



Purchase Card (P-Card) Procedure Manual

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Lewis-Clark State College Purchasing Card Program

Introduction

Welcome to the Lewis-Clark State College Bank of America Visa Purchasing Card (P- Card) program. The P-Card is an institutional liability card used to purchase goods and services on behalf of the college.

Intent

The Lewis-Clark State College P-Card program is designed to streamline and simplify the requisitioning, purchasing and payment processes for relatively small dollar items (under \$2,000). The P-Card should be viewed as a supplemental tool to purchase approved goods and services that may be more efficiently acquired via credit card. The P-Card process is designed to shorten the approval process and reduce the paperwork associated with procurement procedures including requisitions, purchase orders and petty cash.

Goals

Objectives associated with this program include:

- Reducing the cost of processing small dollar purchases.
- Receiving faster delivery of required merchandise.
- Simplifying the payment process.
- Reducing clerical processing time and effort associated with the approval and payment process.
- Providing P-Cardholders with greater autonomy.

The overall goal of the P-Card program is to provide greater operational efficiency without sacrificing administrative fiduciary controls.

Liability

The P-Card is an institutional liability card. Payments are made directly to Bank of America on a monthly basis. The college assumes full liability for the purchases. Personal information is required for tracking and administrative purposes only. Applying for and using a P-Card does not impact the P-Cardholder's personal credit history. In the event of willful, negligent or fraudulent actions relative to the use of the P-Card, the P-Cardholder or Authorized User of a Department P-Card will be held personally liable for payments associated with any inappropriate use.

Internal Controls and Compliance Reviews

The P-Card program relies upon both internal administrative controls and periodic internal audits to ensure that P-Cards are utilized in accordance with institutional and state policies and procedures. The P-Card may be used for approved purchases related to college business only. Use of the P-Card for personal purchases is strictly prohibited. Misuse of the P-Card may result in revocation of the card, disciplinary action and possible termination of employment.

A number of unique features have been developed for the P-Card programs that do not exist in a traditional credit card environment, including real-time card administration and exception-based transaction processing. These features help ensure that the P-Card use is limited as to purpose and dollar amount.

The Purchasing Department has been assigned responsibility to oversee administration of the P-Card program and monitor user compliance with the procedures outlined in this manual.

Key Contacts

Bank of America Customer Service: (800) 300-3084 or (888)-449-2273

P-Card Program Administrators

[Jess Waddington](#)

[Diana Higgins](#)

[Purchasing](#)

[Department](#)

Phone: 792-2288

Location: Admin 104

Procedures

Eligibility

Lewis-Clark State College employees are eligible to apply for a P-Card for individuals or the department or division/program (hereafter referred to as “department”) with department approval, as documented in the P-Card Application.

Application

To request a P-Card, the [P-Card Application Form](#) must be completed, indicating if an individual or department card is requested, identifying the monthly credit limit and default account string, and identifying the P-Card Manager, if applicable. Completed forms are sent to the P-Card Administrator at Pcards@lcsc.edu and P-Card Training must be completed.

Assignment of Card

A P-Card may be requested in an individual’s name or the department name.

Individual P-Card

A P-Card issued in an individual’s name is for the cardholder’s use only. This card may not be shared with other employees. The cardholder may purchase items for others in the department. A cardholder who is a department head may authorize a direct report employee to use their card to make purchases on their behalf. Individuals **may** designate a P-Card Manager for their individual cards.

Department P-Card

A P-Card issued in a department name may be used by authorized individuals in that department who have completed the P-Card Application and the P-Card training. Departments **must** designate a P-Card Manager for Department Cards.

Training

All roles involved in the P-Card program are required to complete P-Card training. These roles can include P-Cardholders, Authorized Users of Department P-Cards, Individual and Department P-Card Managers, P-Cardholder Supervisors and Department Heads responsible for Department P-Cards.

The [P-Card Training](#) includes an overview of:

- Description of the program
- Identification of expectations of all involved roles
- Overview of Bank of America Works
- Allowable and unallowable purchases
- Definition of P-Card Violations
- Policies and Procedures that must be abided by

P-Card Activation

The P-Card must be activated prior to use by calling the toll-free number printed on the back of the P-Card. At the time of activation, the caller is required to provide the P-Cardholder’s verification ID. The P-Cardholders verification ID can be found after logging in to the Works account, or you can request it from Purchasing.

To validate the P-Card, the P-Cardholder must sign in the designated space on the back of the P-Card. The P-Card Manager will sign the back of the department card. This should be done as soon as the P-Card is received to prevent unauthorized use. The college is responsible for all charges unless the P-Card is reported lost, stolen or the charges are successfully disputed (see dispute section of this manual).

Roles and Responsibilities

Role: P-Cardholder

General Responsibilities:

- Provide physical security for the P-Card, the P-Card number and the Personal Identification Number (PIN).
- Utilize the P-Card for official college business and authorized transactions only.
- Make purchases in accordance with institutional and state policies and procedures.
- Immediately report a lost or stolen card to Bank of America and the P-Card Administrator.
- Obtain receipt and any supporting documentation for each purchase.
- Gas purchases: Departments with institutional vehicles (owned, leased, or courtesy) are required to maintain mileage logs to support P-Card gas charges. Refer to Fleet Management 4.105 and Courtesy Vehicles 4.106 [policies](#) for further information.
- Maintain a filing system (electronic is acceptable) to retain receipts, supporting documentation and approvals, and copies of documentation related to disputed transaction. Retain records for 5 years. These documents may be requested by auditors or other official personnel and must be readily accessible.
- Monitor all charges associated with the use of the P-Card (example shipping, surcharges)
- Ensure that sales tax is excluded from amount of purchase.
- Contact merchants for all returns, exchanges and refunds and ensure credits are posted back to the P-Card account.
- Contact merchants to resolve disputes and complete the Bank of America Dispute Form, when necessary.
- Notify a P-Card Administrator of changes in personal employment status, including transfer or termination by submitting a P-Card Maintenance form.
- Document and report any violations to a P-Card Administrator.

Works Responsibilities:

- Access Bank of America Works to reconcile and sign off on all transactions prior to the monthly Sweep date.
 - The Sweep date is published on the Works home page each month, and is generally the 4th business day of the following month. For example, October 2024 transactions must be signed off by November 5th, 2024.
- To reconcile all transactions, perform the following:
 - Allocate the appropriate fund, function, cost center and object code.
 - Attach a receipt, and any approval or supporting documentation, to each transaction.
 - Enter the business reason for each transaction in the Receipt Description field. The business reason must include a description of what the purchase was and who it was for.
 - Enter comments, if applicable.
- Sign off all transactions prior to the Sweep date, providing enough time for the P-Cardholder's Supervisor to review and sign off on the transactions prior to the Sweep date as well.
- See the [Using Works](#) page for detailed procedure guides by role.

Role: Individual P-Card Manager

This role is typically an individual in a support or administrative position, who manages the P-Card for another individual. Individual P-Card Managers act as the P-Cardholder's liaison with the vendors and P-Card Administrators.

General Responsibilities:

- The P-Card Manager for an individual's card is responsible for assisting the P-Cardholder with all of the P-Cardholder responsibilities described above, **except for transaction sign off in Works. The Individual P-Card Manager will not sign off on transactions in Works.**

Works Responsibilities:

- Access Bank of America Works to reconcile all transactions prior to the monthly Sweep date.
 - The Sweep date is published on the Works home page each month, and is generally the 4th business day of the following month. For example, October 2024 transactions must be signed off by November 5th, 2024.
- To reconcile all transactions, perform the following:
 - Allocate the appropriate fund, function, cost center and object code.
 - Attach a receipt, and any approval or supporting documentation, to each transaction.
 - Enter the business reason for each transaction in the Receipt Description field. The business reason must include a description of what the purchase was and who it was for.
 - Enter comments, if applicable.
- Ensure all transactions are reconciled prior to the Works Sweep date. The transactions must be reconciled early enough to allow time for sign-off by the P-Cardholder and P-Cardholder's supervisor. **Individual P-Card Managers must NOT sign off on transactions. It is the responsibility of the P-Cardholder to sign off, then the P-Cardholder's Supervisor.**
- See the [Using Works](#) page for detailed procedure guides by role.

Role: Department P-Card Manager

This role is typically an individual in a support or administrative position, who manages the Department P-Card for their department.

General Responsibilities:

- Provide physical security for the P-Card, the P-Card number and the Personal Identification Number (PIN).
- Maintain check-out log for the Department P-Card.
- Restrict use of the P-Card for official college business and authorized transactions only.
- Make purchases in accordance with institutional and state policies and procedures.
- Immediately report a lost or stolen card to Bank of America and a P-Card Administrator.
- Obtain receipt and any supporting documentation for each purchase (collect and retain invoices and documentation from authorized users of the department p-card).
- Gas purchases: Departments with institutional vehicles (owned, leased, or courtesy) are required to maintain mileage logs to support P-Card gas charges. Refer to Fleet Management 4.105 and Courtesy Vehicles 4.106 [policies](#) for further information.
- Maintain a filing system (electronic is acceptable) to retain receipts, supporting documentation and approvals, and copies of documentation related to disputed transaction. Retain records for 5 years. These documents may be requested by auditors or other official personnel and must be readily accessible.
- Monitor all charges associated with the use of the P-Card (example shipping, surcharges)
- Ensure that sales tax is excluded from amount of purchase.
- Contact merchants for all returns, exchanges and refunds and ensure credits are posted back to the P-Card account.
- Contact merchants to resolve disputes and complete the Bank of America Dispute Form, when

necessary.

- Monitor activity for unusual transactions or unusual patterns of use and report to a P- Card Administrator.
- Document and report any violations to a P-Card Administrator.
- Notify a P-Card Administrator of changes in personal employment status, including transfer or termination by submitting a P-Card Maintenance form.

Works Responsibilities:

- Access Bank of America Works to reconcile and sign off on all transactions prior to the monthly Sweep date.
 - The Sweep date is published on the Works home page each month, and is generally the 4th business day of the following month. For example, October 2024 transactions must be signed off by November 5th, 2024.
- To reconcile all transactions, perform the following:
 - Allocate the appropriate fund, function, cost center and object code.
 - Attach a receipt, and any approval or supporting documentation, to each transaction.
 - Enter the business reason for each transaction in the Receipt Description field. The business reason must include a description of what the purchase was and who it was for.
 - Enter comments, if applicable.
- Sign off all transactions prior to the Sweep date, providing enough time for the department head to review and sign off on the transactions prior to the Sweep date as well.
- See the [Using Works](#) page for detailed procedure guides by role.

Role: Authorized User of Department P-Card

This role an individual who is authorized to use the Department P-Card.

General Responsibilities:

- Provide physical security for the P-Card, the P-Card number and the Personal Identification Number (PIN) when using the card.
- Utilize the P-Card for official college business and authorized transactions only.
- Make purchases in accordance with institutional and state policies and procedures.
- Immediately report a lost or stolen card to Bank of America and a P-Card Administrator
- Obtain receipt and any supporting documentation for each purchase and provide to the Department P-Card Manager.
- Ensure that sales tax is excluded from amount of purchase.
- Contact merchants for all returns, exchanges and refunds and ensure credits are posted back to the P-Card account, or coordinate with Department P-Card Manager if needed.
- Contact merchants to resolve disputes and complete the Bank of America Dispute Form, when necessary, or coordinate with Department P-Card Manager if needed.

Works Responsibilities:

- This role has no responsibilities in the Works system.

Role: P-Cardholder's Supervisor / Department Head for Department Cards

This role is the supervisor of an individual P-Cardholder and/or the department head for a department P-Card.

General Responsibilities:

- Is responsible for the P-Card(s) within their department.
- Authorize all P-Card expenses.
- Establish individual and departmental procedures associated with the use and administration of P- Cards within the department. Recommended procedures include processing and reconciliation timelines, record keeping requirements and support documentation

methodologies. For example, P-Cardholders or Department P-Card Managers may be required by their supervisor or department head to reconcile and sign off on the P-Card transactions in Works by a certain date, to provide the approver ample time to review and approve prior to the sweep date.

- Internal control owner for the P-Card program.
- Review all activity to verify that individual and department P-Card use complies with all State of Idaho and Institutional policies, procedures, and provisions of the P-Card Program.
- Discuss any non-compliance issues with the staff involved and should any violations occur, discuss appropriate action with a Program Administrator.
- Notify a P-Card Administrator of any suspected or actual P- Card misuse.
- Acknowledge that the college is liable to Bank of America for all charges made by the individual or department including charges made on a lost or stolen P- Card before it's reported lost or stolen.
- Comply with internal control procedures designed to protect the assets of the college and assist with audit requirements.
- Notify P-Card Administrator immediately if Department P-Card Manager or P-Cardholder within department is transferred to another department or is no longer employed by the college.

Works Responsibilities:

- Access Bank of America Works to review and sign off on all transactions prior to the monthly Sweep date.
 - The Sweep date is published on the Works home page each month, and is generally the 4th business day of the following month. For example, October 2024 transactions must be signed off by November 5th, 2024.
- Review the transactions:
 - Ensure the correct allocation has been entered, a valid receipt and any required approval or supporting documentation has been attached, and that the business reason and any comments are completed and accurate. Ensure all transactions comply with all State of Idaho and Institutional policies, procedures, and provisions of the P-Card Program.
- If any information is missing or inaccurate, do not sign off.
 - Advise the P-Cardholder or P-Card Manager to make the corrections. You may also choose to make the corrections yourself. Once corrections have been made, review corrected transactions and sign off.
- Sign off all transactions prior to the Sweep date.
- See the [Using Works](#) page for detailed procedure guides by role.

Role: P-Card Administrator

General Responsibilities:

- Responsible for the P-Card program policies, procedures, training, P-Card issuance and cancellation, management reports, internal auditing, and program development.
- Establish and update program policies and procedures that meet the minimum requirements of the State of Idaho.
- Ensure that P-Cardholders, Individual and Department P-Card Managers, P-Cardholder Supervisors and Department heads for department P-Cards are informed of all P-Card policies and procedures and shall provide new user and additional training, as needed.
- Train P-Cardholders, Individual and Department P-Card Managers, P-Cardholder Supervisors and Department heads for department P-Cards in the management and use of the P-Card.
- Maintain P-Cards in a secure manner until issued to P-Cardholders.
- Maintain documentation of P-Cardholders, Individual and Department P-Card Managers, P-Cardholder Supervisors and Department heads for department P-Cards as well as other

- program information in a secure manner.
- Provide P-Card account set-up, information updates, changes, additions, deletions, and lost or stolen card replacement.
- Assist individuals and departments with transaction disputes reported to Bank of America, as needed.
- Terminate P-Cardholder accounts due to job changes, transfer, termination, lack of need, etc.
- Review transaction exception reports and take appropriate follow-up action.
- Develop and issue periodic management reports to help assess the effectiveness of the P-Card program.
- Conduct random reviews (audits) to ensure that P-Card use complies with program guidelines.
- Report all incidents of fraud, abuse, or misuse of the P-Card to the Vice President for Finance and Administration.

P-Card Limits and Restrictions

Dollar limits and other controls are established for each P-Card on the *P-Card Application Form* when the P-Card is authorized and approved. The vendor will reject the P-Card if an attempt is made to purchase more than the established limit at one time. The vendor validates purchases made with the P-Card at the point-of-sale. The Visa system validates the transaction against the pre-set restrictions which include:

- Single purchase limit not to exceed \$1,999.99.
- Spending limit per month not to exceed the assigned limit (default set at \$5,000).
- Institutionally approved commodity codes, Merchant Commodity Codes (MCC), are established by the bank and encoded into the magnetic strip on the reverse side of the card.

The P-Card program provides for merchant category blocking. If a particular merchant category is blocked (e.g., jewelry stores, pawn shops) and an attempt is made to use the P-Card at such a merchant the purchase will be declined. Extensive efforts have been made to ensure that the vendors/suppliers used in the normal course of business are not restricted. If the P-Card is refused with a vendor where you believe it should have been accepted, first contact your Individual or Department P-Card Manager, if applicable, and if additional help is needed contact the P-Card Administrator.

The MCC restriction can be lifted temporarily. See Account-Setting Modifications section below. A list of restricted MCC Codes is on the [Purchasing P-Card](#) site.

State Contracts

It is required that State of Idaho contract vendors be used when purchasing goods or services provided through State contracts or price agreements. Contact Purchasing for additional information or assistance.

Split Purchases

Any action taken to “work around” or “bypass” the limits set on P-Cards is prohibited. A single purchase cannot be divided into separate transactions or to different vendors to circumvent a single purchase dollar limit or to artificially create small purchases to circumvent bidding as required by State and institutional policy. See IDAPA 38.05.01.044.02. “Splitting” of purchases may result in revocation of the P-Card.

Authorized P-Card Transactions

The P-Card is intended for small purchases transacted during the course of business.

Examples of common uses of the P-Card program may include:

- Airline tickets
- Automotive parts
- Baggage Charges
- Books, magazines, subscriptions
- Building materials
- Information Technology purchases, with IT Approval
- Conference registration fees
- Equipment repairs
- Food/Meals – see section below
- Gas for rental cars
- Lodging
- Newspaper ads
- Parking
- Printing
- Rental cars
- Short term rentals
- Campus food services purchases
- Campus Bookstore purchases

Food/Meals

The P-Card Food Exemption procedure has been updated to streamline purchasing processes for campus and community food vendors, and to reduce manual work. P-Cards are the preferred payment method for food purchases and a P-Card Food exemption form is not required, except for purchases of food with the P-Card while traveling. Purchases of food while traveling still requires the completion and approval of the [P-Card Food Exemption While Traveling form](#).

All food purchases must follow the applicable policies and procedures. The completion and approval of a Meal/Entertainment Request (MER) form prior to purchase may be required. Approved MER forms must be retained with the P-Card transaction in Bank of America Works. Refer to the following policies, form and website:

- Policy 4.116 Employee Meals and Refreshments: <https://www.lcsc.edu/media/5226/4116-employee-meals-and-refreshments.pdf>
- Policy 4.117 Entertainment, Public Relations and Related Expenses: <https://www.lcsc.edu/media/5227/4117-entertainment-public-relations-and-related-expenses.pdf>
- MER Form: <https://www.lcsc.edu/controllers-office/accounts-payable>
- Food Guidelines site: <https://www.lcsc.edu/purchasing/employees/food-purchase-guidelines>

Specific Approval Authorizations

Additional authorization documentation is needed for specific transactions:

Travel and any related expenses - See Travel Policy 4.10 at <https://www.lcsc.edu/policies> and Travel Procedures on the Controller's website at <https://www.lcsc.edu/controllers-office/travel> for specific guidelines. Retain the approval documentation and attach to the P-Card transaction in Works.

Information Technology – Information Technology-related purchases (any computer equipment, multimedia hardware, communications-related equipment, peripherals [ex. keyboards, mice, screen protectors, flash drives] over \$100, software, or online services) require the Information Technology Director's approval. Retain the approval documentation and attach to the P-Card transaction in Works.

Refer to:

<https://www.lcsc.edu/it/faculty-staff-resources/ordering-it-items>

Employee Meal/Refreshment and Entertainment, PR & Related Expenses - Pre-approval may be required on employee meal/refreshments, entertainment, public relations and related expenses. See Policy 4.116 and 4.117 at <https://www.lcsc.edu/policies> for specific guidelines. A Meal/Entertainment Request (MER) form may be required. See the Accounts Payable site at: <https://www.lcsc.edu/controllers-office/accounts-payable/>. Retain the approval documentation and attach to the P-Card transaction in Works.

Grant Related – See the Office of Grants and Contracts site at <https://www.lcsc.edu/grants> for specific guidelines. Retain the approval documentation and attach to the P-Card transaction in Works.

Mandatory Usage

To maximize the usage of the P-Card, all purchases from the following vendors generally require payment via the P-Card:

- Campus Bookstore
- Campus Food Services

Unauthorized P-Card Transactions

Consistent with all purchases by a State agency, the P-Card is not to be used for any purchase that would result in the inappropriate use of State funds. The following constitute examples of inappropriate purchases made with the P-Card:

- Alcoholic beverages
- Any single transaction exceeding \$1,999.99, unless single transaction limit increase is approved.
- Cash advances
- Donations
- Entertainment
- Food/Meals while traveling (unless a [P-Card Food Use While Traveling - Exception Form](#) has been approved).
- Gas for personal vehicles
- Gift cards/certificates
- Independent contractors
- Items for personal use
- Medical-Doctors, Dentists, Chiropractors, etc.
- Professional services
- Purchases that involve signing an agreement, license, contract or lease
- Salaries and wages

Grant or contract language may specifically restrict the purchase of certain items. It is the responsibility of the P-Cardholder or Department P-Card Manager to ensure that all purchases are in compliance with restrictions placed by the grantor or contracting agency.

Account-Setting Modifications

MCC Restriction

Requests to temporarily lift MCC restrictions to make a purchase must be approved by the P-Cardholder's supervisor (or the department head for a Department P-Card), or a member of senior leadership (Dean, Vice President, President). The approval can be submitted via email or other

electronic means to the Purchasing Department. Retain the approval documentation and attach to the P-Card transaction in Works.

Single Transaction Limit Restriction

Requests to temporarily lift the single transaction limit for authorized purchases can be approved by the P-Cardholder's supervisor, (or the department head for a Department P-Card) or a member of senior leadership (Dean, Vice President, President). The approval can be submitted via email or other electronic means to the Purchasing Department.

Items at the fixed asset level (single item worth \$2,000 or more) should not be purchased on the P-Card. Exceptions may be approved by Purchasing for reasons such as the vendor only accepts P-Cards for payment or a discount is provided for payment by P-Card. It is the department's responsibility to send the following information to the Financial Manager and Accounts Payable once the fixed asset level item is received:

- Invoice, product description, department responsible for item, building and room number the item will be stored in, cost center allocated to the purchase, and serial number of the item.

Retain the approval documentation and attach to the P-Card transaction in Works.

Monthly P-Card Expense Limit

Requests to temporarily increase the monthly expense limits can be approved by the P-Cardholder's supervisor, (or the department head for a Department P-Card) or a member of senior leadership (Dean, Vice President, President). The approval can be submitted via email or other electronic means to the Purchasing Department. Retain the approval documentation and attach to the P-Card transaction in Works.

Requests to permanently increase monthly expense limits require submission of a completed P-Card Maintenance Form with approvals from the P-Cardholder's supervisor (or the department head for a Department P-Card) or a member of senior leadership (Dean, Vice President, President).

Account Maintenance

If there is a need to change any account information, such as name, email address, P-Card manager, department head, or adding authorized users to a department card, the [P-Card Maintenance Form](#) must be completed and submitted to the P-Card Administrators.

Making a Purchase

While the P-Card is a procurement tool, it does not represent a change in [institutional or State policies](#). The P-Card program provides an option to the usual purchasing procedures regarding transactions for approved goods and services under the single transaction limit of \$1,999.99.

Apply the following procedures when using the P-Card:

1. Verify funds availability. Access Bank of America Works to view current transactions posted and available balance.
2. Check the list of restricted goods and services and the restricted MCC list on the [Purchasing P-Card](#) site.
3. Be certain the transaction is consistent with the applicable rules for P-Card usage.
4. The P-Card can be used at any vendor that accepts Visa. When using the P-Card, instruct the vendor that a receipt is required on all P-Card transactions and not to send an invoice as this may result in a duplicate payment. Receipts must be obtained and kept for future reference and support documentation.
5. Be sure to notify the vendor that the purchase is **exempt** from State of Idaho sales tax, except if

- goods are received out of state. For example, goods are picked up in Washington.
6. Inform the vendor of the proper delivery and shipping instructions. The vendor should separately identify any additional cost to be added to the transaction amount, (i.e., shipping and handling costs, insurance or surcharges) **prior** to the authorization for the purchase.
 7. Confirm the grand total to be charged by the vendor to the P-Card.
 8. The P-Cardholder must obtain valid receipts and other documentation for record-keeping and reconciliation purposes. If a vendor cannot provide documentation, complete the *Missing Receipt Affidavit* form. Any transaction without a valid receipt is a P-Card violation. Repeated use of the *Missing Receipt Affidavit* form may result in cancellation of the P-Card.

When receiving a shipment, it is the responsibility of the department to properly inspect the goods. If goods must be returned, the P-Cardholder or P-Card Manager is responsible for coordinating the return directly with the supplier.

Internet Orders

When using the internet for P-Card purchases consider the following:

- Use good judgment. Don't use the P-Card if you wouldn't use your own personal credit card.
- Always select vendors who have secure websites. Look for the **s** in the **https://** portion of the URL to ensure the website is encrypted.

Do not e-mail P-Card numbers for any reason. E-mail is not secure and should never be used for any purchase or payment of registration fees. Only the P-Cardholder's name and last four digits of the P-Card are needed in e-mail communication on campus.

Documentation Requirements

The P-Cardholder or authorized user of a Department P-Card must obtain appropriate, detailed, itemized documentation to support every transaction charged to the P-Card. The purpose of supporting transaction documentation is to show what was purchased, from whom it was purchased and the cost of the purchase. The documentation also shows that the purchase is appropriate and applicable to official college business. A vendor's receipt can be supported with literature or third-party information that identifies what was purchased along with the cost. P-Card charge slips alone are not adequate support except when they are also detailed, itemized cash register receipts. Credits to a P-Card can be documented with copies of previous transaction information, credit memos/credit invoices, and/or documentation of why the credit occurred.

A valid receipt contains the following information:

- Vendor name and address
- Date of purchase
- Description, unit price, and quantity of each item purchased
- Total cost of the order, including shipping and handling charges
- P-Cardholder name (individual or department card) and/or the last 4 digits of the P-Card number

Lost or Unavailable Documentation

Contact the vendor directly if the original supporting documentation is lost or if the merchant did not provide it. Do not contact Bank of America for a copy of a receipt. Significant fees can be charged for that service. If a receipt is lost or not obtained, after diligent effort to contact the vendor and obtain the receipt, complete the *Missing Receipts Affidavit* form. Repeated use of the form as a substitute for original documentation may result in suspension or deactivation of the P-Card.

Record Keeping

P-Card Log

All P-Card transaction sign offs and documentation of business reason are now captured in Works. The Bank of America Works statement no longer needs to be signed, although departments may choose to run the monthly statement report and retain with their receipts and approval/supporting documentation. A separate manual log or worksheet is not required but may be used internally to track purchases

Receipt Retention

It is a requirement of the P-Card program that all receipts be retained for all items purchased. For each order, a receipt must be requested itemizing merchandise purchased, purchase price, and any additional charges such as shipping and handling, which includes vendor name and date of purchase. (Note: a merchant should not reject this request, as it is a Visa policy.) It is extremely important to request and retain P-Card receipts. All receipts and any associated approval or supporting documentation to document the transaction must be retained for a period of five (5) fiscal years, including current year. Transactions involving federal or grant funds may require a longer retention period. Contact the grant administrator for additional information. Records (electronic or hard copy) will be retained in the department and must be available for review or audit upon request. Keep all records in a secure location. See Reconciliation and Payment section below for details on uploading receipts and approval/supporting documentation to Works.

Reconciliation and Payment

Bank of America Works is the online system for reviewing, reconciling and signing off on P-Card transactions. The monthly statement report can be accessed as well, however, there is no longer a requirement to print and sign the statement report. All sign offs are captured in Works.

For Individual P-Cards, the P-Cardholder or Individual P-Card Manager is required to reconcile all transactions prior to the Sweep date. The transactions must be reconciled early enough to allow time for sign-off by the P-Cardholder and P-Cardholder's supervisor. **Reconciling** a transaction involves allocating the appropriate fund, function, cost center and object code, adding a description of what the purchase was and who it was for, attaching a receipt and any associated approval or supporting documentation, and adding any applicable comments. For Department P-Cards, the Department P-Card manager is required to perform the above actions.

For individual P-Cards, P-Cardholder and P-Cardholder's supervisor are required to review and sign off on all transactions prior to each month's Sweep date. For Department P-Cards, the Department P-Card Manager and department head are required to review and sign off on all transactions prior to each month's Sweep date.

The Sweep date is published on the Works home page each month, and is generally the 4th business day of the following month. For example, October 2024 transactions must be signed off by November 5th, 2024.

In accordance with contractual terms, Lewis-Clark State College must deposit funds to pay all P-Card charges within 15 days after the cycle date. P-Card reconciliation must be done in time to allow the Controller's Office adequate time to reconcile the institutional payment amount against the departmental transactions.

Disputed Charges

If you believe a vendor has charged you incorrectly, you must first contact the vendor and try to resolve the error or issue. If the matter cannot be resolved directly with the vendor and the error involves an

overcharge, a credit adjustment should be requested and should appear on the next statement. If the vendor feels the original charge was correct, immediately initiate, or contact the P-Card Manager to initiate, a dispute in Works. Bank of America will request complete details of the dispute in writing in order to research the item in question. The details of the disputed transaction must be reported on the *Bank of America Dispute Form* within 60 days of the transaction date. While pending resolution, the P-Card statement will be credited with the amount of the disputed transaction. Although Bank of America acts as the arbitrator in any dispute, never assume that a dispute will be resolved in the P-Cardholder's favor.

Sales and Use Tax

Purchases of goods for official college business that are physically received in the State of Idaho are exempt from **Idaho** sales and use tax. The P-Card is embossed with the words: "Tax Exempt". When using the P-Card, **emphasize** with the vendor that the purchase is tax exempt. A vendor may require the P-Cardholder to provide a copy of the ST-101 to verify non-taxable status. A copy of the ST-101 is available on the Purchasing Department website.

Lost or Stolen Cards

The P-Card is an asset and should be securely safeguarded. The P-Cardholder or P-Card Manager is responsible for the security of the P-Card and any purchases made with the P-Card. If the P-Card is lost or stolen, **immediately** report this information to Bank of America Customer Service at 888-449-2273. Also notify the P-Card Manager and a P-Card Administrator. It is extremely important to act promptly in the event of a lost or stolen card to avoid college liability for fraudulent transactions. The P-Card will be immediately cancelled and a replacement P-Card will automatically be sent.

Personnel Changes and Termination of Employment

If the P-Cardholder changes departments or leaves the college, the P-Card Administrator **must be notified immediately** and the P-Card must be returned to the P-Card Manager or P-Cardholder's supervisor for shredding. The P-Cardholder must also turn in all receipts to the P-Card Manager or their supervisor and complete the P-Card Maintenance Form. The P-Card Manager or P-Cardholder's supervisor will submit the completed P-Card Maintenance form to Purchasing and destroy the card.

Review and Audit

External independent auditors perform an annual audit of Lewis-Clark State College, making it essential to adhere to the above record keeping guidelines. During testing, specific transactions may be selected and the department will be directed by the auditors to provide receipts and other supporting documentation for their inspection. Failure to provide this essential documentation may be documented as part of the auditors' findings.

Purchasing performs random audits of at least 1 transaction for each P-Card (individual and department cards) on a quarterly or more frequent basis, as recommended by Internal Audit. Purchasing also monitors P-Card program performance with reporting and data analytics in Works and from Card Integrity.

Results of the audits and monitoring will be formally documented and reported to the P-Cardholder and their supervisor.

- The first audit finding will result in a procedure reminder email to the P-Cardholder and their supervisor.
- The second audit finding will result in mandatory P-Card refresher training.
- The third audit finding will result in P-Card suspension or deactivation, as determined by the P-Card Administrator and relevant senior official (Vice President, Provost, or President). Serious findings are considered misuse of the p-card and are handled as described in "Misuse of the P-

Card” below.

A recap of the audits and monitoring will be submitted to the Vice President for Finance and Administration.

Misuse of the P-Card

Individuals who intentionally misuse their P- Card may be subject to disciplinary action, up to and including termination. Examples of misuse include, but are not limited to, use of the P-Card for personal purchases, splitting transactions to avoid the transaction limit, unauthorized purchases, and failure to approve P-Card transactions in the timeframe documented in this manual.

- The first instance of misuse of the P-Card will be reported to the P-Cardholder’s supervisor and mandatory refresher training will be provided.
- Additional violations will be reported to the P-Cardholder’s supervisor and relevant senior official, for corrective action. The P-card may be deactivated or suspended, as determined by P-Card Administrator and the relevant senior official.

Violations and Consequences

The P-Cardholder is responsible for purchasing only items that are necessary to carry out the P-Cardholder's job requirements and to comply with State and institutional purchasing policies and procedures. Any P-Card transaction contrary to the program’s authorized usage is a P-Card violation. P-Card violations range from inadvertent mistakes to negligent or fraudulent use. In the event of willful or negligent actions relative to these obligations, the college will take any appropriate recovery action, as permitted by law, including criminal prosecution. Violations could result in corrective or disciplinary action up to and including termination of employment.

Personal Purchases

It is a violation of federal and state laws to use public funds for a personal purchase; regardless of intent to reimburse. Such use may be considered an act of embezzlement.

Cash or Cash Equivalent Transactions

Cash transactions such as cash back with a purchase, cash credit returns, purchase of traveler's checks or money orders, as well as ATM transactions are strictly prohibited.

Expiration and Reissuance of Cards

P-Cards expire every three years, on the last day of the month embossed on the front of the P-Card (expiration date). Replacement P-Cards are automatically sent to the Purchasing Department within 1-3 weeks prior to the expiration date. Purchasing will notify the P-Cardholder when the replacement card is available.

Fiscal Year End

Purchases should be expensed in the fiscal year in which goods and services are received or used. The following are P-Card transaction types that most commonly cause confusion during the fiscal year end transition:

- Conference/meeting registrations
- Airfare for trips in the next fiscal year
- Subscription renewals
- Dues and memberships
- Maintenance agreements

- Emergency goods or services

To accurately reflect expenditures in the correct fiscal year, all June P-Card charges will be charged against the current year budgets. Be sure to allow for these charges in your budget planning.

Revision History

Revision Date	Revision Summary
11/2024	Updated responsibilities for all roles involved in P-Card program; Works procedures; Single Transaction Limit lift procedures; Review and Audit procedures; revisions throughout for consistency and clarity.

GLOSSARY

Accountability	The understanding and acceptance that one is answerable and responsible for one's actions and activities.
Allocate	To assign a fund, function, cost center and expense object to a specific P-Card transaction.
Authorized Purchases	Purchases made in compliance with State of Idaho and LCSC policies and procedures and within approved budget spending authority.
Credit	A transaction reversing a previous charge resulting from the return of goods or resolution of a dispute.
Cycle Date	A Bank of America cutoff date for all monthly transactions. The first business day of each month.
Default Account Code	The cost center selected by the department for each P-Cardholder to which all purchases will be charged unless changed during the monthly reconciliation by the P-Cardholder or Department P-Card Manager.
Department P-Card Mgr.	A department employee responsible for reviewing and approving purchases of Department P-Cards. This includes verifying that purchases are reasonable, in compliance with policies and in compliance with budgetary constraints.
Dispute	Actions taken by the P-Cardholder for any transaction or charge appearing on the monthly Works statement that he/she believes is invalid.
Merchant Category Codes (MCC)	A four-digit number that describes the type of business that a vendor provides to Visa from a predefined list. Transactions with vendors with certain blocked MCC codes may be prohibited and will be declined.
Monthly Spending Limit	The maximum dollar limit a P-Cardholder may charge during a monthly billing cycle.
P-Cardholder	A college employee whose name appears on a P-Card and is authorized to make purchases of goods for the college.
P-Cardholder Statement	The Bank of America statement listing all P-Card transactions for the P-Cardholder during the billing cycle.
Reallocation	Process used to change the default cost center in the Works system.
Reconciling	Process of allocating a transaction, adding a description of what the purchase was and who it was for, attaching a receipt and any approval/supporting documentation and adding any applicable comments.
Single Purchase Limit	The maximum dollar limit a P-Cardholder is authorized to charge in a single transaction. The single purchase limit is not to exceed \$1,999.99.
Unauthorized Purchases	Purchases made that are not in compliance with applicable program parameters, purchasing policies and procedures, departmental authorization within approved budgetary limitations.
Violations	P-Card violations range from inadvertent mistakes to negligent or fraudulent use.