P-Cardholder User Guide - 1 -

P-CARD PROVIDES THE UNIVERSITY WITH A PURCHASING TOOL THAT ALLOW FACULTY AND STAFF TO PURCHASE GOODS AND SERVICES NEEDED FOR DAY TO DAY OPERATIONS QUICKLY AND CONVENIENTLY.

As a p-cardholder, you’re responsible for spending university funds wisely and managing your account responsibly. It’s important to:

- Understand what types of purchases are authorized on p-card. Review Authorized and Unauthorized P-Card Purchases.
- Reconcile your p-card account on or before due date provided by your department.
- Obtain receipts and provide a business purpose for each purchase.

1) P-Card Basics

What Exactly Is A P-Card?
The university purchasing card (or P-Card) is a corporate liability Visa card provided by Bank of America. The University is responsible for bill payment while you are responsible for managing the card and using it only for business purchases in compliance with university policy. A p-card is provided to employees based on business need; it is not an entitlement nor reflective of title or position.

Why Do I Need A P-Card?
We use p-card at the university to complete most of our basic business purchases less than $1,999 per transaction. Every employee doesn’t need a p-card, but many faculty and staff members are expected to have a p-card to handle business purchases. In some cases, it’s difficult to perform your job duties if you don’t have a p-card so take the time to understand p-card policy and procedure and you’ll find p-card is easy to manage and maintain.

How Do I Get A P-Card?
Submit a Cardholder Application.

- Provide the cardholder information on the top portion of the form, sign the application and submit it to your department manager or p-card approver.
- Your department will provide card limits, default accounting data and approval signatures.
- The completed application is submitted to p-cardforms@boisestate.edu for processing.

You’ll be notified via email once your card has been ordered; your new card will arrive approximately 7-10 days from notification.

The next step is to complete the online P-Card User Agreement verifying that you have reviewed the online training materials and either have or plan on attending an upcoming p-card workshop. This assures our auditors that you understand your responsibility as a purchasing agent for the university and is required before we distribute your card.

Once your card arrives, you’ll receive an email with directions on picking up and activating your new card. You’ll be asked to sign a copy of the P-Card User Agreement completed online when you pick up your new card.

Your p-card is assigned a maximum per transaction limit and a maximum monthly spend limit. Most cards are set to university standard limits of $1,999 per transaction/ $10,000 monthly. Check with your department regarding the limits assigned to your card.
2) What Can I Buy With a P-Card?

**Authorized P-Card Purchases**

P-Card is intended for small dollar purchases of business products and supplies less than $1,999 such as:

- Office and class supplies
- Office furniture
- Computer peripherals (keyboards, monitors, mouse)
- Advertising expense (newspaper ads, other media)
- Books, subscriptions, work-related membership or organization fee
- Meal and refreshment expense in compliance with university policy
- Authorized employee business travel and field trip expense (see Employee Travel Section below)
- Non-employee expense related to job candidate airfare and lodging only

**P-Card Use for Travel, Entertainment, Gifts and Awards Purchases**

P-card purchases of travel, entertainment and gifts require additional approval and documentation to ensure the purchases are appropriately documented and will withstand audit or public scrutiny. This protects the university, our program, and you.

**Employee Travel** *(Review Travel Policy #6180)*

The following expenses are authorized for p-card use with an approved travel authorization:

- Conference registration and hotel lodging (room & tax only)
- Airfare from Boise to business destination with return to Boise. Flight itinerary must correspond to event dates. Generally, the dates of the conference or meeting and one travel day before and after is acceptable.
- Baggage fee
- Ground transportation (airport to/from home or airport to/from hotel) or rental car (includes fuel, tolls, and parking for rental car)
- Parking fees related to travel (i.e. payment of parking fee for personal vehicle at airport)
- Student event fees and meals related to field trip (p-card may be used for meal expense for field trip only)

**P-card may not be used for personal meals or incidental expense (i.e. hotel movie rental or other personal hotel services).**

- Meals and incidental expense is reimbursed as per diem upon travelers return with approval from department or business unit.

**If airfare itinerary includes personal days, use personal funds for airfare purchase and seek reimbursement for the business travel expense portion of the flight.**

- Provide a comparison itinerary (cost of trip without additional days or flight legs) along with original receipt to Travel Services upon return to obtain a reimbursement for business expense.
Non-Employee Travel Expense (other than job candidate)

If the university guest is an independent contractor, or being paid more than $599 for their services, they are expected to pay for their own travel expense. Consultant travel cost may be built-in to the contract for services if the university is expected to pay for their travel.

You may submit a request to prepay airfare and lodging for university guests using a p-card if all of the following conditions are met:

- The individual is volunteering his or her services for the betterment of the University and will not be compensated for services.
- The individual will not receive an honorarium of more than $599.00.

To request approval, submit a Vendor Information Form (VIF) to Accounts-Payable@boisestate.edu. Include the guest’s name and dates of travel in your email request. A/P will notify you once your request has been reviewed.

If the university guest is an international visitor, please contact taxreporting@boisestate.edu. Requests to prepay travel expense for international visitors are subject to review due to tax treaty or immigration restrictions.

Meals, Refreshments or Events

Review the university Meals & Refreshment policy based on funding source that applies to your particular purchase. There are three Meal & Refreshment policies:

- Policy #6260 Local Funds
- Policy #6240 Appropriated and Grant
- Policy #6250 PR and Alcohol Expenses

- Complete an Event Expense Summary for any event which includes meals, refreshments or entertainment.
- Include an agenda, business purpose, list of attendees and their affiliation to the university (for open house events for public or large events designed to encourage student participation identify the invited guests by group name and provide an estimated number of attendees).
- The completed form is kept with the p-cardholder statement and will be reviewed during p-card audit.

Off-Campus Food Purchases for On-Campus Events:
The dollar threshold for off-campus food purchase for on-campus event is $200 per event. Please review https://eventservices.boisestate.edu/eventguidelines/student-union-event-guidelines/ *(Select “Outside Food and Beverage” link)

Note: Meals and refreshment purchases are not considered an acceptable use of university funds for informal or birthday/holiday get-togethers, casual meetings, or regularly scheduled meetings for staff.

Gifts, Awards, Incentives (Review Policy #6230 Gifts, Awards, and Incentives)

The gift policy includes a gift matrix which defines the various type of gifts deemed appropriate by the university, funding source, dollar limits and taxable consequences.

- Document fully the business purpose of gift/award/promotional item purchases, recipient and their affiliation to the university.
- Complete a Gift Award Incentive Form for gifts exceeding $75 For Employees, or $250 For Non-employees.
Unauthorized P-Card Purchases

Any purchase not approved by your department, above account limits, or not allowed per policy is considered unauthorized. (Some purchases are not authorized for p-card because the university has other procedures or policies governing the purchase as noted below)

- Alcoholic beverages
- Cash advances, salaries and wages
- Personal purchases
- Computers, laptops, notebooks and other personal computing devices (Order via OIT)
- Mobile Communication Devices (includes cell phones and other communication devices; and/or accessories or service related to these devices - Review Mobile Communication Policy 8070)
- Fuel for personal vehicles (Travel reimbursement)
- Meals or refreshments for employee traveling on business (Travel reimbursement)
- Payment to or on behalf of Independent Contractor - Review Independent Contractors Policy 6150

3) Using P-Card and Reconciling Expense

How Do I Use A P-Card?

The p-card is a Visa card; it’s easy to use and most vendors will accept it. Before you make a purchase, review the list of authorized and unauthorized purchases included in this guide. If you’re unsure about whether a purchase is okay (or how to proceed) check with your department approver or the university p-card administrator.

- P-Card purchases must be within policy and authorized by your area.
- P-Card is usually used for purchases less than $1,999 (This includes the purchase price, taxes, delivery fees, and any other charge related to the order).
- Do not split purchases to bypass limit controls by either asking a merchant to divide a purchase or by ‘sharing’ the cost with another cardholder.

Keep a purchase log (create your own via spreadsheet or notebook) to track your purchases:

- Note the date of order, vendor, approximate amount and business purpose of each purchase.
- Request sales tax exemption before completing your purchase.
- Obtain a detailed receipt from the vendor for each purchase.

How Do I Choose a Vendor?

Check the university Contracts and Price Agreements before shopping off-contract with online or local vendors. Vendor contracts are listed by category and include contact information for each vendor. View the vendor catalogs online, or call the contact phone number provided for assistance. Contract vendors offer advantages besides pricing:

- Delivery directly to your office location, usually within a few days (or less).
- No need to use work or personal time for shopping excursions.
- Eliminates issues with using unknown vendors online who may not be reputable (avoid issues with non-returnable purchases and payment of unnecessary sales tax).
Using Off-Contract Vendors

As a state of Idaho agency, we’re required to use state contract vendors for purchases. We can't select an off-contract vendor due to pricing concerns. If you determine that a contract vendor can't provide the necessary item and it's not based on cost alone, then you can choose an off-contract vendor.

- Choose a reputable online vendor who can deliver to the university. This eliminates the need for employee time spent shopping and picking up items which equates to cost savings.
- Check with your department approver or the university p-card administrator if you need assistance finding a vendor.
- Include a reason for off-contract use when reconciling your expense.

International Vendors

Per IRS regulations, certain types of purchases may require tax withholding if purchased from an international (foreign) vendor. If p-card is used it may result in additional cost (both tax and penalty) to your department. P-Card payments to foreign vendors for software and services listed below are typically taxable transactions:

- Software
- Royalties – This includes the right to use images, art or text, music or music files, or other intellectual property
- Web based services and subscriptions
- Publishing services (if service location is not identified)
- Services performed by foreign vendors in USA (This includes conference registration fees paid to international vendors for conferences held in USA)

To avoid additional cost to your department, please confirm the vendor’s status (domestic or foreign) before completing your p-card purchase with this two-step method:

1. Check the list of identified P-Card Taxable Foreign Vendors. This is a shared Google doc updated monthly by University Tax Reporting; it provides a list of p-card purchases by vendor which resulted in additional tax and penalty payment by department. If your vendor is listed, they have been identified as foreign and your purchase may require withholding.
2. If the vendor doesn’t appear on the above list, email the vendor name and address to accounts-payable@boisestate.edu and request verification of “Vendor Status - foreign or domestic”.

If it’s determined that the vendor is foreign, payment should be processed by OFC Standard Purchasing Requisition. This will allow the university to withhold tax in advance of payment per IRS regulations. Questions regarding International Vendor purchases may be directed to: taxreporting@boisestate.edu

Idaho Sales Tax Exemption

Charges to the p-card are billed directly to Boise State University, a state agency exempt from Idaho sales tax. It’s your responsibility to request sales tax exemption by providing the university sales tax exemption number to the vendor before placing your order. The tax exemption number is printed directly on your p-card.

- Some vendors may require a Sales Tax Exemption form. Contact the university p-card administrator if a sales tax exemption form is required by a vendor.

P-Card Billing and Shipping Address

The shipping address for goods ordered must be a university address, not a home address. If you need to ship items to a location other than the university, please document the reason in Works.
Receipts

Receipts are important. Our auditors expect to see an itemized receipt on file for each authorized p-card charge that appears on your monthly statement. If you don’t have a receipt, contact the merchant and request one. Faxed or scanned receipts are acceptable, as long as it’s a duplicate of the original receipt and includes all required information (description of purchase, price paid, date, and merchant information). If you can’t obtain a receipt, provide detail identifying your purchase (e.g., packing slip, packaging, or description from vendor website) and a brief explanation regarding your attempt to obtain a duplicate receipt.

- Frequent cases of missing receipts can be grounds for account suspension (temporary or permanent).
- Cardholders may be asked to reimburse the University for Purchases without a receipt or other supporting documentation.

Reconciling P-Card Transactions

P-Card transactions are reviewed and reconciled using Works: an online application provided by Bank of America. Each cardholder usually reconciles their own account online (i.e. provides a business purpose and accounting information for each transaction) although some areas may designate a staff member to act as a reconciler to assist or complete the allocation process on behalf of an individual or group of cardholders.

- P-Card transactions can be reviewed, reconciled, and signed off daily or weekly using the Works application.
- Complete sign off of previous month expense on or before the final date provided by your department (typically between the 2nd to 5th of the month but check with your department for the exact date).
- Submit your documentation to your department p-card approver promptly after sign off (signed Works statement, receipts, supporting documentation).

Your p-card account may be deactivated if you fail to complete the cardholder sign off process on time - (which includes submitting required documentation to your department approver). If you are unable to complete sign off of expense, notify your department p-card approver or the university p-card administrator as soon as possible.

P-Card limits reset on the 1st of each month. But, limits don’t completely refresh until expense from the previous month is signed off by the cardholder. If you delay sign off until after the month ends, your card spend limit will be impacted and you may have transactions declined.

Works Training

Works is an online application provided by our card provider (Bank of America). Once you understand how to navigate Works, it’s fairly simple to reconcile expense. But you’ll need some basic guidance.

- Review online p-cardholder guides: [https://vpfa.boisestate.edu/pcard/cardholder-training-tools-and-references/](https://vpfa.boisestate.edu/pcard/cardholder-training-tools-and-references/)

Contact the university p-card administrator to set up specialized training for you or your staff if you can’t find an upcoming workshop that fits your needs.
4) Managing Your P-Card Account

At some point, you may have a transaction declined by a merchant due to limit restrictions, lack of funds, invalid expiration date entry, or a restricted merchant category. Use the P-Card [Account Maintenance] form to manage p-card account limits changes, unblock of a merchant category, replacement card due to damage or name change, and account closure.

**Limits**

Your p-card has both a monthly limit and a single transaction limit designated by your department up to the university standard limits:

- University Standard Limit is $1,999 maximum per transaction, $10,000 maximum monthly spend.
- Limits above university standard can be requested if necessary for university business.

Cardholders can request temporary p-card limit increases to handle payments exceeding $1,999 to vendors who require credit card payment or if credit card payment is determined as the best payment method. Card limits are often increased temporarily for the following:

- Travel expense for air, hotel, registration
- Venue rental, caterers
- Registration or membership renewal or payment

**To request a limit increase (permanent or temporary)**

- Use the P-Card [Account Maintenance] form to request a limit increase to handle special circumstances such as emergency or travel-related purchases. You’ll need to provide a brief explanation for the increase with the form and you may need to provide a Travel Authorization or vendor invoice.
- A one-time payment may be allowed if the merchant if a permanent increase isn’t necessary. (Works allows an exact override to be designated to allow a specific purchase to process on a one-time basis).

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**Restricted Merchant Categories (MCC)**

Merchants are assigned a Merchant Category Code (known as MCC) by their bank defining the type of services or goods they provide. The university restricts access to over 300 categories to prevent certain types of transactions due to policy and/or tax compliance regulation. A cardholder may need to complete an approved purchase from a restricted vendor either one time or on a frequent basis. Departments may request a temporary or permanent category unblock for an account. Most unblocks are reviewed and processed same day as the request. Contact the University P-Card Administrator if you need assistance completing a purchase due to a declined transaction.

Note: Not all categories can be unblocked permanently, or at all in some cases. If p-card can’t be used then you’ll be directed to proceed with a different purchase process.

**To request a merchant unblock (permanent or temporary)**

- Use the P-Card [Account Maintenance] form to request access to a blocked merchant category (section 3).
- A merchant category may be permanently unblocked in some instances. Or, a one-time payment may be allowed if the merchant cannot be permanently unblocked. (Works allows an exact override to be designated to allow a specific purchase to process on a one-time basis).
Card Expiration
Your p-card expires every 3 years. Your card is good through the final month of the expiration date (for example, cards expiring June 2017 will function through June 30, 2017).

- Your card will be automatically renewed and you’ll be notified once your renewal card is available for disbursement. You’ll be expected to review or attend an in-person training session to be sure you are up-to-date with both policy and procedure.

Account Closure
Your p-card must be closed if you separate from the university or if it’s determined you no longer require the account. Use the P-Card Account Maintenance form to request account closure (either cardholder or department can initiate account closure by completing the account maintenance form).

If you are transferring to another department and you currently have a p-card, your new area should submit a Cardholder Application on your behalf and your current card should be closed.

5) Returns, Disputes, Unauthorized Use
Returns, Damaged Goods, Credits
If goods purchased with p-card need to be returned the cardholder should work directly with the supplier. Here are some pointers to make it easier:

- Always retain boxes, containers, special packaging, packing slips, etc. until you are certain you are going to keep the goods. Some items, such as software or fragile pieces, cannot be returned without the original packaging materials.
- Many suppliers require you to obtain a "Return Merchandise Authorization" (RMA) number before they will accept a return. If you neglect to get this number when required the package may be refused and credit will not be issued to your account.
- In some cases there may be a restocking fee (usually a percentage of the purchase price). If the supplier is completely responsible for the error or problem, cardholder is not responsible for payment. However if the supplier is not fully responsible, you can use your p-card to pay the fee assuming it’s not exceeding your available credit or credit limits.
- Lastly, make sure that the charge for the returned items is credited properly. If this does not happen refer to the section regarding Disputed Transactions.

Disputed Transactions
If you don’t receive the goods or services you paid for, or experience other issues related to your order, contact the vendor for resolution. Document the time, date, and name of the representative you speak to, and ask for date of expected resolution. Include a brief explanation with your p-card statement detailing action you’ve taken to correct an issue.

- If you were overcharged, request a credit adjustment and ensure the credit appears on the following month’s statement.

If the merchant disagrees that an adjustment is necessary, you may need to file an official dispute with Bank of America.

- A dispute is usually filed online during the statement review period, but may also be filed within 60 days from the posting date on your statement. Please contact the university p-card administrator for assistance filing a dispute.
Unauthorized Use (Fraud committed by persons unknown)

If you discover an unauthorized charge on your account notify the university p-card administrator (or call Bank of America directly at 1/800-300-3084). If the charge is fraudulent, Bank of America will close your account and order a replacement card with a new account number for you.

- If the charge is disputed or reported as fraud to the bank, it should be identified in the Works business purpose field as “Disputed” or “Reported as Fraud” and allocated to a local department fund.
- Complete the usual sign off process. The bank will process a credit to the cardholder’s account within a few days which can be allocated to the same department fund.

Card Security

You need to take reasonable steps to safeguard your p-card so your account is not compromised. Don’t allow others to use your p-card account (card or number), or your Works password. Review your transactions regularly and if you find a transaction you don’t recognize, report it to the university p-card administrator or directly to Bank of America.

- Keep your p-card secured in a locked drawer (same with your password information)
- If you carry your p-card in your wallet, store it separately from your personal credit cards.
- P-card and personal accounts should not be stored together online as it can result in accidental personal purchases. Create separate accounts if you must store p-card account information online.

✓ Lost or stolen card: Cardholders should immediately report lost, misplaced, or stolen cards directly to Bank of America at 1/800-300-3084.

✓ Safety online – Bank of America does not request or send sensitive information such as account numbers or passwords in an unsecured email, or by directing you to an unsecured website.

6) Approval and Authorization of P-Card Expense

Your department is responsible for ensuring p-card expense is necessary for business and in compliance with university policy.

- Your department assigns a p-card approver who is responsible for reviewing p-card expense and maintaining p-card documentation.
- Your approver is responsible for reporting any non-compliance issues discovered during the approval process to you, and to the authorizer for your area.

Failure to comply with university policy or procedures may result in cancellation of card privileges, reimbursement to the University, or disciplinary action in accordance with university policy.

Final Authorization of P-Card Expense

Your department p-card approver submits approved cardholder statements to the Authorizer (Department Head, Director, Dean, V.P., or Business Manager) after online approval has been completed.

- The authorizer must review and authorize via signature each month.
- Any unresolved non-compliance issue should be discussed with cardholder and in some cases reported to the university p-card administrator.
**Record Keeping**

The department is required to maintain original p-card documentation materials for five years, and produce it when required for audit purposes. The university conducts audits—formal and informal audit of p-card use, as well as our external auditors; at some point, your department will be asked to provide documentation for purchases you’ve made with your p-card.

- Cardholders may keep copies of their p-card statement and receipts but should not retain original documentation.

7) **P-Card Forms, References, and Training**

**Forms**

The p-card forms frequently used by cardholders are described below. All of these p-card forms (and more) are available on the university P-Card Information site (or the university form site under P-Card).

- **Cardholder Application** - To request a p-card account—To request changes to an existing p-card account: limits, unblock of MCC, replacement cards due to damage or name change, and account closure...

- **Cardholder User Agreement** - Cardholders are required to review and sign this form as a condition of participating in the university p-card program.

- **Event Expense Summary** - Required for entertainment purposes (meals, refreshments, or events).

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**Cardholder References and Training Opportunities**


- Review the training presentations and Works guides located on the university P-Card information site: [http://vpfa.boisestate.edu/pcard/cardholder-training-tools-and-references/](http://vpfa.boisestate.edu/pcard/cardholder-training-tools-and-references/)

8) **P-Card Contact Information and Assistance**

University P-Card Administrator: Anna Pollworth  Phone (208) 426-1795  Email apollwo@boisestate.edu

Purchasing Compliance Specialist: Greg Kunde  Phone (208) 426-2964  Email gregorykunde@boisestate.edu

Please email p-card forms directly to P-Cardforms@boisestate.edu to ensure your request is processed promptly.

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Report lost/stolen cards directly to: Bank of America Cardholder Call Center (24/7) 1-800-300-3084
Cardholders may contact our card provider directly to report fraud or suspicious activity regarding their account.

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*Report fraud, waste, or abuse to the appropriate university official: manager, p-card administrator, Internal Audit and Advisory Services. Report issues anonymously to the Compliance Reporting Hotline: 1-855-863-1299*