University Issued Purchasing Credit Cards (P-Cards)

Overview
The Purchasing Card (P-Card) is available as an optional method for purchasing goods and services.

In authorized situations, cardholders may directly contact vendors to purchase goods and services with a limit up to $2,000 per transaction including transportation costs and sales or use tax (if any). Please click here for more information about Departmental Purchasing of Goods and Services Overview Information. On-Line P-Card account access is available on the Works site:
First time log-on instructions
Guide for cardholders on how to access Bank of America's Works system

P Cards are Chip and PIN enabled. The embedded microchip provides enhanced fraud protection and increased global acceptance. The four-digit PIN number will come in a separate mailer from the credit card. Follow these instructions Online PIN Check, Registration And Login Instructions

For more information about Chip and PIN cards: Chip PIN Cardholder Brochure 2015

Cautions: The P-Card Program is not to be confused with the Travel Card Program which is used by employees when on business travel. The only exception to this is air fare and mass transit purchases may be charged to the P-Card (click here for more information). Restaurants, Hotels, gas and rental car purchases are blocked on the card. These items need to be processed via the Travel System or HokieMart. The P-Card is for university purposes only, personal use is not allowed under any circumstances. The pre-set transaction ceiling shall not be circumvented by "splitting" orders (i.e., placing more than one order in an attempt to purchase goods or services valued over the pre-set transaction limit). For security and fund management reasons, Departments must request transactions and monthly limits when applying for a card. An analysis of monthly departmental expenditures must be performed to determine the proper card limit. A cardholder may not, under any circumstances, authorize any charge in excess of the transaction limit set by the Program Administrator. If a cardholder authorizes a charge in excess of the per transaction limit established for that card, whether by splitting the invoice, encouraging the vendor to circumvent the Credit Card Company denial, or any other means, the card may be revoked for a minimum of three months. Repeat offenses may result in permanent revocation.

The only exception to this is air fare and mass transit purchases may be charged to the P-Card:

- Tickets may be purchased up to 90 days before the travel occurs.
- If it can be documented that there are substantial savings made by purchasing the ticket earlier or if there is reason to believe the seats could become unavailable, the Travel Supervisor may make an exception to the 90-day limit.
Seat selection is not an allowable expense.

Travel Protection Insurance is not an allowable expense.

Reminder: Cancelled tickets (Full fare and non-refundable) usually hold some residual value depending upon specific airline policies and restrictions. This credit goes back to the traveler who should contact the airline prior to cancellation to inquire about refunds or credits. Credits should be used for future airline business travel. If purchasing airfare for a guest be aware that the credit for a canceled ticket will go back to them.

Using the P-Card

- The P-Card is not to be used where purchasing is restricted by either State or University policy. Prior to using the card, know and understand the General Restrictions.

  NOTE: P-Cards shall not be shared - only the person whose name is on the card is allowed to use the card. If a cardholder knowingly allows another person to use the card, the named cardholder’s privileges may be revoked for a minimum of three months. This does not preclude a cardholder from placing an order with a vendor by telephone or electronically and then sending a representative to claim the items ordered.

- Identify a vendor/supplier that sells the required good(s) or service(s).

- If ordering over the Internet, be sure the ordering site is encrypted or protected by a SSL (Secure Sockets Layer) version 2 or greater. To ensure the vendor has aSSL, the address window must start with https://. Cardholders must not combine personal and work accounts when using the PCard for tangible goods. Retain the vendor's web address in the manual or electronic log.

- Never fax or email the P-Card number to a vendor. Orders may be submitted by fax or email -- leaving off the P-Card number -- then call the vendor to give the P-Card number.

- For purchases of goods picked up by the cardholder, use the P-Card at the vendor/supplier's business just like any other creditcard.

- After each transaction, manually or electronically log or file the purchase order information.

  NOTE: Each transaction must be tracked by using a manual or electronic log or file. The P-Card Log is an example of a log that may be used, as well as, the P-Card Transaction Tracking Log/Sponsored Programs Approval Sheet which is available if more detailed logging information is needed. As a minimum, the log should show the cardholders name and department, item(s) purchased, price, vendor, and the date of the purchase. If the cardholder has minimal purchases (less than 10 purchases on average per month), it is permissible to keep a receipt file in lieu of a manual or electronic file. It is recommended that a manual or electronic log be maintained if the card is used extensively.

- The vendor/supplier must submit itemized receiving documentation (i.e., packing documents, sales ticket or receipt) that details the goods or services purchased including the price. Keep this documentation in the file for reconciliation purposes.

Other Restrictions

General Restrictions for the P-Card (in addition the General Restriction [here])
• Radioactive materials, (except for Environmental Health and Safety Services) These materials must be purchased through Environmental Health and Safety Services.

• Yearly maintenance and/or service agreements paid monthly having an annual cost exceeding $2,000.

• Copier maintenance contracts.

• Printing and Copying. Printing Services should be used. Blacksburg campus organizations can spend up to $50, off-campus organizations can spend up to $300, and the National Capital Region (NCR) can spend up to $2,000 per order with a commercial vendor.

• New and used licensed vehicles.

• Telecommunications goods and services. Purchases of all telecommunications products, services and/or maintenance contracts on telecommunications hardware and software (i.e., telephones, telephone systems, two-way radios, microwave transactions, internet subscription services, cell phones (new and replacement), cell phone accessories, XM Radio, and any cable or satellite TV services) must be purchased/ requested through Communications Network Services (CNS). Cellular telephone purchases and monthly service charges are processed by CNS.

• Respirators and cartridges. To ensure maximum safety and effectiveness, respirators and cartridges require technical support. This includes matching the product to the intended application and sizing to ensure a protective fit. To accomplish this, respirators and cartridges should be ordered directly from Environmental Health and Safety Services. They can be ordered by e-mail at vt-respirators@vt.edu or by directly contacting the Occupational Health and Industrial Hygiene Division at 231-2509. Respirators and cartridges should not be ordered directly from suppliers.

• Purchases to internal university vendors should NOT be placed on the PCard, in the future they must be processed using the ISR (Internal Service Request form) in HokieMart

The university has an arrangement with some major suppliers that provides expedited payment and, in some cases, discounts. This is a highly efficient way to process invoices. The HokieMart should be used exclusively with these suppliers. The P-Card should not be used as this adds to supplier costs.

• The P-Card can be used for urgent emergency requirements, local purchases, or to airline/mass transit tickets.

• Paying late or past due invoices

*The National Capital Region (NCR) includes graduate schools and research centers in Alexandria, Arlington, Falls Church, Leesburg, Manassas, and Middleburg.

**Uses for the University Purchasing Credit Card (P-Card)**

The University P-Card should only be used for the following transactions:

• Emergency purchases

• Purchase orders to vendors who do not accept HokieMart purchase orders. You can see a listing at [http://www.procurement.vt.edu/hokiemart/xvendors.html](http://www.procurement.vt.edu/hokiemart/xvendors.html).
- Airline tickets/conference registrations.
- Professional membership and association dues

Airline travel expenses must be in accordance with the university Air Transportation Procedure: **Procedure 20335e: Air Transportation.**

### Issuance of a University P-Card

The Procurement Department processes applications, administers the on-line knowledge test, assists with late statements upon request, handles disputes, adjusts spending limits, and adjusts card defaults. All questions should be directed to the Procurement Department (540) 231-8548.

The Controller’s Office processes the reconciled statements and answers questions regarding distributing charges and non-sufficient funds. All questions of this type should be directed to the Controller’s Office at (540) 231-8618.

The Department Head will decide which employees should be issued a university P-Card. The Department Head handles proper use of all of the P-Cards issued to his/her department. The P-Card is not intended for employees who are not knowledgeable of the university’s procurement procedures. It is also not intended for senior-level individuals who may approve expenditures, but do not involve themselves in the transactions.

### CONTACT INFORMATION

The Procurement Department is responsible for processing applications, processing the On-line test, assisting with late Statements upon request, handling disputes, adjusting spending limits, and adjusting card defaults. Questions should be directed to Debra Reed 231-8548.

The Controllers office is responsible for processing the reconciled statements as well as answering questions regarding distributing charges and non-sufficient funds. Questions should be directed to Deborah Cole 231-8618.

The Controllers office is also responsible for the Travel Card program, see the Travel Card Procedure.

### Issuing the Corporate Purchasing Card (P-Card)

- The Department Head will decide which employees should have a card. The Department Head is responsible for proper use of all of the P-Cards issued to his/her department. The P-Card is not intended for employees that are not knowledgeable of the procurement procedures or senior-level individuals who may approve expenditures, but do not actually involve themselves in the transactions. Authorized use of the P-Card is limited to the person in whose name the card is issued. (See Security)
- To apply, complete the P-Card Employee Agreement form. If you have any questions contact Debra Reed at ext.231-8548.
• Complete the **P-Card test** after completely reviewing this procedure.

• The **Department Head or Delegated Representative** completes the spending analysis in section A. This person should review information such as Financial Reports and or departmental procurement files to evaluate the cardholder's current purchasing capacity. Once this is analyzed, the P-Card transaction limit should be set: at 2k/5k, 2k/10k or 2k/20k.
  
  o The **future cardholder** completes the basic application information in section B. Grant funds and local funds cannot be used as card default funds.
  
  **NOTE:** Purchases related to accommodations, car rental, oil/gas, and restaurants are automatically blocked on the P-Card. The car rental block may be lifted on a case by case basis by contacting Debra Reed at 231-8548.

  o The **Department Head or authorized approver** completes section C to approve the application. The Department Head decides which faculty and staff members should have a card and approves all applications. The Department Head is responsible for proper use of all the P-Cards issued to his/her department.

• Forward the completed form to:

  Procurement Department  
  (0333) Attn: Debra Reed  
  North End  
  Center 300  
  Turner Street  
  Blacksburg, VA 24061

• The Procurement Department will forward the necessary paperwork to order the card.

**Reconciling:**

Reconciling the Monthly Statement

Reconciling Charges:

**NOTE:** The monthly billing cut off is the 15th of the month. Cardholders will receive a hard copy of the statement. The Payment Certification Form and the original P-Card statement must be submitted to the Controller’s Office by the 10th of the following month. If an incorrect charge or credit appears on the P-Card statement, it should be treated like any other charge or credit for reconciliation purposes as the statement must be paid each month in its entirety. See Returns, Credits, Disputed Items instruction on how to handle incorrect charges in the section below.

• Once the P-Card statement is received, compare the log and/or the itemized receiving file documentation provided by the vendor to the P-Card statement to assure the charges are accurately listed on the P-Card statement.

• If a purchase does not appear on the P-Card statement, make a note in the log
or on the file documentation. Maintain this documentation so it can be used when reconciling a subsequent statement.

- If the payment is being placed on the default fund, select the "All charges and credits are correct and should be posted to the default fund" box on the P-Card Payment Certification Form.
- If the payment is being distributed to multiple funds, write the corresponding fund and account codes on the P-Card statement or P-Card log for each transaction (log must be in Statement order).

**NOTE:** You may use up to four different funds and/or account codes for a single charge. If using log, the items must be in Statement order.

**NOTE:** Click here to see a listing of Non-Personnel Services Expenditure Account Codes. **Account codes must be provided for all P-Card transactions. They cannot be left in account code 13090.**

### Reconciling Credits:

- Compare the credit documentation provided by the vendor to the P-Card statement to assure credits are accurately listed on the P-Card statement. Retain all credit documentation in the file.
- If a credit does not appear on the P-Card statement, make a note in the log or on the file documentation. Keep this documentation so it can be used when reconciling a subsequent statement.
- If the credit is being placed on the default fund, select the "All charges and credits are correct and should be posted to the default fund" box on the P-Card Payment Certification Form.
- If the credit is being distributed to multiple funds, write the corresponding fund and account on the P-Card statement or P-Card log for each credit.

**NOTE:** You may use up to four different funds and/or account codes for a single credit. If using log, the items must be in Statement order.

**NOTE:** Click here to see a listing of Non-Personnel Services Expenditure Account Codes. **Account codes must be provided for all P-Card transactions. They cannot be left in account code 13090.**

### Payment Certification Form

- Complete following sections of the [P-Card Payment Certification Form](#):
  - Department Number
  - Department Name
  - Card Number
  - Cardholder's Name
  - Cardholder's 9 digit employee ID#
  - Statement Closing Date
  - Balance Outstanding
  - Method of fund distribution - (Select either "All charges are correct and should be posted per the attached sheets" or "All charges are correct and should be posted to the default fund")
- Sign and date the Cardholder Signature section.

**NOTE:** This block should be signed by the cardholder. If, on rare occasions, the cardholder is unavailable for several days, have another person that is familiar with
the purchases sign the form. **Attach a note of explanation when someone else signs for the cardholder.**

- Obtain payment approval signature from the Department Head or employee with signature authority. Two signatures are required on this form, therefore the cardholder (or person signing for the cardholder) cannot sign again as the approver.

**NOTE:** The person signing to approve the payments must review their responsibilities on page two of the **P-Card Payment Certification Form** and is signing to validate that all charges are correct or that action is being taken to correct incorrect charges.

- Make copies of the completed P-Card Payment Certification Form, the P-Card statement, and if necessary any **documentaiton from airline ticket purchases** for the departmental files.

- Send the Payment Certification Form, P-Card statement, and all original documentation for airline ticket purchases if required (see procedure below for complete requirements) to the following address address by the 10th of the following month:

  Controller's Office (0312)
  North End Center, Suite 3300
  300 Turner Street
  Blacksburg, VA 24061

**NOTE:** Additional documentation for airline ticket purchases (see [http://www.controller.vt.edu/content/dam/controller_vt_edu/procedures/travel/20335e.pdf](http://www.controller.vt.edu/content/dam/controller_vt_edu/procedures/travel/20335e.pdf)) must be attached to the P-Card Payment Certification form if the Department Head or the designee approving the monthly certification form has travel expenses in the monthly statement, the cardholder must attach a copy of the Department Head’s travel approval form (approved by the Dean or Vice President) to meet the university’s requirement that anyone receiving anything of value using public funds must have that approved by the “next higher level of supervision.” Additionally, if the Department Head’s designee approves the certification form AND has travel expenses in the monthly statement, the cardholder must attach a copy of the approved TEM authorization (approved by the Department Head) to the certification.

**NOTE:** If this date is not met, the Controllers Office will post the charges on the P-Card Statment to the default fund (as indicated on the P-Card Employee Agreement form). Subsequently, any fund and/or account code transfers will be the responsibility of the departments. Any finance/late charge assessed due to the Controllers Office inability to secure the proper documentation from the departments will also be charged to the department. Failure to reconcile may result in card cancellation. Additionally, if an invalid fund and or account is submitted, the Controllers Office will post charges to the default fund.

- Retain the following documents: the P-Card statement, the Payment Certification Form, any airline ticket documentation, any Sponsored Program approval forms,
the vendor’s itemized receiving and credit documentation that pertains to that statement, and any other documentation generated to support the business purpose for the expenditure in the departmental files. SEE THE SECTION ON RECORD RETENTION BELOW - DO NOT SEND THIS DOCUMENTATION TO THE CONTROLLERS OFFICE.

Returns, Credits, and Disputed Items

- If an item needs to be returned for any reason, discuss the method of return with the vendor/supplier before returning the item for a credit.  
  NOTE: Accepting a store credit for returned items or mischarges is not an authorized practice. A charge back/credit issued to the P-Card card originally used is the only authorized practice for processing credits and or returns.
- Manually or electronically log in the credit amount due.
- The vendor/supplier must submit documentation of the return (i.e., credit receipt). Keep this documentation with the tracking log for reconciliation purposes.
- In most cases, disputes can be resolved directly between the cardholder and the vendor/supplier. If the cardholder and the vendor/supplier cannot resolve the issue, a dispute can be opened by contacting the Program Administrator, Debra Reed at 231-8548. If needed, at any point in the process, the Program Administrator can assist with the investigation and assist in the resolution. If necessary, the P-Card Company will issue a temporary credit pending final resolution.

General P-Card Requirements

The Purchasing Card (P-Card) Program is not to be confused with the Travel Card Program used by employees when on business travel.

The P-Card is for university business purposes only, personal use is not allowed under any circumstances. The pre-set transaction ceiling shall not be circumvented by "splitting" orders (i.e., placing more than one order in an attempt to purchase goods or services valued over the pre-set transaction limit).

For security and fund management reasons, Departments must request transactions and monthly limits when applying for a card. An analysis of monthly departmental expenditures must be performed to determine the proper card limit.

A cardholder may not, under any circumstances, authorize any charge over the transaction limit set by the Program Administrator. If a cardholder authorizes a charge over the per transaction limit established for that card, whether by splitting the invoice, encouraging the vendor to circumvent the Credit Card Company denial, or any other means, the card may be revoked for a minimum of three months. Repeat offenses may cause permanent revocation.

Authorized use of the P-Card is limited to the person in whose name the card is issued.
* VIRGINIA TECH FOUNDATION, INC: The HokieMart and the P-Card cannot be used to make purchases that are to be charged directly to Virginia Tech Foundation (VFT) funds. To use VTF funds, departments may purchase goods and services using state funds then reimburse the state account with VTF funds. Requirements for using VTF funds is as follows:
* State and university policies must be followed.
* Initially the charge must be paid by a state account.
* The state account must be reimbursed from a VTF fund.

**On Line P-Card Account Information**

Bank of America “Work’s” Online System offers cardholders an online, electronic method to track purchases and access additional alerts that assist with the safety and security of the P-Card.

**Delegated Procurement Exceptions Specifically for P-Cards**

There are travel situations where there are two or more employees on the same itinerary. In these circumstances, each ticket is an individual transaction, not the total amount of all the tickets. The same holds true for conference registrations: each registration is an individual transaction.

- **Example 1:** You are purchasing three tickets/registrations, each valued at one-thousand dollars ($1,000). These may be purchased and will be regarded as three separate one-thousand dollar ($1,000) transactions, not a three-thousand dollar ($3,000) order that has been split.
- **Example 2:** You have a two-thousand dollar ($2,000) transaction limit on your card and you are purchasing three two-thousand one hundred dollar ($2,100) tickets/registrations. If these are processed in the following manner, two-thousand dollars ($2,000), two-thousand dollars ($2,000), two-thousand dollars ($2,000) and three-hundred dollars ($300), this would be regarded as a violation of authorized business practices because the two-thousand one hundred dollar ($2,100) transaction was split and exceeded the two-thousand dollar ($2,000) delegated transaction limit.
  - Solution: You may request to have your card limits temporarily raised to accommodate these transactions.
- **Example 3:** Purchases related to accommodations, car rental, oil/gas, and restaurants are automatically blocked on the P-Card. The car rental block may be lifted on a case-by-case basis by contacting the Procurement Department at (540) 231-8548.

**Record Retention**

- Departments are responsible for retaining the file that is compiled each month after the statement is reconciled (this file must contain at a minimum the P-Card statement, the P-Card Payment Certification Form, any airline ticket documentation submitted to the Controller’s Office, any Sponsored Program approval forms, the vendor’s itemized receiving and credit documentation that pertains to that
statement, and any other documentation generated to support the business purpose for the expenditure). **THE RETENTION PERIOD FOR THIS DOCUMENTATION IS TYPICALLY FIVE (5) YEARS AFTER THE CLOSE OF THE FISCAL YEAR OF CREATION.**

- **NOTE:** If your are using funds such as sponsored program funds, the retention time may be longer. See the [Records Management Records Retention Schedule](#) page for the information on determining a retention schedule for such documents.
- **NOTE:** Each charge must have this information so the cardholder will have adequate documentation of the expense for future review by the auditors, Purchasing, Legal Counsel, or the News Media should the request be made.

- Retain these records in the Department or with Records Management. These are the original records of agency therefore; they need to be retained in a neat and accessible manner so they will be readily available in the event of an audit.

### Security for the University P-Card

#### Cancellation

Upon request by the university or upon termination of employment, the Department Head or designee is responsible for immediately contacting Debra Reed at 231-8548 to cancel the card. The card (plastic) can be destroyed by the department.

#### Security

**NOTE:** Authorized use of the P-Card is limited to the person whose name is on the card. The P-Card should not to be loaned to another person. This does not preclude a cardholder from placing an order with a vendor by telephone or electronically and then sending a representative to claim the items ordered. In the event of an extended absence by the cardholder, a card may be issued to another person for the duration of the absence. Also, the Department should consider canceling the card if a person is going to be on extended leave.

The purchasing card should be kept in an accessible but secure location. The account number on the purchasing card should not be posted or left in a conspicuous place. A vendor may be allowed to keep the card number on file under the following, limited, conditions:

- The cardholder must make initial contact with the vendor to provide the card number.
- The vendor must keep the card number in a secure, preferably electronic, file.
- The vendor must assign a separate, store account number for use by representatives of the cardholder so that the card number is not shared.
- The vendor must contact the cardholder for final authorization to process the charge.

### Lost/Stolen Card, Fraudulent Charges, and Dispute
If the card is lost or stolen, please call (888) 449-2273 OR the number on the back of your card for a replacement and new account.
If there are fraudulent charges please call BOA Fraud Department at (866) 500-8262.
To initiate a dispute, please call the BOA Dispute Department at (800) 410-6465.