I. Purpose & Overview

The purpose of Standard Operating Procedures is to provide campus users with sufficiently detailed information to complete tasks in accordance with University policy and central administration requirements. The P-Card Encumbrance process will enhance the accuracy and usefulness of remaining budget by improving the timeliness of posting P-Card transactions to the general ledger.

II. Procedure

1) Process Flow

2) Definitions –
   a. Actuals: The actuals account includes an actual amount paid or incurred.
   b. Encumbrance: A budget tool used to hold funds for a purchase until it is received and payment is initiated.
   c. Funding Source: Refers to the combination of funding source segments used in OFC to code transactions to a financial charge account.
   d. OFC: Oracle Financials Cloud, the web platform used to enter, review, and approve financials transactions.
   e. P-card: Purchasing Card or P-Card is a Visa card issued by Bank of America for business use.
   f. Transaction: A purchase or refund made on a University P-Card.
   g. WORKS: Online application provided by Bank of America for department reconciliation of P-Card expense to OFC funding sources.

3) Requirements –
   a. Cardholders (or assigned reconciler) codes transactions and provides business purpose for transaction in WORKS before the third business day of the month.
b. On the third business day of the month, data from previous month’s P-card transactions is pulled from WORKS and uploaded to the default or coded funding source as an Encumbrance.

c. P-card Approver reviews transactions for accuracy and compliance, edits information as needed, and signs off in WORKS.
   i. This review may happen before or after the third business day as designated by the department’s business process.

d. The manager (Department Head, Director, Dean, VP, or Business Manager) is responsible for reviewing and authorizing p-card.
   i. Authorization of expense is executed via signature on Works Authorization of Expense form or the Manager Authorization of Expense form
   ii. Authorizer signature form must be included with audit requests

e. P-card transactions post to Actuals using data from WORKS.
   i. Allocation corrections in Works by department during approver sign off period will be reflected in Actuals.

f. P-card Encumbrance transactions are reversed on the same date transactions post to Actuals.

g. After Actuals post, corrections must be processed via department initiated journal entry.

4) Supporting Documentation –
   a. Supporting Documentation Requirements for P-card can be found on in the Reconciliation of P-Cards Transactions portion of the P-card Policy #6140

5) Best Practices – Provide a list of any recommended procedures here.
   a. Use meaningful default funding sources for cardholders in WORKS
   b. Have cardholders and approvers reconcile transactions in WORKS on a weekly basis
   c. Utilize electronic filing system to capture required documentation for each transaction

III. Additional References

<table>
<thead>
<tr>
<th>Source</th>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Financial Services</td>
<td>Training</td>
<td>A source for training related to financial transactions including mailing services.</td>
</tr>
<tr>
<td>Training Portal</td>
<td></td>
<td></td>
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<tr>
<td>Oracle Financials Cloud (OFC)</td>
<td>System</td>
<td>All financial transactions are entered in OFC and can be viewed via reporting.</td>
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<tr>
<td>WORKS</td>
<td>System</td>
<td>P- Card transactions are coded to a funding source and approved in this system</td>
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<td>----------------------------------------------------------------------</td>
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<tr>
<td>Boise State University P-Card Authorization of Expense</td>
<td>Form</td>
<td>This form is used for final Authorization of p-card expenses by Department Head, Director, Dean, VP, or Business Manager</td>
</tr>
<tr>
<td>P-Card Approver Guide</td>
<td>Training</td>
<td>Additional P-card training material</td>
</tr>
<tr>
<td>Creating and Submitting a Journal Entry</td>
<td>Training</td>
<td>A step-by-step guide to processing a journal correction entry.</td>
</tr>
<tr>
<td>Journal Entry Form</td>
<td>Form</td>
<td>Use this form to submit Funding Source and/or Account Code corrections to be processed.</td>
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