



TEXAS TECH UNIVERSITY™

PCARD PROGRAM GUIDELINES

Revised 07-2016

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PROCUREMENT CARD PROGRAM OVERVIEW

Procurement Services offers the Procurement Card (“PCard”) Program, an innovative program that simplifies the way in which you may order and pay for certain types of Goods and Services. The Card may be used by Texas Tech University (“TTU”) and Texas Tech University System (“TTUS”) authorized faculty, staff and students. The purpose of the PCard Program is to establish an efficient method of the delegated procurement of small dollar, infrequent transactions. Any transaction that is prohibited by these Guidelines must be procured through the TechBuy system and in accordance with TTU Operating Policies and Procedures.

TTU utilizes a MasterCard issued by Citibank either in an individual’s or department’s name. The authorized Cardholder is able to purchase directly on behalf of TTU/TTUS. All purchases with a justifiable business purpose are tax-exempt. Transactions are paid directly by Procurement Services to the bank and charged to the appropriate department. Issuance of a card to an individual does not affect personal credit ratings in any way.

Use of the PCard is governed by the TTU Operating Policies and Procedures, including Operating Policy 72.09, *Purchase of Goods and Services*, and these PCard Program Guidelines. Where PCard use is allowed, the card is encouraged on small, infrequent purchases since it is a quick, easy, and a cost-effective way in which to procure Goods and Services for TTU and TTUS. It is a particularly useful method of procurement for online ordering.

DEFINITIONS

Approver – A faculty or staff member who is a Financial Manager or is granted permission by a Financial Manager to

approve transactions. The Approver may not approve a transaction on a grant funds (funds starting with 21, 22, or 23). The Approver is granted permission in the Team Application (team.texastech.edu).

Cardholder – an authorized TTU/TTUS employee may apply for a PCard. The role of a Cardholder is to make purchases in accordance with the policies established by TTU/TTUS as well as all federal and state rules to ensure accountability to the public and fairness to Vendors.

CitiDirect Global Card Management System (GCMS) – Citibank’s online reporting and reconciliation program.

Expense Report – A report providing detailed expenditure transactions reviewable by Reconcilers and Cardholders in the GCMS system.

Default FOP – The Banner Fund, Organization, and Program that is set by default for each Cardholder. A default Account code is not needed as the account code is allocated by transaction. The default FOP cannot be an appropriated fund (11, 12, 13, or 14) or a sponsored program fund (21, 22, or 23). ***The Reconciler will be required to reconcile and submit documentation by the required deadlines. Failure to do so will result in a policy violation and the default FOP will automatically be charged.***

Delegate – An authorized faculty, staff member or student who has permission to check out and utilize a Departmental PCard. The role of a Delegate is to make purchases in accordance with the policies established by TTU/TTUS as well as all federal and state rules to ensure accountability to the public and fairness to Vendors. The Reconciler has ultimate responsibility for any transactions that occur when a PCard is used by a Delegate.

Departmental PCard – A PCard issued in a department’s name. The Chancellor, Vice Chancellor, Assistant Vice Chancellor, President, Vice President, Assistant/Associate Vice President, Dean, Assistant/Associate Dean, Provost, or Vice Provost must approve the issuance of a Departmental PCard and approve the appointment to an individual that is primarily responsible for overseeing the Departmental PCard. Departments must keep proper documentation at all times of the PCard, the individual currently in possession of the PCard, and any transactions placed on the PCard. Departments may not have more than two Departmental PCards. Please note that when a PCard is issued in a department’s name, it is much more difficult to dispute erroneous charges. The department will be liable for all charges placed on Departmental PCard that the department cannot resolve with the bank or merchant.

Departmental PCard Agreement Form – Form signed by any individual who checks-out the Departmental PCard agreeing to comply with the terms and conditions of the PCard Program Guidelines. This form is required with each PCard Reconciliation.

Departmental PCard Check-Out Form – Log of individuals checking out and using the Departmental PCard. This form is required with each PCard Reconciliation.

Expense Report – Report that is printed out of Citibank’s GCMS system after allocating FOP information for each PCard transaction in a statement cycle. The Expense Report is then signed by the Cardholder (if applicable), Reconciler and Financial Manager/Approver. Receipts are attached to the Expense Report and turned into the PCard Office by the required deadline.

Financial Manager – The TTU/TTUS faculty or staff member charged with financial responsibility for assigned FOPs. The Financial Manager is accountable for the designated business purpose and compliance with any TTU/TTUS, State, or federal regulations on all transactions made on FOPs under his/her oversight. The Financial Manager may assign these responsibilities to an Approver except for any transaction on sponsored program funds (funds starting with 21, 22, or 23). At all times, the Approver, and ultimately the Financial Manager, if not the same individual, has fiduciary responsibility for any activity on his or her FOP, including the activities of any assigned Delegates.

FOAP – The Fund, Organization, Account, and Program accounting combination that PCard transactions are allocated to.

Goods – Supplies, materials, or equipment as defined in Texas Government Code § 2155.001. Goods do not include

Services or real property.

Historically Underutilized Business (HUB) - A for-profit entity with its principal place of business in the State of Texas that is at least 51% owned by a Black American, Hispanic American, woman, Asian Pacific American, Native American or disabled veteran as defined in [Texas Government Code § 2161.001](#)

Individual Cardholder – The faculty or staff member to whom the individual PCard is issued and who has responsibility for any charge placed on the PCard.

Receipt – All transactions require an original, itemized receipt from the Vendor. Receipts should show date of purchase, description and quantity of each item purchased, cost per item and total cost including shipping and tax if applicable.

Reconciler – The Reconciler is a trained individual charged with making thorough, monthly review of all purchases and supporting documentation made on any individual PCard or departmental PCard under their jurisdiction. The Reconciler must confirm that all purchases are made in accordance with TTU/TTUS policies, as well as all federal and state rules, and when applicable, any sponsored program regulations. There may be alternate reconcilers to act on behalf of the primary reconciler; however, the primary reconciler will have accountability for the PCards and transactions. The Alternate Reconciler must comply with the same guidelines as the Reconciler.

Service(s) - The furnishing of labor, time, and effort by a vendor, which may involve to a lesser degree, the delivery or supply of Goods.

Vendor - An individual or business or governmental entity that provides Goods or Services to TTU/TTUS.

ABOUT THE PCARD PROGRAM

Purchase

The authorized Individual Cardholder or the Departmental PCard Delegate uses the PCard to purchase needed Goods and Services and submits the Vendor's original receipt, and any other required supporting documentation or forms (if applicable) to the Cardholder's Reconciler. Transaction information is downloaded into the CitiDirect GCMS program from MasterCard and subsequently entered into the Banner accounting system. Spending alert notifications can be automated to provide regular spending alerts.

Expense Report

The Reconciler updates information and prepares a monthly Expense Report (cost allocation) in the CitiDirect GCMS program. The Reconciler will also be responsible for maintaining a Departmental PCard Check-Out Form for each of their Departmental PCards and a Departmental PCard Agreement Form signed by each Delegate that checks out the Departmental PCard for each statement cycle. The Cardholder/Delegate submits the supporting documentation to the Reconciler for the individual PCard or Departmental PCard.

Review and Approval by Reconciler

The Reconciler reviews the monthly Expense Report for possible violations, appropriate use of TTU/TTUS funds, appropriateness of expenditures, and compliance with TTU/TTUS policies. The Reconciler takes the appropriate action if violations are found or approves the report if all is in order. CitiDirect GCMS information from approved Expense Reports is uploaded into the accounting system after the reconciliation takes place. *The Reconciler and the Financial Manager/Approver are both responsible for all charges that they approve.*

Approval by Reconciler and Approver

After review and approval by the Reconciler, the statements will be reviewed and approved by the Financial Manager/Approver or the appropriate supervisor in the case where the Financial Manager/Approver is the Cardholder. Upon approval by the Financial Manager/Approver, the Expense Report and all supporting documentation (including Departmental PCard Check-Out Form and Departmental PCard Agreement Form for Departmental PCards) must be sent to the PCard Office (Room 347 Drane Hall) by the required deadline.

PCARD CUSTOMER SERVICE

TTU/TTUS PCard Office

The PCard Office was designated by TTU/TTUS to assist all faculty and staff with questions and issues regarding the program. The PCard Office staff is knowledgeable on all procedures in the PCard Program Guidelines and relevant TTU/TTUS policies.

**TTU/TTUS Procurement PCard
Customer Service:
806-742-3844
Purchasing.pcard@ttu.edu**

Citibank Customer Service

The PCard Office should always be contacted first, except in the case of a lost or stolen PCard. In either of those instances, please contact Citibank Customer Service.

**Citibank Customer Service 1-800-248-4553
Outside the U.S. and Canada Call 1-904-954-7314**

ROLES AND RESPONSIBILITIES

Purchasing PCard Administrator

The PCard Administrator is charged with oversight of the PCard Program and for maintaining documentation for the PCard transactions for TTU/TTUS. The Administrator has expertise about the Program, the guidelines, and related forms. Cardholders should first contact the PCard Office, who will answer questions in regard to the program or potential problems. The PCard Office may refer questions to the Purchasing PCard Administrator when necessary.

**Kay Wall, Section Manager for PCard and Travel
806-742-3844
Kay.wall@ttu.edu
Purchasing.pcard@ttu.edu**

Cardholders/Delegate responsibilities:

- Cardholder must complete required initial PCard Cardholder training as verified by the PCard Office;
- Cardholder must complete the PCard Cardholder training and required certification test prior to PCard renewal;
- Cardholders authorized to execute Contracts (including purchases) for the Institution or to exercise discretion in awarding Contracts (including purchases), are required to receive training, including training in ethics, selection of appropriate Procurement methods, and information resources Procurement technologies. [Texas Education Code §51.9337\(b\)\(5\)](#) and [Texas Government Code § 2155.078 \(a\), \(a-1\) and \(b\)](#).
- Ensuring that the policies of the PCard Program are followed, as well as state fiscal and procurement rules, Operating Policy 72.09, Purchase of Goods and Services, and Operating Policy 72.03, Conflict of Interest Relating to Purchasing, Payments and Contracts;
- Obtaining the supporting documentation required for their transactions;
- Ensuring that each transaction made has a clear business purpose that benefits TTU/TTUS;
- Ensuring the documentation is submitted to the Reconciler in a timely manner so that all deadlines are met by the department;
- Protecting the PCard at all times to prevent unauthorized use;
- Immediately reporting a lost or stolen PCard to the bank (TTU/TTUS is liable for all charges incurred on a lost or stolen PCard until the time that it is reported as such to Citibank.) Fraudulent charges can and should be disputed (see Dispute Section); and,

- Notifying the PCard Office and the Reconciler of PCard of transfers within TTU/TTUS or termination from TTU/TTUS.

Reconciler's responsibilities:

- Completing required PCard Reconciler and Procure to Pay training. It is highly recommended that they attend Financial Management 101 training. It is the responsibility of the Reconciler to obtain the required training;
- On a monthly basis, reviewing Expense Reports for all assigned Individual Cardholders and any Departmental PCards and taking any appropriate actions for violations (See the section on policy violations) or approving the reconciliation process;
- Maintaining the Departmental PCard Check-Out Form for each Departmental PCard for each statement cycle to be turned in with the Expense Report;
- Obtaining an executed Departmental PCard Agreement Form, from each individual checking out a Departmental PCard, to be turned in with the Expense Report. Only one form per person for each Expense Report will be required. Copies of the initial form may be used;
- The Expense Report and all supporting documentation must be sent to the PCard Office (Room 347 Drane Hall) by the required deadline;
- Ensuring that the policies of the PCard Program are followed, as well as other TTU/TTUS policies, state fiscal and procurement rules, and TTU/TTUS policies relating to Ethics and Conflict of Interest;
- Protecting and accounting for departmental PCards at all times to prevent unauthorized transactions;
- Attaching any required transaction documentation to the monthly Expense Report;
- Ensuring that each transaction has a valid FOP, is allocated to the correct account code, and has a valid business purpose; and,
- Notifying the PCard Office and Financial Manager/Approver of Cardholder transfers within TTU/TTUS or termination from the TTU/TTUS.

Financial Manager/Approver's responsibilities:

- Monitoring transactions of assigned Cardholder(s) for appropriateness and necessity of purchase;
- Ensuring adequate transaction documentation including explanation of business purpose;
- Identifying possible violations of assigned Cardholder(s) and reporting to the PCard Office and as necessary, Office of Audit Services;
- Taking appropriate action if violations are identified (see Policy Violations);
- Ensuring Expense Reports are approved and submitted by the Reconciler to the PCard Office by the established deadline; and
- Notifying the PCard Office and Financial Manager/Approver of Cardholder transfers within TTU/TTUS or termination from TTU/TTUS.

NOTE: A Cardholder cannot function as his or her own Financial Manager/Approver. In these situations, the supervisor of the Cardholder is required to approve the Expense Reports and approve all transactions made by the Cardholder.

TRANSACTION REVIEW/APPROVAL REQUIREMENTS:

The Reconciler and the Approver must review all assigned Cardholders' transactions for compliance. If a violation in PCard Guidelines or TTU/TTUS Operating Policy is suspected or discovered, the Reconciler or Financial Manager/Approver must take the appropriate action as outlined below:

Ensure transactions have the required documentation.

Transactions must be supported by the required documentation. Any transaction that does not have the required documentation must be returned to the Cardholder for correction and resubmittal. Cardholders must attach any required original receipts to the Expense Report or provide the original receipts to their Reconciler by the

required deadline. Department's may follow their own policy as long as that policy complies with these Guidelines and TTU.TTUS policies.

Fraud indicators may include any of the following (these are just things to be aware of but do not necessarily indicate fraud):

- Unusual Vendor names;
- Same Vendor address but different Vendor names for various purchases;
- Cardholder continues to purchase from a specific Vendor;
- Unusual activity for a Cardholder;
- Repeated misuse by a Cardholder;
- Transactions with missing original receipts or handwritten original receipts;
- Altered documentation;
- Sequential or unnumbered original receipts;
- Duplicate charges;
- Activity by terminated employees; and
- Cardholder attempting to approve his or her own transactions (prohibited).

If lack of documentation/timeliness of submittal is an isolated incident:

If required documentation is lost or if the Vendor did not provide documentation, the Cardholder must contact the Vendor directly to request it.

If the required documentation cannot be obtained, the Cardholder/Reconciler must prepare a Missing Receipt Form and submit with the signatures from the Financial Manager/Approver's and the appropriate AVP, Vice President, Dean, Vice Provost, Provost or Vice Chancellor to the PCard office.

The Reconciler will notify the PCard Office when Cardholders do not turn in documentation by the required deadline. Failing to submit required documentation by the required deadline will count as a violation as outlined in the *Failure to Comply with Guidelines* section. If overdue, original receipts are not turned in by the deadline, the Cardholder's PCard will be suspended until all overdue required documentation is submitted.

Charges on Lost or Stolen PCards.

The department is liable for all transactions made on a PCard or Departmental PCard before it is reported lost or stolen to Citibank and also if fraudulent charges cannot be resolved (see additional information in Dispute Section). Fraudulent charges cannot be charged on the following funds: 11, 12, 13, 14, 21, 22, and 23.

If an individual PCard or Departmental PCard is lost or stolen, immediately contact Citibank Customer Service. After first contacting Citibank, notify the PCard Office via email at purchasing.pcard@ttu.edu.

OBTAINING PCARDS/CANCELLING PCARDS

Obtaining an Individual PCard

To obtain an individual PCard, prepare the [PCard and Departmental PCard Application](#) and submit the signed application to the PCard Office.

The applicant must successfully complete required training prior to issuance of a PCard. Once the PCard Office confirms that the designated Reconciler and the Cardholder meet the qualifications, then the individual PCard will be issued.

The applicant must be in TTU/TTUS's Human Resources system in active status. The application must be signed by the Cardholder and the Financial Manager/Approver (of the default FOP).

Obtaining a Departmental PCard

To obtain a Departmental PCard, prepare the [PCard and Departmental PCard Application](#) and submit to the PCard Office. Each Departmental PCard will be required to have one designated Reconciler and a designated FOP. The

designated Reconciler will be responsible for the appropriate use of the PCard by all Delegates.

Cancelling PCards

To cancel an individual PCard or Departmental PCard, the Reconciler should email purchasing.pcard@ttu.edu and request that the PCard be cancelled. The Reconciler will need to provide the last four digits of the PCard number and the name of the Cardholder.

Request to Change a Reconciler/Alternate Reconciler

In the event that a Reconciler or Alternate Reconciler needs to be changed on any PCard or Departmental PCard, the request may be sent to the PCard Office by email. The PCard Office will work with the newly designated Reconciler/Alternate Reconciler regarding the training requirements.

Request to Change default FOP

In the event that a default FOP needs to be changed on any PCard or Departmental PCard, the request should be sent to the PCard Office by email.

PCARD CONTROLS AND LIABILITY

Controls on the PCard

Each PCard is set up with the following control parameters:

Maximum dollar amount per transaction

Individual PCard spending limits are set at \$2,000 per transaction with a \$5,000 billing cycle limit. Departmental PCard spending limits are set at \$2,000 per transaction with a \$10,000 billing cycle limit. The cycle begins on the 4th of the month and ends on the 3rd of the following month. The transaction limit includes the purchase price plus tax (when out-of-state), freight, and installation.

Financial Manager/Approvers are responsible for complying with any purchasing restrictions specific to their FOPs. If non-allowable purchases are made, the Financial Manager/Approver will be responsible for finding an alternate FOP or the Cardholder/Approver will be responsible for reimbursing TTU/TTUS. To inquire whether a transaction is allowable or not, email purchasing.pcard@ttu.edu or if on a sponsored program, email the designated accountant.

Exceptions (permanent increases or decreases) from the default limits should be submitted to the PCard Administrator on the *PCard Exception Form* with the required signature approvals. Written approval will need to be obtained from the Program Administrator (or their delegate) for any exception to purchasing restricted Goods or Services or limit increases. Increases will only be considered in exceptional cases. If the request is approved, the PCard Administrator will process the change and notify the Cardholder and the Reconciler. All approved requests for permanent increases will be reviewed annually by the PCard Administrator to insure the increased credit limits remain necessary and that there are not frequent violations.

Merchant Category Code

Each PCard is further set up to exclude specific Merchant Category Codes. Travel transactions (airlines, vehicle rentals, hotels) are required to be placed on personal or State travel cards. Gasoline and vehicle maintenance transactions for TTU/TTUS vehicles must be placed on the Voyager Fleet Card. *Also see the list of restricted items in Prohibited Transactions section of this document.*

Inactivity of PCard

PCards with no purchase activity for more than twelve (12) months will be reviewed by the PCard Administrator. The Administrator will require confirmation from the Cardholder for an Individual PCard or the Reconciler for a Departmental PCard that the PCard should remain open. The lack of use of a PCard will not negate the responsibility for the required training.

SPONSORED PROJECT CHARGES

Principal investigators are responsible for complying with any purchasing restrictions specific to their grant. All charges to sponsored projects will require a statement of benefit to the project. If non-allowable purchases are made, the principal investigator will be responsible for finding an alternate FOP or reimbursing the TTU/TTUS. If you have any questions concerning allowability, please contact Accounting Services. <http://www.depts.ttu.edu/accountingservices/contactus/grantspecialist.php>

APPROPRIATE USE OF THE PCARD/TESTS OF PROPRIETY

The purchase must meet the Tests of Propriety. The following Tests of Propriety are used to evaluate whether or not the expenditure is an appropriate use of TTU/TTUS funds. A transaction must meet all of the tests requirements in order to be considered proper and allowable.

Is the transaction for official TTU/TTUS business?

Personal transactions of any type are not allowed. Personal transactions will be reimbursed by the Individual Cardholder or the Departmental PCard Delegate immediately. (See Policy Violation section).

Is the purchase appropriate for TTU/TTUS and does it have a valid business purpose?

All transactions must benefit TTU/TTUS. A valid business purpose will support the transaction's relevance to TTU/TTUS's vision and mission. A pithy summary of the key points and goals will support the validity of the transaction.

Without the expense, would programmatic objectives be difficult or otherwise more costly to achieve?

Even though a transaction is allowed, it does not mean that it is necessary. The Financial Manager/Approver must be aware of all transactions placed on any individual or Departmental PCard under their pervue. Departments must utilize contracts when possible and make every attempt to achieve cost savings for TTU/TTUS.

Is the purchase allowable on the PCard?

TTU/TTUS has developed a list of Goods and Services that are restricted by policy. Exceptions (approval of a restricted item) must be obtained prior to purchasing any Goods or Services and submitted to the PCard Office by email to purchasing.pcard@ttu.edu. If the request is approved, the PCard Office will process the change and notify the Cardholder and the Reconciler. No purchase of a restricted item shall be conducted until written notification of approval is received.

Is the purchase in compliance with TTU/TTUS policies?

The Cardholder, Reconciler, and Financial Manager/Approver should all verify that the purchase is in compliance with TTU/TTUS policies.

Is the purchase allowable on the associated funding type?

The Cardholder, Reconciler, and Financial Manager/Approver must all verify that the purchase is allowed on the particular funding type. For instance, food is not allowed on appropriated funds. A listing of restrictions is available at <http://www.depts.ttu.edu/procurement/resources/training-and-work-aids/> under Purchasing >> "Allowable/ Non-Allowable Expenses By Fund Type".

Does the purchase follow sponsored program guidelines (if applicable)?

In addition to complying with State and institutional requirements, the purchase of Goods and Services for sponsored projects must also comply with the following:

- Federal costing principals outlined in OMB Circular A-21, Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements with Educational Institutions;
- Terms and conditions of the award; and,

- Operating Policy 65.08, Direct Charging to Sponsored Projects and Cost Share Funds. If you have any questions concerning allowability, please contact Accounting Services.

THE ORDERING PROCESS

Selecting the Vendor

The following questions should be asked before selecting a Vendor:

- Does the Purchasing Office have an established contract for use in procuring the needed Goods or Services?
- If there is not an established contract, does the Vendor offer a discount to TTU/TTUS or higher education??
- ***Is the Vendor in good standing with the State of Texas <https://fmcpa.cpa.state.tx.us/tpis/> (Cardholders are required to verify prior to using the PCard with the Vendor)?*** (See policy violations).

Historically Underutilized Business Vendor Activity

TTU/TTUS is committed to a good faith effort to increase the number and value of business transactions with Historically Underutilized Business (HUB) Vendors. Pricing should be compared among several Vendors, including HUB Vendors, to obtain the best value for your department and TTU/TTUS. Contact the Purchasing Office (techbuy.purchasing@ttu.edu) for any assistance needed with identifying HUB Vendors that provide the Goods and Services you require.

Placing PCard Orders

PCard orders can be placed in person, by phone, via fax, by mail, in person, or via the internet.

When placing an order, make sure:

- The purchase is tax exempt if purchased from or shipped to a Texas location. The Vendor may require the TTU/TTUS Tax Exempt Certificate. The Cardholder is responsible for ensuring that sales tax is not included on any receipt;
- The vendor gives TTU/TTUS any applicable discounts;
- You give your name as it appears on the PCard;
- You give accurate delivery information. Box numbers should not be used. Also, it is against TTU/TTUS policy to have any shipments made to a personal residence unless *prior approval* is granted from the PCard Office (will only be granted for out-of-town locations with verification that the location is a primary work location for any faculty or staff member); and,
- You request documentation showing description and cost of each item.

Responsible Cardholder Best Practices

- Be very careful to whom you give your credit card and/or credit card number. Don't give out your PCard number over the phone unless you initiate the call and you are familiar with the Vendor. Legitimate companies don't call you to ask for a credit card number over the phone.
- Never respond to emails requesting your PCard information or to emails that ask you to go to a website to verify personal (and PCard) information.
- It is not advisable to include your 16-digit PCard number in any email correspondence.
- Never provide your PCard information on a website that is not a secure site. To know if a site on the internet is secure, browsers will display a closed padlock in the status bar, located at the very bottom of the web browser.
- If you have to fax an order, don't include the three-digit security code from the back of the PCard.
- If you don't recognize a charge, call the PCard Office for guidance as soon as possible.
- Pay attention to emails you receive from the PCard Office because they contain important information to help departments manage their PCards.
- Be sure to notify the PCard Office, via email, of any changes to the Cardholder's contact information, so that Citibank can contact the Cardholder in the event they suspect suspicious activity on the PCard.
- Always notify the PCard Office, via email, if a PCard needs to be cancelled.

Inspecting the Goods or Services

Goods and Services must be inspected upon receipt by the department. If there are any problems with the order, the department must contact the Vendor immediately.

THE RECONCILIATION PROCESS

Reconciliations include the online allocations in GCMS and the signed Expense Reports turned into the PCard Office with all supporting documentation. Reconciliations are due on the 15th of each month following the prior reporting cycle (4th of the month through 3rd of the following month). Should the 15th fall on a weekend or holiday, the due date will be the next working day. End of fiscal year deadlines will vary and those will be provided to the Reconcilers by the PCard Office. Expense Reports and receipts must be turned into the PCard Office, Room 347 Drane Hall by the specified due date.

Expense Reports should be run in GCMS no earlier than the 6th of each month in order to ensure all PCard transactions are posted for a specific cycle. Expense Reports must have the Cardholder and Financial Manager/Supervisor's signatures and printed name and should include the Reconciler information for each Expense Report.

DOCUMENTING TRANSACTIONS

All transactions require an itemized receipt and should contain the following documentation:

- Vendor identification (Vendor name);
- Date of purchase;
- Description and quantity of each item purchased (this information may be handwritten on the receipt);
- Cost per item (if available);
- Total cost of order;
- Cardholder name and/or PCard number; and,
- Explanation of business purpose.

If the expenditure requires additional approvals or forms, such documentation must be included in the monthly reconciliation. The forms are all available on the Procurement Services website under Procurement Card:

<http://www.depts.ttu.edu/procurement/forms/>

Examples of source documents may include any of the following or any combination of the following:

- An original Vendor invoice or receipt (*always required*);
- Transaction slip from the Vendor;
- A packing slip showing total cost of the Goods;
- Order forms for dues, subscriptions, registrations or similar items;
- An email confirmation from the Vendor.

Combinations of documentation are allowed in order to complete the requirements of valid source documentation as discussed in the previous paragraph.

Business Purpose

For all transactions, a brief explanation of how each purchase benefits TTU/TTUS must be included in the reconciliation. Expenditures must have a clearly stated business purpose and serve the mission of TTU/TTUS.

RETURNS AND EXCHANGES

Arrangements need to be made directly with the Vendor before shipping an item for return. If a replacement item is sent, the Vendor would credit the returned item and charge a new transaction, unless there is an exchange of like items, e.g. exchange of different colors. Cash should never be refunded. That would be a Cardholder violation to accept cash.

If there is a problem with an order or if Goods are returned or exchanged, keep sufficient documentation of the transaction,

including names, dates, and conversation results. This information may be needed for a formal dispute.

DISPUTES

If a credit is unobtainable by working directly with the Vendor, and 60 days has not elapsed from the end of the cycle following the transaction date, a formal dispute can be recorded with Citibank in the following scenarios:

- Unauthorized charges, including unauthorized phone or mail order charges;
- Difference in dollar amount authorized and amount charged;
- Duplicate or altered charges;
- Actual Cardholder transaction that Cardholder is challenging for some other reason;
- Account not yet credited in the CitiDirect GCMS system but where the vendor has issued a credit voucher, or said that they will issue a credit;
- Goods not received or are defective;
- Goods returned; or,
- Unrecognized charges (if fraud is suspected, immediately call Citibank to report the charge, and have the card closed and reissued).

The dispute process involves the following steps:

- The Cardholder calls Citibank Customer Service at 1-800-248-4553 to report a disputed charge. Citibank then determines if the charge is a disputable item.
- If the charge is disputable, then the Reconciler or Cardholder should prepare the PCard Transaction Dispute Form. The form must be signed by the Cardholder. The form is available on the Procurement Services website at under Procurement Card: <http://www.depts.ttu.edu/procurement/forms/>
- Citibank immediately issues a credit for the dispute, pending correspondence with the vendor.
- Both the charge and the credit need to be allocated in the CitiDirect program.
- The PCard Transaction Dispute Form must be attached to the Expense Report.

DECLINED TRANSACTIONS

If an attempt to purchase Goods or Services was made with the PCard and the transaction was declined, contact the PCard Office to review the reason for decline.

The most common reasons for a declined transaction are:

- Cardholder did not activate the PCard (Cardholder should do so by calling the number on the back of the PCard);
- Cardholder has reached one of his or her transaction limits;
- Vendor is classified under a category code (MCC) that is blocked from use by the State or TTU/TTUS;
- Incorrect Personal Identification Number (PIN) was provided (call the number on the back of your PCard to establish or change a PIN);
- Vendor asked for the billing address and the information provided by the Cardholder does not exactly match that on file with Citibank (Cardholder should verify his or her billing address).
- On phone orders, Vendor has incorrectly noted the PCard number and/or expiration date (Cardholder should verify information); or,
- The transmission between the Vendor and Citibank is down (Vendor should try again later).

MANDATORY CONTRACTS

Guidelines for TTU/TTUS Mandatory Contracts are available at <http://www.depts.ttu.edu/procurement/resources/training-and-work-aids/> under Procurement Card Services.

Coca-Cola

TTU/TTUS has a mandatory contract to purchase Coca-Cola products. The Coca-Cola Product List may be found at the above referenced link.

Office Supplies

TTU/TTUS has an exclusive office supply agreement with Summus Industries/Staples. This contract is mandatory for certain product types.

The following are the products that are mandatory on this contract.

Binders	Letter openers
Binding systems and supplies	Magnifiers
Boards, bulletin boards	Markers
Calculators and supplies (non-scientific)	Notebooks and organizers
Calendars, desk	Notepad
Calendars, wall	Paper: copier, color, card, and cover stock, photo, computer, wide format (<i>does not include specialized paper that may be needed for scientific equipment, etc.</i>)
Card filing and cards	Paper punchers and trimmers
Chalk/Crayons	Pencils and sharpeners
Clips, clamps, and clipboards	General writing Pens (not specialty including refills)
Columnar pads/books	Pins, push, and straight
Copyholders	Post-It products
Correction fluid/tape/supplies	Report covers
Dictation tapes and diskettes	Ribbons: typewriter, printer
Envelopes: All purpose, business, inter-department, mailers	Rolodexes
Erasers	Rubber bands
Fasteners	Rulers
File carts	Scissors
Files	Sheet protectors
Folders	Stamps/stamp pads/ink
Highlighters	Staplers, staples, removers
Hole punchers	Scotch Tape and dispensers
Index cards	Telephone message pads
Inserts, index tab	Thumbtacks
Label holders	
Labels	
Label makers	

PROHIBITED TRANSACTIONS

1. ADVERTISEMENTS FOR STAFF EMPLOYMENT

Advertisements for staff employment require review and approval by Human Resources and must be processed in TechBuy.

2. ALCOHOLIC BEVERAGES

Alcoholic beverages are prohibited unless a department has a FOP that permits the purchase

of alcohol (must be in compliance with Operating Policy 72.05 and OP 61.02). Please see the listing at <http://www.depts.ttu.edu/afism/training/documents/codeSerchDemo.htm>.

3. AMMUNITION

Ammunition must be approved by the Texas Tech Police Department and Environmental Health & Safety Offices. These transactions must be processed in TechBuy.

4. AUTOMOTIVE FUEL

Fuel for TTU/TTUS vehicles must be purchased using the Voyager card so that applicable discounts will be applied. For more information on the Voyager card, email techbuy.purchasing@ttu.edu.

5. CASH

Cardholders cannot use the PCard to obtain cash, including money orders or traveler's checks. Cardholders are prohibited from receiving cash as a credit for the return of an item.

6. CASH-LIKE TRANSACTIONS

Cash-like transactions, such as gift cards, are prohibited unless for Research Participants in accordance with Operating Policy 62.25.

7. CHEMICALS, COMPRESSED GASES, TOXINS, RADIOACTIVE, HAZARDOUS AND CONTROLLED SUBSTANCES

Environmental Health & Safety must review all toxins, hazardous materials, radioactive, rad minor, and controlled substances prior to purchase. These items will not be allowed on the PCard. EH&S has pre-approved a list of some items that may be purchased on a PCard. The list is available on the HowTo Guide for Chemicals: (Also See Operating Policy 60.11) <http://www.depts.ttu.edu/procurement/resources/how-to-guides/> under Purchasing.

8. CONTROLLED PURCHASES

The following are considered Controlled Assets if they have a unit cost of \$500 or more, must be properly tagged and tracked, and must be processed in TechBuy.

Cameras (including Drones)

Computers (iPads are controlled regardless of price)

Projectors

Stereo Systems

Video Recorder/Player (TV, VCR, Camcorder, DVR)

9. DONATIONS OR CHARITABLE CONTRIBUTIONS

Any donation or charitable contribution, if allowed by TTU/TTUS policy, should be processed in TechBuy.

10. ELECTRONIC GADGETS

Any electronic gadget, such as (but not limited to) Kindle, Sony eBook, MP3, and any other electronic gadget greater than \$500 must be processed in TechBuy.

11. FOREIGN PURCHASES

Foreign transactions must be processed in TechBuy due to Customs and IRS reporting/taxation issues. Registrations fees and page charges from foreign Vendors are permitted on the PCard. Purchases that are in compliance with the Procurement PCard Guidelines are allowed while in travel status in a foreign country.

12. GIFTS, AWARDS, AND PRIZES

Gifts, Awards, and Prizes must be tracked for IRS reporting. These transactions must be processed in TechBuy on the Gifts, Awards, and Prizes form with the exception of Retirement Gifts as long as they are purchased in accordance with OP 69.02. Plaques are allowed using PCard.

13. INSURANCE

The State has restrictions on what insurance TTU/TTUS may procure. All insurance transactions must be reviewed by the System Risk Manager prior to purchase and must be processed in TechBuy.

14. LEASES

Lease space is required to be compliant with Texas Accessibility laws. In addition, since there is a contract involved, the lease must be reviewed and signed by Purchasing and must be processed in TechBuy.

15. NETWORK EQUIPMENT

Hubs, switches, routers, wireless access points, etc., must be reviewed by Telecommunication Services to ensure that the Goods and Services are compatible with TTU/TTUS systems and must be processed in TechBuy.

16. PERSONAL ITEMS

Personal items for any member of the faculty, staff, or student body are not allowed regardless of procurement method.

17. RENTALS

Rental of equipment must be reviewed and signed by Purchasing and must be processed in TechBuy. Booth rentals and their associated costs are allowed.

18. SERVICES

Services under \$500 are allowed on the PCard with the exception of a Service made payable to an individual, promotional items that require a TTU logo, and Services from a foreign Vendor. Vehicle repairs are allowed, if the Voyager card is not accepted, up to the single purchase limit of \$2,000. Documentation is required with the reconciliation stating that Voyager card was not accepted.

19. SOFTWARE FROM A FOREIGN VENDOR

The IRS has rules governing the taxation of software from a foreign Vendor, must be reviewed by the Tax Compliance Office, and must be processed in TechBuy.

20. TELEPHONE SERVICES AND EQUIPMENT

Telephone Services and equipment must have pre-approval from Communication Services to ensure that the Goods are compatible with TTU/TTUS systems and must be processed in TechBuy.

21. TEMPORARY PERSONNEL

Transactions for temporary Services through a temp agency must be processed in TechBuy.

22. TRAVEL AND RELATED SERVICES

TTU/TTUS has a separate PCard specifically for travel and related expenses. These transactions must be processed in the Travel system as a reimbursement to the traveler. Registration Fees (including foreign) are allowed on the PCard.

23. USED OR REFURBISHED EQUIPMENT

Used or refurbished equipment must be processed in TechBuy:
<http://www.depts.ttu.edu/procurement/resources/how-to-guides/> Under Purchasing.

24. UTILITIES

These transactions may be processed in TechBuy.

25. WEAPONS

Weapons must be approved by the Texas Tech Police Department and Environmental Health & Safety offices. These transactions must be processed in TechBuy.

EXCEPTION POLICY

Written approval will need to be obtained from the Program Administrator (or their delegate) for any exception to purchasing any restricted Goods or Services. Any exception to the policy shall be emailed to the PCard Office and must be made *prior to making any purchase*.

If a permanent limit increase is requested, completion, signature, and approval of the PCard Exception Form are required. The PCard Exception Form will be signed by the Reconciler, Financial Manager/Approver, the appropriate Chancellor, Vice Chancellor, Assistant Vice Chancellor, President, Vice President, Assistant/Associate Vice President, Dean, Assistant/Associate Dean, Provost, or Vice Provost and the Section Manager for PCard and Travel Services or Director of Procurement Services.

POLICY VIOLATIONS

It is the responsibility of the Reconciler and the Financial Manager/Approver to review transaction documentation in order to identify possible violations in PCard use. This review must be conducted for all transactions in each cycle period.

- If the Reconciler determines that a violation has occurred, he or she must notify the PCard Office. The Reconciler will be accountable for all transactions that are processed under their purview. Repetitive violations occurring under any one Reconciler will be cause for removing the Reconciler from those duties.
- The PCard Office regularly audits transactions for possible violations and may request specific documentation to determine if a violation has occurred. Failure to provide requested information within seven (7) business days could be grounds for PCard deactivation.

The following items will constitute policy violations. Repeated violations will result in the sanctions detailed in these guidelines at the discretion of the PCard Administrator.

SPLIT PURCHASES

It is prohibited to split a purchase in order to circumvent PCard or procurement thresholds. A split purchase is defined as:

- The purchase of Goods or Services exceeding \$2,000 (including shipping) with the purchase being divided (split) into more than one transaction; or,
- The purchase of a group of items exceeding \$2,000 (including shipping) for a single purchase need. A single purchase need identifies a group of items that are similar enough in nature to be purchased from a single source. For example: buying toner cartridges in the amount of \$900 one day and a separate transaction the next day of \$1,500 will constitute splitting purchases.

SALES TAX ON PURCHASES

TTU/TTUS are exempt from Texas sales tax. Exemption cards and certificates are available in the PCard Office. Any transaction that takes place with an out-of-state Vendor will include that State's sales tax on the transaction if the Goods are delivered outside of Texas. If any Vendor fails to recognize the Texas Sales Tax Exemption form, please contact the PCard Office.

FAILURE TO PROVIDE EVIDENCE OF DOCUMENTATION/INCOMPLETE DOCUMENTATION

Cardholders are required to provide original receipts and any required supporting documentation for each purchase, by the deadline which will be published on a regular basis. If the Cardholder is unable to obtain a valid receipt, a *Missing Receipt* form must be prepared, signed, and submitted with the reconciliation. Missing Receipt Forms are not permitted for appropriated or sponsor project funds. Failure to provide evidence of documentation will be considered a policy violation. For reconciliation that are thirty days late, the PCard will be suspended until the reconciliation is received in the PCard

Office. For reconciliations that are 60 days late, the PCard will be terminated. The Missing Receipt form is available at <http://www.depts.ttu.edu/procurement/forms/> under Procurement Card.

PURCHASE OF A PROHIBITED GOOD OR SERVICE

The purchase of any Good or Service contained on the prohibited list in these Guidelines without an approval from the PCard Office shall constitute a policy violation.

PURCHASE FROM A PROHIBITED VENDOR

The Individual Cardholder or the Departmental PCard Delegate is required to verify the Vendor status for any purchase of Goods or Services as required by the State of Texas.

PERSONAL PURCHASES

The PCard must never be used to purchase items for personal use or for non-TTU/TTUS purposes even if the Cardholder intends to reimburse TTU/TTUS.

PCARD ABUSE/EMPLOYEE FRAUD

Any suspected fiscal misconduct or abuse of the PCard must be reported immediately to both the PCard Office and the TTUS Office of Audit Services. Reconcilers and Financial Manager/Approvers are both required to report any suspected PCard abuse or employee fraud.

NONCOMPLIANT SPONSORED PROGRAM PURCHASES

Purchases on sponsored projects funds shall comply with the guidelines herein, terms and conditions of the award, and the Federal cost principles embodied in Operating Policy 65.08, *Direct Charging to Sponsored Projects and Cost Share Funds*. Failure to comply will constitute a policy violation.

FAILURE TO COMPLY WITH GUIDELINES

Sanctions provide an approved framework to address program violations. Non-adherence to these Guidelines could result in loss of privileges. Serious infractions could result in disciplinary action, criminal charges, termination and/or a combination.

Departmental PCard program participants - Cardholders, Financial Manager/Approvers, Delegates, Financial Managers, and Reconcilers - are required to know and follow these Guidelines and TTU/TTUS Operating Policies and Procedures, including those defining program violations and their consequences.

The following policy applies to both Individual PCards and Departmental PCards (Departmental PCard violations accumulate per PCard even if a different authorized individual caused the violation on the Departmental PCard).

All alleged infractions will be thoroughly reviewed by the PCard Office. Additional information may be requested from the Individual Cardholder and/or the affected departments. Notifications of infractions will be sent to the Cardholder, Reconciler and Financial Manager/Approver. A Prohibited Transaction Notification Report with this information will be sent to the appropriate Chair, Dean, Provost, Vice President, President, Vice Chancellor and/or Chancellor and the Office of Audit Services on a periodic basis.