimate, the transaction will then post to the new account.

Please remember that the Procurement Card Office is your partner in this venture and is willing to assist in any dispute resolution.

### **3.12 Non-Compliance:**

Non-adherence to State and University Purchasing and Procurement Card policy and procedures may result in revoking of individual cardholder privileges. All non-compliance will be monitored. Non-compliance is defined as late receipt of Expense reports (Expense reports are due by the 15<sup>th</sup> of each month), unacceptable purchase, insufficient documentation to back up expenditures, and over spending budgeted funds.

**Misuse of the procurement card may result in termination of employment if a card holder is found to be negligent in their duties as a cardholder. It is the policy that if anyone should intentionally violate or misuse the Procurement card that the university will pursue actions against the cardholder to include termination of employment and recovery of loss funds through garnishment of wages.**

### **3.13 Purchasing Card Violations and Consequences:**

#### **Cardholder Violations**

Cardholder transactions are subject to review and audit by the Program Administrator, Accounting Department, Internal Auditor, or other external auditing agencies. Based upon these audits, cards may be suspended or permanently revoked, or other disciplinary action may be taken.

The severity of violations will determine the extent of the consequences. Serious violations of procurement card policies may result in disciplinary action. Disciplinary action may include, but is not limited to, oral reprimand, written reprimand, card deactivation or termination of employment.

There are 6 general violation categories. Refer to Authorized and Unauthorized purchases earlier in this guide for descriptions of what is allowable and unallowable.

#### **1. Personal Purchases**

Definition: A personal purchase is any purchase that is not for use and ownership by the institution regardless of the intent to reimburse.

#### **2. Assignment or Transfer of an Individual Card**

Definition: Allowing an unauthorized person to make a purchase on a card not designated for that person is a cardholder violation. If a cardholder continues to use a card after the cardholder has terminated/separated from the institution then that is a cardholder violation. Continued use of a card after an authorized person has requested the card's

surrender is a cardholder violation. The cardholder is the only authorized individual to use his/her card.

### 3. Cash or Cash Type Transactions

Definition: Cash, cash in addition to a purchase, cash in lieu of a credit to the cardholder's account, traveler's checks, money orders, gambling, ATM transactions, etc.

### 4. Split Transactions or "Pyramiding"

Definition: Split transactions or "pyramiding" are defined as single items costing more than the cardholder's single purchase limit which are split among multiple transactions to circumvent the cardholder's defined maximum purchase limit.

### 5. Inappropriate Purchases

Definition: Appropriate purchases are listed in this guide under Allowable and Unallowable Purchases. Any other uses of the Purchasing Card, except as specifically endorsed by TAMU or PVAMU in advance, is considered inappropriate. In addition, when used for a grant or contract, the appropriateness of the purchase may be further restricted by the terms of the grant or contract.

### 6. Lack of Original Documentation

Definition: Lack of original documentation for every purchase is a cardholder violation. This includes missing receipts, approved membership forms or special occasion forms, and any other pertinent information pertaining to procurement card transactions. Transactions where the merchant does not provide original documentation is not considered a violation if there is sufficient supporting evidence to meet the requirements for substantiation. In unusual cases, substitute documentation may be used (i.e. Document in Lieu of Receipt Form).

### 7. Department Head & Account/Business Manager Responsibilities

Consultation with the Procurement Services Office is prudent. Prudence will dictate how, when and the severity of consequences to apply to each individual infraction and cardholder. The steps and definitions that follow are designed to be a guide rather than a rule book. Each incident will call for the Procurement Services office to determine what action is appropriate for each event. The general process will involve the following steps:

#### **3.14 Suspension/Revocation of Pro-Card Privileges:**

##### **Reasons to Suspend and/or Revoke Pro-Card Privileges**

- Failure to adhere to University policies and procedures
- Failure to safeguard the Pro-Card from unauthorized use
- Use of Pro-Card for non-University or personal purchases
- Failure to keep all necessary documentation on Pro-Card transactions
- Failure to reconcile monthly charges on time, and submit expense reports by the 15<sup>th</sup> of each month

##### **Consequences of Pro-Card Misuse. Possible actions against cardholder include:**

- Written Warning
- Repeat of cardholder training administered by Procurement Service Office
- Surrender Pro-Card - privileges revoked.
- Improper or fraudulent use of Pro-Card will result in disciplinary action, termination of employment, and potential criminal prosecution.

- In all cases of fraudulent use of a Pro-Card, the University's Audit Services, Compliance Office, Human Resources, Public Safety, Procurement & Disbursement Services, and respective Dean/Vice President will be notified.

#### **4 KEY PROGRAM CONTACTS:**

##### **4.1 Procurement Card Contacts**

Procurement Card Coordinator:

Tracy Goodman  
[trgoodman@pvamu.edu](mailto:trgoodman@pvamu.edu)  
(936) 261-1936

Program Administrators:

Alane Lillie  
Card Services Coordinator  
[allillie@pvamu.edu](mailto:allillie@pvamu.edu)  
(936) 261-1974

Rashaunda Matthews  
Director, Disbursement Services  
[ramatthews@pvamu.edu](mailto:ramatthews@pvamu.edu)  
(936) 261-1736



# PRAIRIE VIEW A&M UNIVERSITY

A Member of the Texas A&M University System

## PROCUREMENT CARD APPLICATION FORM

Cardholder Name \_\_\_\_\_ Phone Number \_\_\_\_\_

E-Mail \_\_\_\_\_ UIN# \_\_\_\_\_ Dept. Mail Stop \_\_\_\_\_

Department's Code: (Four alpha characters i.e. CEPR, ATHL) \_\_\_\_\_

Account to be utilized: FAMIS Account \_\_\_\_\_ / Support Account: \_\_\_\_\_

Monthly Credit Limit \$ \_\_\_\_\_ Single Purchase Limit (SPL) (\$2000 is Max) \_\_\_\_\_

**Department contact for Audit/Reconciliation**

Name \_\_\_\_\_ Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Name \_\_\_\_\_ Phone \_\_\_\_\_ E-mail \_\_\_\_\_

As a cardholder, I agree to comply with the terms and conditions of this Agreement and the Purchasing Card Program Guide.

I acknowledge that I have read and understand the terms and conditions of this Agreement and the Purchasing Card Program Guide. I also acknowledge that I have completed the Cardholder Training. I understand that Prairie View A&M University is liable to Citibank & MasterCard for all Prairie View A&M University charges.

I agree to use this card for Prairie View A&M University approved purchases **only** and agree not to charge personal purchases. I understand that Prairie View A&M University will audit the use of this card and report findings to the departmental head or department approver.

I further understand that improper use of this card may result in disciplinary action, which may include **termination** of employment. I agree to repay Prairie View A&M University any amounts owed by me even if I am no longer employed by Prairie View A&M University.

I understand that the card is the property of Prairie View A&M University. I further understand that Prairie View A&M University may terminate my right to use this card at any time for any reason. I agree to return the card to Prairie View A&M University immediately upon request or upon termination or transfer of employment.

\_\_\_\_\_  
**Applicant's Name (Print/Type)**

\_\_\_\_\_  
**Applicant's Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Approver (Print/Type)**

\_\_\_\_\_  
**Approver Signature**

\_\_\_\_\_  
**Date**

I hereby approve the applicant, listed above, for issuance of a Prairie View A&M University Procurement Card. I agree that the account used will have funds sufficient to any and all charges made by this individual. I have assigned the duty to assure monthly reconciliation of all statements will be done as required and all documentation retained. I understand that the improper use of this card by this individual may result in disciplinary action, up to and including termination of the applicant's employment.

\_\_\_\_\_  
**Budget Authority (Print/Type)**

\_\_\_\_\_  
**Budget Authority Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Procurement Card Administrator**

\_\_\_\_\_  
**Procurement Card Signature**

\_\_\_\_\_  
**Date**

**For Office Use Only**



**PRAIRIE VIEW A&M UNIVERSITY**  
**CARDHOLDER PROCUREMENT CARD AGREEMENT**

By signing this document, I hereby acknowledge receipt of a Prairie View A&M University MasterCard Procurement Card. As a cardholder, I agree to comply with the terms and conditions of this Agreement and the Procurement Card procedures.

I acknowledge that I have read and understand the terms and conditions of this Agreement and the Procurement Card procedures. I understand that Prairie View A&M University is liable to Citi Bank and MasterCard for all Prairie View A&M University charges.

I agree to use this card for Prairie View A&M University approved purchases **only** and agree not to charge personal purchases. I understand that Prairie View A&M University will audit the use of this card and report any discrepancies.

I further understand that improper use of this card may result in disciplinary action, which may include termination of employment. I agree to repay Prairie View A&M University any amounts owed by me even if I am no longer employed by Prairie View A&M University.

I understand that the card is property of Prairie View A&M University. I further understand that Prairie View A&M University may terminate my right to use this card at any time for any reason. I agree to return the card to Prairie View A&M University immediately upon request or upon termination of employment.

Cardholder: \_\_\_\_\_  
(Please Print)

Card Identification # \_\_\_\_\_  
(last 6 digits)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Program  
Coordinator: \_\_\_\_\_  
(Please Print)

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

New Cardholder

Replacement Pick-up

Findings	Type	First Occurrence	Second Occurrence	Third Occurrence	Fourth Occurrence
Entertainment expense not justified with IRS "Who, What, Why, Where and When"	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Award/Gift recipient information not provided in Bank Allocation Application	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Inventory purchases not processed within guidelines	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
FAMIS account not appropriate for purchase	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Trans amount, dates, or description does not match to Expense Report	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Expense Report not reconciled prior to reallocation due date	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Purchase not allowed on state funds	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Receipt missing-without documentation	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Reconciling Item not listed and explained	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
State documentation not provided	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Texas sales tax charged not reallocated	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Reallocating transaction to incorrect object code	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Expense Report not initialed/dated by reconciler	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Membership - Insufficient Documentation	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Other	Level I	Warning from Financial Services	Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Deactivation of Pro-card Account
Failure to submit reconciled Expense Report on time	Level II	Automatic Card Suspension for 30 days	Card suspended for 3 months	Card suspended for 1 year	Deactivation of Pro-card Account
Expense Report not approved by someone with signature authority	Level II	Automatic Card Suspension for 30 days	Card suspended for 3 months	Card suspended for 1 year	Deactivation of Pro-card Account
Personal charge - documented and University reimbursed	Level II	Warning from Financial Services Cardholder must repeat Pro-Card Training	Automatic Card Suspension for 30 days	Card suspended for 3 months	Deactivation of Pro-card Account
Personal charge - not documented with no attempt to reimburse University	Level III	Card Termination and possible termination of employment	N/A	N/A	N/A
Unallowable charge	Level III	Warning from Financial Services Cardholder must repeat Pro-Card Training	Card suspended for 3 months	Card suspended for 1 year	Deactivation of Pro-card Account
Split charges to keep under \$5,000.00 per transaction	Level III	Warning from Financial Services Cardholder must repeat Pro-Card Training	Card suspended for 3 months	Card suspended for 1 year	Deactivation of Pro-card Account
Forged or Altered Receipt	Level III	Card Termination and possible termination of employment	N/A	N/A	N/A

# Prairie View A&M University Procurement Card Program

## Frequently Asked Questions

**1. What type of purchases should I use with the Procurement Card?**

The procurement card may be used for small dollar purchases of supplies and limited services of \$2,000.00 or less. Refer to the 'Acceptable Purchases' and 'Unacceptable Purchases' Lists in Section 3.4 of this guide. Also, see the TAMUS Disbursement of Funds Guide at <http://www.tamus.edu/assets/files/budgets-acct/pdf/DisbursementManual.pdf>.

**2. In what ways do I benefit from using the Procurement Card?**

When you use the Procurement Card, you enjoy quick and efficient order processing, faster delivery, no prompt payment interest, no more phone calls from the vendors asking where their money is and the ability to monitor purchases on-line through out the month instead of waiting for invoices to come in.

**3. How does PVAMU benefit from the Procurement Card Program?**

When employees use the Procurement Card, PVAMU enjoys greater productivity as a result of reduced paperwork and savings from consolidated multiple supplier invoices to one statement from Citi Bank.

**4. What should I do if my Procurement Card is lost or stolen?**

You should call Citi Bank Customer Service toll-free at **1-800-248-4553** immediately to report the Procurement Card missing and request a replacement. Then contact the Pro-Card Coordinator, and your Department/Division Head to advise that you have called Citi Bank.

**5. What do I do if a purchase is denied?**

Your purchase may have exceeded a spending or transaction limit, PVAMU may have excluded that type of merchant or the vendor is not equipped to accept MasterCard as payment. Contact a Program Coordinator to determine the reason.

**6. Is it possible for someone else to use my card?**

No, it is not possible for someone else to use the card. According to the Cardholder Agreement that you signed, you are responsible for all charges and the safekeeping of the card. However, the cardholder may purchase or register for a conference or seminar for someone else on their card.

**7. What should I do if a supplier does not accept the Procurement Card?**

Contact the Program Coordinator and provide the supplier's name, address, and phone number. This will be sent to Citi Bank. Citi Bank will enroll the supplier in the FAST program and work with PVAMU to bring the supplier into the program.

**8. Will use of the Procurement Card affect my credit report?**

No. The Procurement Card is a corporate liability card and carries no personal liability for cardholders that use the Procurement Card.



# Prairie View A&M University Procurement Card Program

## Frequently Asked Questions

**9. Whom should I contact to resolve an error or dispute concerning my account?**

You should first contact should be the supplier. Most exceptions or issues can be resolved between the cardholder and the supplier. If you cannot resolve an issue with the supplier, complete the Dispute Form in your Cardholder Guide packet, and fax to the Procurement Card Office at (936) 261-1958.

**10. When I use my Procurement Card to make a purchase, how is the transaction authorized?**

When you use the Procurement Card to make a purchase, the supplier verifies the account number with Citi Bank. Your spending limits are checked automatically against preset PVAMU limits.

**11. What about PVAMU being tax exempt?**

The card is identified as a "State of Texas" official business, tax-exempt card. You are encouraged to advise the supplier (at the time of order or check out) that the purchase is to be tax exempt. You may be required to present a copy of the PVAMU tax exemption certificate when making a purchase. PVAMU is exempt from paying sales tax on business meals when we are direct billed. Payments made by the Procurement Card are considered direct bills. If ordering by phone or the Internet, the vendor must be told that we are exempt and a form can be faxed.