P-Card Procedure Update

Purchasing Department

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LEWIS CLARK STATE COLLEGE

P-Card Procedure Update

- The P-Card Procedures have been updated to enhance compliance, streamline purchasing processes, and promote accountability.
- Expanding the use of Bank of America Works.
- Works will now be used to capture approvals, document a description of the purchase and upload receipts and approval or supporting documentation.
- P-Card Procedure Manual

Roles and Responsibilities

- P-Cardholder
- P-Card Manager for Individual Card
- P-Card Manager for Department Card
- Supervisor of P-Cardholder &/or Department Head for Department Cards

P-Cardholder

- **<u>Reconcile and Sign off</u>** prior to the 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.
- ***Some P-Cardholders have a P-Card Manager, who will perform the steps of allocating, adding receipts & documentation, entering a business reason and comments, on your behalf.***

Individual P-Card Manager

- **<u>Reconcile</u>** prior to the 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.
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  - 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.
- Reconcile all transactions prior to the Sweep date, providing enough time for the P-Cardholder & P-Cardholder's Supervisor to review and sign off on the transactions prior to the Sweep date as well.

Department P-Card Manager

- **<u>Reconcile and Sign off</u>** prior to the 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.

Supervisor/Department Head

- **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.

Works Procedure Guides

- P-Cardholders - How to Reconcile and Sign Off in Works
- Individual P-Card Managers- How to Reconcile Transactions in Works
- P-Cardholders - How to Review and Sign Off in Works
- Department P-Card Managers- How to Reconcile and Sign Off in Works
- P-Cardholder Supervisors Department Heads for Department Cards - How to Review and Sign Off in Works

Approval Documentation

- Must be uploaded to the P-Card transaction in Works. If multiple transactions in one month or more apply to the approval document, attach to one transaction and add a comment to subsequent transactions.
- Examples
  - IT approval for IT related purchase
  - Travel Authorization
  - Meal/Entertainment Request (MER) form
  - Grant P-Card approval
  - Single Transaction Limit (STL) Lift approval

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. 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.

Documents Retention

- 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.

Single Transaction Limit

- 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/receipt, 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.

Review & Audit

- Purchasing performs random audits of at least 1 transaction for each P-Card (individual and department cards) on a quarterly or more frequent basis.
- 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.

Misuse of 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 P-Card Procedure 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.

P-Card Food Exemption Form

- 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, **<u>except</u>** for purchases of food with the P-Card while traveling.

P-Card Food Exemption Form

- 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.

P-Card Food Policies

- P-Card Policy and Procedures: https://www.lcsc.edu/purchasing/employees/policy-and-procedures
- 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 Purchase Guidelines - https://www.lcsc.edu/purchasing/employees/food-purchase-guidelines

FAQ’s

- What if a vendor has not provided a receipt for a transaction, and the sweep date is approaching?
  - Most vendors should provide a receipt at the point of purchase. If you are still working with a vendor to provide a receipt, and do not have a receipt to upload, add a comment and/or documentation (example: email trail with vendor) to the transaction.
  - Once you obtain the receipt, email it to Purchasing along with the transaction information. We can upload the receipt to transactions in prior months.
- Can P-Cardholders/P-Card Managers upload a receipt to transactions from prior months?
  - No, only the P-Card Administrators (Purchasing) have this functionality.

FAQ’s

- I am an approver, and the transaction I am reviewing is missing a receipt, approval document or was incorrectly charged tax. There is not sufficient time for the correction to be made and for sign off to occur before the sweep date. How do I proceed?
  - Add a comment to the transaction regarding what needs to be corrected. For example: missing receipt, missing IT approval, tax incorrectly charged.
  - Sign off on the transaction and communicate the required corrections to the P-Cardholder or P-Card Manager.
  - When the receipts or approval documentation have been obtained, email it to Purchasing along with the transaction information. Purchasing can upload documents to transactions in prior months.
  - The P-Cardholder or P-Card Manager will contact the vendor to credit back tax incorrectly charged, and the credit will generally post the following month.

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Thank you. Questions?

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