

Procurement Card Manual

University of North Carolina at Asheville

Purchasing Office

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Introduction

Welcome to the UNC Asheville Procurement Card Program

The purpose of the UNC Asheville Procurement Card Program (also known as Purchasing Card or PCard) is to simplify procurement and payment processes for selected low dollar, high volume business commodities and services. The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures such as purchase requisitions/orders, direct pay requests, and expense reimbursements while providing documentation to comply with audit requirements. The PCard program is a North Carolina State Term Contract (946A) under the guidelines of 01 NCAC 05B.1523; General Statutes 143-49(8). The card is issued by Bank of America and is widely accepted by vendors that support VISA and/or MasterCard purchases. The program provides the following benefits to cardholders, vendors, and the University:

Benefits to the Cardholder

- Eliminates the need to use personal funds and obtain reimbursements
- Provides convenience, security, and flexibility to make small dollar purchases
- Empowers cardholders with choices and immediate access to goods

Benefits to the Vendor

- Provides vendors with payment from the card processor within a few days
- Reduces the amount of paper work needed from the vendor
- Encourages small local businesses to do business with the state

Benefits to UNC Asheville

- Results in significant cost savings in the purchase-to-pay cycle
- Increases expense analysis power
- Improves ability to provide value-added services

Corporate Liability

UNC Asheville's purchasing card is a VISA credit card with corporate liability. Corporate liability is defined as follows:

- The University is liable for all charges made by University employees
- The University is not held liable for charges made by a terminated employee once notice of termination is provided to Bank of America
- The University is not liable for charges made with the purchasing card resulting from card theft or other fraudulent use by third parties not employed by the University

This manual will provide you with the details of the program including general information, card issuance, card processes, purchasing guidelines, and documentation requirements. It is important to read the following information carefully as cardholders, reconcilers, fund managers, department heads, deans, and vice chancellors are responsible for adhering to the established policies and procedures.

General Information

The purchasing card (PCard) is a corporate Visa credit card, issued to UNC Asheville through Bank of America. The card is to be used for UNC Asheville business transactions only. **Personal use of the Visa card by an employee is strictly prohibited.**

A permanent, non-student employee with department head/dean approval may acquire a PCard by completing the application and agreement and completing purchasing card training. The PCard is issued in the employee's name through Bank of America and the UNC Asheville Purchasing Card Administrator (PCA).

Personal Credit History

Although the PCard is issued in the employee's name, the employee's personal credit history is not considered during the application process, and use of the PCard will not affect the employee's personal credit history in the future.

Payment of Charges

Monthly purchasing card charges are paid to Bank of America by the University. University fund and expense account numbers are entered by the cardholder or reconciler during the reconciliation process and are charged to the department's fund when the payment to the bank is generated. The purchasing card program provides the University with full dispute rights and corporate liability coverage for all purchases.

Card Usage

Your PCard can be used for any allowable UNC Asheville business expense with vendors that accept VISA credit cards and for transactions that follow UNC Asheville Purchasing Policy. The University purchasing policy is found at <https://administration.unca.edu/policies/22>.

The card can be used to facilitate in-store purchases as well as purchases placed by phone, internet, or fax. Personal use of the card is not allowed and will be considered as terms for card revocation as well as employee disciplinary action. Please see allowable and non-allowable expenses listed on page 9.

Charges to the card are limited by monthly, single, and daily transaction dollar amounts as defined below. In addition, some vendors are blocked based on their Merchant Category Code (MCC) as described on page 9 of this manual. Transaction dollar limits and allowable merchant categories are established for each card account.

Transaction Dollar Limits: The University has established three basic levels (spending profiles) with the following transaction limits:

Transaction Limit	Monthly Credit Limit (CL)	Single Transaction Limit (STL)	Daily Transaction Limit (DTL)
Level 1	\$2,500	\$500	\$1,000
Level 2	\$3,000	\$1,000	\$1,500
Level 3	\$10,000	\$2,500	\$5,000

A single transaction cannot exceed \$2,500 per North Carolina 01 NCAC 05B.1523. This limit may be changed only under the following circumstances:

- (1) In an emergency (as defined by 01 NCAC 05B.1602 or Governor's declaration), the agency card program administrator may request higher limits on cards in critical areas. Such increases shall be in effect no longer than the duration of the emergency. Requests for increased limits are to be made through the Division of Purchase and Contract, if time permits, and must be reported to Purchase and Contract in any case.
- (2) Agencies may apply to the State Purchasing Officer (SPO) at the NC Division of Purchase and Contract for higher limits on specific types of transactions, with justification required.
- (3) The SPO may adjust limits based on analysis of the procurement card program's results, on a statewide or agency basis, after taking into consideration current market trends, the economy, and recommendations received from the State Controller and the State Auditor.

If your anticipated transaction exceeds the \$2,500 maximum amount, please contact your PCard Administrator by email or phone to obtain approval. A detailed rationale/justification for the charge is required.

The Cardholder should be aware that splitting transactions in order to remain within the transaction limits (monthly, single, or daily) is prohibited.

Merchant Category Codes (MCCs) are four-digit numbers assigned by Visa and MasterCard to merchants that identify the product or line of business of each merchant. Similar businesses may be grouped into like categories, although airlines, hotels, and rental car companies are given their own MCC.

Merchant Category Blocking: Merchant category blocking utilizes MCCs to limit purchases from specific vendors. If a particular merchant category is blocked (e.g. jewelry stores) and a purchase is attempted, the purchase will be declined. Management has made an effort to ensure that vendors used during the normal course of business are not restricted.

Process for Requesting a Change in Spending Level

Cardholders must submit a written request to the PCard Administrator providing the rationale for changing to another spending level. Cardholders should use the Purchasing Card Change Form to make this request. The rationale should reference specific purchasing restrictions under the current level for the cardholder's typical purchases. The cardholder's supervisor, dean, and/or vice chancellor must approve this request. The PCard Administrator will review the request with the Associate Vice Chancellor of Finance and reply in writing the approval or denial of the request. Cardholders requesting a change in spending level should be in good standing and have exhibited responsible purchasing practices.

Card Security

As a Cardholder you assume personal responsibility for the protection and proper use of your card. Follow the points below to ensure card security:

- While in your possession, always keep the card in a secure place, just as one would a personal credit card. Treat the card like cash.

- A PCard can only be used by the person to whom the card has been issued. Never lend your card to another person or use another employee's PCard.
- Convey your card number to the vendor only through a secure web site, telephone, or in person. Never include your card number in an email or fax. Do not allow a vendor to make a photocopy of your card.
- Maintain receipts and invoices in a safe place for scanning and submission to the Reconciler or Fund Manager as documentation. The receipts and invoices should be provided to the Reconciler as soon as possible after the purchase is made.
- If your PCard is lost or stolen, promptly follow the instructions under "Lost or Stolen Card."
- Ensure a Purchasing Card Change Form has been prepared and submitted to the Purchasing Card Administrator if you transfer to another department, terminate employment, change your name, are requesting an increase your spending level, or if you no longer need a purchasing card. See section labeled, "Cardholder Employment Changes" for additional information.

Roles and Responsibilities

University employees and management play key roles to support the purchasing card program. A summary of roles and responsibilities follow:

Cardholder (Referred to as Accountholder in *Works™*) – is a permanent, full-time employee who is issued a UNC Asheville PCard.

Cardholder:

- Ensures compliant use of the PCard according to UNC Asheville Purchasing Policies, the Procurement Card Manual, and the NC Division of Purchasing and Contract policies and procedures.
- Maintains the card in a secure location while not in use.
- Obtains a valid itemized receipt/invoice for each purchase which includes the vendor name, date of purchase, item description and total amount of purchase. Packing slips are not acceptable. A payment receipt showing only the total amount paid is not acceptable. (*Note: if the Cardholder loses the receipt, a Procurement Card Missing Receipt Affidavit **MUST** be completed: This form may be found at <https://finance.unca.edu/sites/default/files/documents/forms/PCard%20and%20Card%20Missing%20Receipt%20Affidavit%20Form%202-23-17.pdf>)
- Returns the receipts and invoices to the Reconciler as soon as possible after the transaction is made to ensure a proper documentation trail exists for the purchase. Every transaction **MUST** have a receipt.
- Never allows anyone else use of the PCard.
- Ensures spending limits are not exceeded on any transaction.
- Coordinates with the fund manager to ensure PCard Expenses are allotted in the operating budget.
- Ensures transactions are not split to circumvent spending limits or University guidelines.
- Ensures NC Sales and Use Taxes are not charged on purchases. The UNC Asheville Sales and Use Tax Exemption Number is located on your card. In addition, Sales and Use Tax Exemption Certificates are to be shown to vendors who do not accept the number on the card.

- Provides business reason for items purchased with PCard on receipt.
- Submits original receipts/invoices to Reconciler.
- Assists the Reconciler with resolution of billing discrepancies, disputes, and credits.
- Contacts Bank of America and the Purchasing Card Administrator immediately if the card is lost or stolen.
- **Returns the card immediately to the Purchasing Card Administrator before leaving the University's employ or relocating to a different department.**

Reconciler (Administrative Assistant for Department or Cardholder) – a department can decide if a cardholder will also serve as the Reconciler for a specific PCard; however, a Reconciler does not have to be a PCard holder.

Reconciler:

- Ensures compliant use of the PCard by all cardholders assigned to your location by reviewing the purchases on an ongoing basis.
- Receives original receipts from the Cardholder.
- Compares receipts with the electronic transactions recorded in Bank of America *Works*TM, the purchasing card transaction management system.
- Reviews each transaction in *Works*TM and ensures that the:
 - Item purchased, amount charged, and the vendor name match the receipt
 - NC Sales Tax is not included
 - Written business purpose description of the expense is clear
 - Correct fund and account codes are entered in *Works*TM
 - Receipts/documentation are scanned and uploaded into *Works*TM
- Resolves discrepancies with the Cardholder when necessary.
- Ensures the PCard is used in compliance with UNC Asheville Purchasing Policies, the Procurement Card Manual, and the NC Division of Purchasing and Contract policies and procedures.
- Ensures the Cardholder has not exceeded the spending limits or fund budget on any transaction.
- Reviews transactions to ensure purchases have not been split to circumvent spending limits or University policy.
- Ensures a Purchasing Card Change Form (found on the Purchasing page of the UNC Asheville website) has been prepared and submitted to the Purchasing Card Administrator if an employee transfers to another department or has separated employment.

Approver (Fund Manager/Department Head/Dean/Vice Chancellor)

Approver:

- Reviews and approves by electronically signing off on each transaction completed by the designated Reconciler in the *Works*TM program.
- Ensures all transaction sign offs are completed no later than the end of the billing cycle (10th day of each month).
- Selects department employees for participation in the UNC Asheville Purchasing Card Program based upon business need and the ability to fulfill program compliance requirements.

- Accounts for the use of the PCards in his or her department, taking appropriate action with departmental staff when required.

Purchasing Card Administrator (Purchasing Office)

Administrator:

- Provides program management and oversight.
- Develops and delivers effective training for users.
- Ensures program compliance and quality assurance.
- Promotes an accurate PCard Program by working with departments to minimize violations and infractions of card usage.
- Prepares Banner processes for posting charges and completes payment to Band of America by the due date.

General Card Processes

How to Obtain a Card

Fund Managers, Department Heads, Deans, and Senior Staff will identify faculty and staff with a business need for making small purchases. The proposed Cardholder should complete and forward the Procurement Card Application and Agreement with the appropriate signature approvals to the Procurement Card Administrator. The Procurement Card Application and Agreement can be found on the Purchasing page of the UNC Asheville website (<https://finance.unca.edu/purchasing>). Once the completed application is received, the PCard Administrator will process the application. The proposed Cardholder will be notified after the PCard has been processed. ALL new Cardholders MUST attend a PCard training session before the card is issued. The Purchasing Card Administrator will contact the Cardholder to schedule training.

Cardholders must be willing and able to keep accurate records of transactions for accounting and reporting purposes. It is not necessary for every employee within a department to obtain a PCard. Only employees who purchase on behalf of their departments should apply for a PCard.

Card Changes:

Employee Name, Fund Number, Spending Limits, Approver Change, Employment Changes

The Purchasing Card Administrator reviews, approves, and maintains the Procurement Card Application Agreement and the Procurement Card Change Form documents. To report a legal name change, change in fund numbers, increase/decrease in spending limits, change in Reconciler/Approver, etc. a Procurement Card Change Form must be completed and submitted to the PCard Administrator.

If the Cardholder leaves the University, transfers to a new department, or no longer uses the PCard in the performance of daily job duties, the PCard must be cancelled immediately. The Procurement Card Change Form must be completed and submitted to the PCard Administrator. (Please note: With regard to a Cardholder leaving the University—two weeks prior to leaving, the Cardholder must stop using the PCard. The physical card must be delivered to the PCard Administrator along with the Procurement Card Change Form).

The Procurement Card Change Form can be found on the Purchasing page of the UNC Asheville website (<https://finance.unca.edu/purchasing>).

Card Renewal

Initial PCards are issued with a three (3) year expiration date and are subsequently renewed every two (2) years. Renewal cards will be mailed from the bank to the University and distributed by the PCard Administrator to the Cardholder. Cardholders should receive their new card approximately thirty (30) days before the expiration date.

Card Inactivity

In the event a card is inactive for six months, the card will be reviewed for possible cancellation by the PCard Administrator. Proposed card cancellations will be submitted to the Cardholder's supervisor for approval prior to cancellation.

Lost or Stolen Card

If you believe your card has been lost or stolen, immediately report the problem to Bank of America at 1-888-449-2273. Customer assistance is available 24 hours a day. Immediately after reporting to Bank of America, notify your PCard Administrator of the event. It is extremely important to act promptly in the event of a lost or stolen card to avoid liability for fraudulent transactions.

The Cardholder will no longer be able to use the account number after notifying the bank that the card has been lost or stolen. Bank of America will automatically reissue a new card. The PCard Administrator will notify the Cardholder as soon as the new card is received. A card that is subsequently found after being reported lost should be sent to the PCard Administrator.

General Purchasing Guidelines

General Small Purchases on UNC Asheville PCard

The UNC Asheville PCard is intended for operating supplies and other low value purchases needed during the course of business.

The charts that follow serve as **guidelines** for allowable and non-allowable small purchase expenses. If you should have any questions, please contact the PCard Administrator or the Purchasing Office for assistance.

General Small Purchases – Allowable Expenses on the UNC Asheville Purchasing Card	
<ul style="list-style-type: none"> ▫Advertising (internet, newspaper, periodicals) ▫Auto Repair Services—estimated to be below \$1,000 ▫Automobile Towing ▫Computer supplies and peripherals (cables, modems, flash drives, memory) *See ITS Approval Section on page 10 ▫Conference Booth and Space Rental ▫Postage—small amounts, Express Mail Service and Freight ▫Food Items—from a Trust or Agency Fund Only—NO STATE FUNDS!! MUST have itemized receipt; <u>not</u> just a payment receipt ▫Laundry Services ▫Magazine, Journal and Newspaper Subscriptions for the current year 	<ul style="list-style-type: none"> ▫Memberships—must be University/Job related and benefit the University ▫Promotional Items—estimated to be below \$1,000 and NO STATE FUNDS ▫Required Professional Licensure (Medical, Notary, etc.) ▫Supplies (NOT ON STATE CONTRACT): <ul style="list-style-type: none"> Agricultural Classroom items for instruction, research, or exam purposes Electrical parts Janitorial Laboratory Mechanical parts Motor vehicle repair parts Plumbing parts Repair parts and tools

PLEASE NOTE: YOU MAY NOT USE YOUR PURCHASING CARD FOR ANY TRAVEL RELATED ITEMS, INCLUDING REGISTRATION FEES. TRAVEL CARDS ARE ADMINISTERED BY THE TRAVEL ACCOUNTANT.

General Small Purchases Non-Allowable Expenses on UNC Asheville Purchasing Card	
<ul style="list-style-type: none"> ▫No personal expenses of any kind ▫No alcohol or tobacco Products ▫No cash or cash Advances ▫No cell phones or plan expenses ▫No contractual services (Professional, Independent Contractor Services of any type) ▫No maintenance agreements where we enter into a contract with the vendor to support purchased equipment—i.e. AppleCare ▫No gift certificates or gift cards ▫No hazardous chemicals or materials (cylinder gases, radioactive materials) ▫No purchases from auction sites such as eBay, Craig’s List, etc. ▫No animals ▫No weapons and ammunition ▫No lease agreements 	<ul style="list-style-type: none"> ▫No computers/laptops/tablets, software, ITS related maintenance agreements and license renewals. (See ITS Approval Section on page 10) ▫No controlled substances (drugs, alcohol, fire arms) ▫No insurance premiums, co-pays or deductibles ▫No rentals (equipment, etc.) ▫No payment of invoices ▫No utility bill payments ▫No iPad apps ▫No capital construction ▫No state contract items that require a purchase order ▫No payments to individuals, consultants, or employees ▫No second hand/used equipment ▫No contributions

Information Technology Systems (ITS) Approval

Many of the items purchased for use in conjunction with your computers, laptops, and tablets require ITS approval for purchase (software, peripherals, etc.). Please ensure that you contact ITS for all purchases that relate to these types of items. Attach a copy of ITS approval to your PCard invoice for audit purposes.

A purchase order is required per the UNC Asheville Purchasing Policy for all software and computer, laptop, or tablet purchases. All maintenance agreements and software license renewals also require a purchase order.

There are a few exceptions, where ITS approval is NOT required. These exceptions include: Keyboards (wired & wireless), SD/Memory Cards, Flash Drives, Desktop Speakers, Toner Cartridges, Mice, and Cables.

ALL software must be approved by ITS

Split Transactions

A split transaction occurs when the purchaser attempts to split a purchase to stay within the dollar limits of your card (per transaction, day, or month) or to avoid a bid process. Splitting transactions is strictly prohibited. Care should be taken by the Cardholder to avoid the appearance of such.

Examples of split transactions are noted below. If you are uncertain if a transaction would be considered “split,” contact the PCard Administrator or the Purchasing Department:

- A cardholder purchases similar or complementing items that cost a total of \$2,750. The sale is divided into separate transactions of \$1,500 and \$1,250. This is considered a split transaction to avoid exceeding the transaction limit of \$2,500 and is not allowed. A Purchase Order must be completed for the full order.
- A cardholder purchases an item on Monday which costs \$2,625 and pays the vendor \$2,000. The remaining \$625 is paid on Friday. The \$2625 purchase has been divided into two transactions. This is considered a split transaction to avoid exceeding the transaction limit of \$2,500 and is not allowed. A Purchase Order must be completed for the full order.
- Two cardholders within the same department use their cards to purchase an item or complementing items that cost \$3000. Two transactions occur (one on each card) for the purchase. This is considered a split transaction to avoid exceeding the transaction limit of \$2,500 and is not allowed. A Purchase Order must be completed for the full order.

Sales Tax Exemption

The University is a tax-exempt entity and is **not** required to pay North Carolina sales tax on goods or services.

When dealing with vendors, the cardholder should make them aware of the exemption by providing the tax exempt number printed on the PCard. If the vendor requests a copy of the University’s NC Sales Tax Exemption Form, the Cardholder may present the vendor with this form which was distributed to each Cardholder at the time of PCard training.

It is the Cardholder’s responsibility to verify that the invoice or receipt does not include a charge for NC Sales Tax before they leave the store or complete a transaction online. If the vendor does have a sales tax charge on the receipt, provide the vendor with the tax exempt number again and ask for a credit to be issued to the card. Obtain the credit receipt and submit it in the *Works*™ system along with the original receipt. Some vendors require us to have an “account” with them in order to process orders without sales tax. Information pertaining to those vendors may be found on a shared Google sheet entitled, “*PCard Tax Exempt Codes*.”

How to Make a Card Purchase

This section addresses the application of the general procurement guidelines to Purchasing Card transactions. Information regarding purchases by fax, internet, email, and returned goods will also be covered. If you have any questions, whatsoever, please contact the PCard Administrator or the Purchasing Office for clarification before making a purchase.

Card Purchase Steps

1. Follow the internal procedures of the University to determine if a purchase order is required and to ensure that purchase is allowable.
 - a. Check that item is not available from Correction Enterprises (State Contract)
 - b. Check that item is not on State Contracts and/or ITS or GA Contracts
 - c. If a purchase order is required, do not use your PCard
2. Determine if the price quoted is the best price you can obtain by knowing your merchandise and comparing different vendor pricing.
3. Tell the vendor you are making the purchase on behalf of UNC Asheville and that we are exempt from NC Sales Tax. Provide the NC Sales Tax exemption number located on your PCard and ensure tax is not included on the invoice or receipt. (Certain vendors may require an account number. Those vendors and account numbers can be found on the shared Google Sheet, “*Tax-Exempt Friendly Vendors.*”)
4. Provide payment with your PCard.
5. Obtain an itemized receipt / invoice (must list item description, quantity, price, State Contract information, and total purchase) from the vendor. Packing slips are not acceptable.
6. If goods are to be delivered, provide the vendor your name, department, phone number, and complete delivery instructions. Items must be shipped directly to UNC Asheville.
7. When goods are delivered, retain and match any packing slip to a copy of the original itemized receipt. **(The original receipt should be turned in to the Reconciler after the transaction is made)**

Purchases by Fax

Retain a copy of the fax, as well as the fax confirmation for your records. To avoid duplicating the order, it is recommended that you do not mail a copy of the faxed order to the vendor. If the vendor requires the original, be sure to clearly mark it “Confirmation of Fax Order, Do Not Duplicate.”

It is a best practice for security purposes to call the vendor with your PCard number instead of including it on your fax. Fax numbers can change and fax machines are often located in open areas within offices.

Purchases by Internet

On-line purchases must be made with vendors who use a Secure Sockets Layer (SSL) browser session. To confirm that a secure area has been accessed, look for “https” (denoting a secure site) in the web address. A closed lock usually appears to the right of the web address or at the bottom right-hand side of the screen when you are asked to enter your card number.

If a secure browser site is not readily apparent to you, do not utilize the internet to make the purchase as the security of your card could be jeopardized.

Website Receipts

Websites that present an on-line receipt, which reflects the items purchased and cost with a company logo or name, will serve as proper documentation. Simply print or save an image of the on-screen document.

Websites that reflect the billing amount only can serve as proper documentation by including a printed or saved email confirmation or order acknowledgement.

Websites that do not present an on-line receipt can still be utilized. The customer should print screens that reflect the items being purchased and the amount, and then ensure the email confirmation or order acknowledgement is attached.

Purchases by Email

A purchase by email is not an approved purchasing method at UNC Asheville. For security purposes, PCard numbers should never be sent via email to a vendor or anyone else. Electronic correspondence regarding the purchase can be sent to your email, just ensure no PCard numbers are present in the email.

Shipping Address

Please use the following format for shipping purchases to the University:

Attention: Your name and CPO Number
UNC Asheville Central Receiving
220 Campus Drive - Sam Millar Building
Asheville, NC 28804

Billing Address

If a vendor asks for a billing address or phone number for verification, please use the following:

UNC Asheville
One University Heights, CPO #1423
Asheville, NC 28804
Phone: 828-251-6663 (Accounts Payable Department)

Returns

Items purchased with the PCard will periodically need to be returned. When this occurs, a vendor usually offers a Return Materials Authorization (RMA) number and issues a credit invoice upon receipt of the goods. Make certain to document the RMA number and keep the credit invoice to use in the reconciliation process at the end of the billing cycle.

When receiving goods that you may need to return, consider the following:

- Always retain boxes, containers, special packaging, and packing slips, until certain that you are going to keep the items. Items that are fragile or computer-related generally cannot be returned without the original packing materials.
- Read all enclosed documents carefully. Often a critical phone number and other instructions about how to return items are included.
- Contact the vendor and obtain a Returned Materials Authorization (RMA) number for the return.
- To facilitate the return of goods, follow vendor shipping instructions, if applicable.
- In some cases you may encounter a restocking fee. The PCard may be used to pay this fee as long as it does not exceed any of the card limits.

Transaction Declined

Contact the PCard Administrator. Some reasons for transactions being declined could include the following:

- Exceeded spending limits
- Expired card
- Merchant Category Code (MCC)* Please contact the PCard Administrator if your transaction is declined as a result of a MCC.

*All vendors accepting VISA cards are registered with Bank of America under a self-proclaimed Merchant Category Code identifying their type of business, i.e. airlines, music stores, medical services, florist, ABC stores, restaurants, office supplies, etc. The University has blocked all general categories deemed inappropriate for UNC Asheville use, such as entertainment, ABC stores, etc.

PCard available in Purchasing Office for Campus Use

The Purchasing Office will have PCards assigned to team members. Anyone within the University, who does not have a Purchasing Card, may bring an approved check request form with appropriate documentation to the Purchasing Office and complete a PCard transaction.

Documentation and Reconciliation (Cardholder/Reconciler Responsibilities)

- Original, itemized receipts are required. Receipts should include description, unit price, extended price, shipping, total amount and no sales tax along with the name and address of the vendor.
- Packing slips will be required or receiving statements signed and dated upon receipt of items.
- When paying restaurant charges for guests for a specific business purposes, the PCard may be used. Food purchases **CANNOT** be made using state funds. Three items of documentation will be required:
 - An itemized receipt showing all purchases made. The University employee may have to request an itemized receipt from the restaurant.
 - Receipt showing payment with any tip included. (Tips should not be over 20% of the bill)
 - A list of all attendees as well as the business purpose of the meeting should be included.

NOTE: PCards are NOT allowed for employee's meals while in travel status.

Mobile Device Receipts

- These receipts are usually emailed to the purchaser. They will need to be uploaded to *Works*TM and treated as any other receipt. The exact use and the name of the company, if not apparent, needs to be written on the receipt prior to uploading into the *Works*TM program.

International Purchases

- Itemized receipts for international purchases are required. If they are in a foreign currency/language, please attach a conversion to US dollars and provide translation for what was purchased.

Reconciliation Overview

- PCard Transactions must be signed off on / approved in Bank of America *Works*TM by the 10th day of each month. (end of billing cycle).

On-Line Transaction Review and Statement Reconciliation

- Transactions can be reviewed as soon as they are processed through *Works*TM. Specific instructions to view, reconcile, enter comments about transactions, edit Banner fund and account selections, approve, and reconcile monthly statements can be found in the Procurement Card Reconciler / Approver User's Guide.

Disputed or Fraudulent Charges

- If there is a discrepancy on your statement, it is imperative that the issue be addressed immediately with the vendor and/or the PCard Administrator. Depending on the type of

discrepancy, you will need to contact either the vendor or the PCard Administrator to resolve the disputed transaction.

- If a vendor has charged incorrectly or there are problems with an order, first contact the vendor and try to resolve the error or problem. If you are able to resolve the matter directly with the vendor, and the error involved an overcharge, a credit adjustment should be requested.
- If the vendor disagrees that an adjustment is necessary, immediately contact the PCard Administrator who will work with you and Bank of America to resolve the dispute. Bank of America will request complete details of the dispute in writing in order to research the item in question.
- Bank of America must receive any charge dispute within sixty (60) days of the transaction date. UNC Asheville pays all charges as billed on each statement (regardless of a transaction being in dispute status). Once the dispute status has been resolved by Bank of America, the bank will issue a credit. Although Bank of America acts as the arbitrator in any dispute, never assume that a dispute would be resolved in the University's favor.
- A fraudulent charge (e.g., a charge which was not initiated by you) must be reported immediately to Bank of America and the PCard Administrator. Prompt reporting of any such charge will help to prevent UNC Asheville from being held responsible.

Transaction Sweep and Payment Process

- The PCard Administrator will be reviewing card transactions to ensure program integrity. When the period ends, the PCard Administrator will be monitoring approvals as they occur and will send reminders of pending actions required. On the 15th of each month, the PCard Administrator will sweep the transactions in *Works*TM to begin the payment process.

Unapproved Transaction Sweep

- To assure Bank of America is paid in a timely manner, all unapproved transactions will be swept into the payment process at the end of the monthly billing cycle period. Transactions will be swept at 5 pm on the 15th of each month and charged to the department's default fund.
- The Cardholder, Reconciler and Approver will still be required to approve the transaction; however, they will no longer have the ability to edit the default fund number before charges post to Banner. After the general ledger feed, charges can only be reallocated by processing a journal entry by the Controller's Office. Continual non-compliance to the monthly approval period deadline will result in loss of PCard privileges.
- As the payment process occurs, transactions are downloaded from *Works*TM to Banner. Accounts Payable then processes payment and submits to the Bank of America.

Compliance Assurance

University employees must take seriously the University's obligation, as a state agency, for achieving economical and effective procurement of goods and services consistent with applicable State statutes and related rules, regulations, and procedures through the use of a PCard. Failure to abide by these rules, regulations and procedures can result in disciplinary action, and in some cases, personal liability of the employees, and possibly of their supervisors, for the cost of the unauthorized purchase. See, for example, N.C. General Statute §143-58, on making "executive officer" of department, etc. personally liable for costs of unauthorized contracts.

In order to ensure compliance with the policies and procedures of the program, the actions listed in the chart below will be taken by Financial Affairs when infractions occur. Infractions are classified as General Infractions and Major Infraction/Criminal Activity. General descriptions and discipline measures are listed below.

UNC Asheville reserves the right to revoke and cancel any PCard for failure to comply with policies and procedures of the program at any time. The Associate Vice Chancellor of Finance, upon the recommendation of the PCard Administrator, reserves the right to evaluate the seriousness of any violation and may allow the department to provide an explanation, which may be used as the determining factor to whether card privileges continue or not. UNC Asheville Purchasing, PCard Administrator, and the Associate Vice Chancellor of Finance under the guidance of the University General Counsel and Internal Audit have the right to exercise appropriate action as deemed necessary.

The Cardholder must ensure that invoices and receipts are submitted to the Reconciler as soon as the purchase is made or upon immediate return to the office. These invoices and receipts are vital in signing off on transactions in the Bank of America *Works*™ System. If the reconciliation process is hindered by individuals not submitting paperwork in a timely manner, then the PCard Administrator reserves the right to revoke an individual's right to have a PCard.

General Infractions:

- Late PCard reconciliation without notice to PCard Administrator
- Missing or inadequate receipts
- Missing purpose on receipt or invoice
- Purchasing items resulting in sales tax being charged, without contacting the vendor for a credit (*Note: UNCA has a \$5.00 threshold on sales tax. In the event an amount greater than \$5.00 is charged on any single transaction, it is the Cardholder's responsibility to obtain a credit from the vendor)
- Split transactions (to circumvent single transaction limit)
- Non-allowable purchases or misuse of funds
- Paying invoices after Goods/Services have been received
- Failure to comply with UNC Asheville, General Administration, or NC State Contract Terms (without acceptable explanation for exception)
- Allowing another individual to use your PCard or number or failing to keep PCard secure
- Personal purchase made in error that is not reimbursed to the University immediately

First Offense	Memo letter to the Cardholder stating what the minor infraction is and what action is needed to resolve the infraction.
Second Offense	Memo letter to the Cardholder, Reconciler, and Approver stating what the minor infraction is and what action is needed to resolve the infraction.
Third Offense	Memo letter to the Cardholder, Reconciler, and Approver stating what the minor infraction is and what action is needed to resolve the infraction. The memo letter will also contain a warning pertaining to the consequences of a fourth offense. In addition, within 30 days of the infraction, the Cardholder will attend a re-training session at the cardholder's convenience.
Fourth Offense	PCard is suspended for three (3) months and the Cardholder <u>must</u> attend another re-training class before the card is reinstated.

Major Infraction/Criminal Activity:

Criminal Activity: Personal purchase that is intentional—Fraudulent Activity

If you intentionally make a personal purchase, a theft of state property has occurred. Immediate card revocation will occur and the cardholder will not be eligible for future PCard use. Your department head, Dean, Vice Chancellor, and the Vice Chancellor of Finance and Campus Operations as well as General Counsel and Police and Public Safety will be notified. Appropriate disciplinary action will be taken, up to and including termination of employment.

*Note: The infractions/consequences listed above are guidelines used by the University. Modifications to the procedures listed above may be made by senior management.

Appendix I: Definitions

1. Procurement Card or Purchasing Card – commonly referred to as a PCard. A University credit card that can be used for making small dollar purchases for University business.
2. Bank of America – bank issuing PCards
3. *Works*TM - Bank of America’s online transaction management system for the PCard program
4. Cardholder – person who is approved to obtain a PCard, has attended the PCard training class, and is authorized to use the card to conduct UNC Asheville business. Submits all receipts and other documentation to reconciler by required deadlines. (see Roles and Responsibilities Section)
5. Reconciler – Departmental staff and/or cardholder responsible for reviewing cardholders’ transactions and submitting for approval. (see Roles and Responsibilities Section)
6. Approver – Fund Manager, Department Head, Dean, or Vice Chancellor who reviews and approves all transactions in *Works*TM. (see Roles and Responsibilities Section)
7. PCard Administrator – individuals working in Administration and Finance charged with the management of the PCard program.

Appendix II: Internal Control Self-Assessment for Department Heads

1. Are card limits periodically evaluated to ensure limits are appropriate?
2. Upon initial setup of a card, are reviews done to ensure limits are correct?
3. Have PCards for employees who are no longer employed in the department been closed?
4. Do procedures exist to ensure that cards are returned to PCard Administrator or Purchasing on the date of employee termination or transfer from the department?
5. How many cards are within your department? Do we have the appropriate number of cards to meet the business needs of the department?
6. Is the individual whose name is shown on the card the only person allowed to use the card?

Transactions

1. Are procedures in place to ensure unallowable items are not purchased using the PCard?
2. Are detection measures adequate to identify split transactions that may occur?
3. Is the NC Sales Tax exemption number utilized when a purchase occurs?
 - a. How many invoices include charges whereby NC Sales Tax was paid to the vendor?
 - b. Are statements reconciled by all cardholders in a timely manner?
4. Are invoices, cash register receipts, credit invoices, and packing slips available for each transaction with adequate documentation to denote the business purpose?

Segregation of Duties

1. Is the person making purchases different than the person who is approving the purchases?
2. Is the person performing the reconciliation different than the person who is purchasing and approving the purchases?
3. Is the reconciliation packet reviewed, approved and submitted in a timely manner?

Appendix III: Contact List

University Contacts

The PCard Administrator(s), who are part of the Business Services Team in the Purchasing Office, are responsible for the day-to-day operations of the purchasing card program. The PCard Administrator(s) and members of the Purchasing Office team are available during work hours to assist campus employees with any questions regarding PCard policies and procedures.

Director of Business Services and PCard Administrator	Darlene Carrasquillo 112 Phillips Hall 828-232-4999 dcarrasq@unca.edu
Purchasing Assistant and PCard Administrator	Candace Buck 102 Phillips Hall 828-251-6129 cbuck@unca.edu
E-Procurement Coordinator/Grants Technician and PCard Administrator	Patrick Willis 102 Phillips Hall 828-232-2285 pwillis@unca.edu
Senior Buyer Purchasing	Joel Knisley 102 Phillips Hall 828-251-5121 jknisley@unca.edu

Bank of America

To contact the Bank of America, call the number on the back of your card. Any time the Bank of America is contacted, you should also contact the PCard Administrator.

Forms

The forms listed below are available on the Administration and Finance/Purchasing webpage <https://finance.unca.edu/purchasing>

Procurement Card Application and Agreement

Procurement Card Change Form

Procurement Card Missing Receipt Affidavit

Procurement Card Manual