

LCSC P-Card Program

Purchasing Department
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Updates to P-Card Program

- Updated P-Card Application forms, reduced from 6 to 1
 - Forms must be completed and submitted electronically
 - P-Card Food Use Exception Form
- Department Card vs. Individual Card
 - Only the individual named on the P-Card may use the card, not other employees or students. Department cards should be used if multiple employees need to use the card.
- Forms available at:
<https://www.lcsc.edu/purchasing/employees/forms>



Updates to P-Card Program

- P-Card Log requirement update
 - The P-Card log now consists of only the Bank of America Statement and the supporting documents (receipts, approvals, etc.).
 - Signatures should be collected on the Statement.
 - No additional manual excel/pdf log is required.
- P-Card Procedure Manual Updated:
 - <https://www.lcsc.edu/purchasing/employees/p-card-guidelines/p-card-policy-and-procedures>



Introduction of P-Card Program

- **Intent**

- To streamline and simplify the requisitioning, purchasing and payment processes for relatively small dollar items (under \$2,000). The P-Card should be viewed as a supplemental tool to purchase approved goods and services that may be more efficiently acquired via credit card. The P-Card process is designed to shorten the approval process and reduce the paperwork associated with procurement procedures including requisitions, purchase orders and petty cash.

- **Goals**

- Reduce the cost of processing small dollar purchases
- Receive faster delivery of required merchandise
- Simplify the payment process
- Reduce clerical processing time and effort associated with the approval process
- Provide P-Cardholders with greater autonomy

- **Liability**

- The P-Card is an institutional liability card. Payments are made directly to Bank of America on a monthly basis. The College assumes full liability for the purchases. Personal information is required for tracking and administrative purposes only. Applying for and using a P-Card does not impact the P-Cardholder's personal credit history.



Introduction of P-Card Program, cont.

- **Internal Controls/Compliance Reviews**

- The P-Card program relies upon both internal administrative controls and periodic internal audits to ensure that P-Cards are utilized in accordance with institutional and state policies and procedures.
- The P-Card may be used for approved purchases related to College business only. Use of the P-Card for personal purchases is strictly prohibited.
- Misuse of the P-Card may result in revocation of the card, disciplinary action and possible termination of employment.
- A number of unique features have been developed for the P-Card programs that do not exist in a traditional credit card environment, including real-time card administration and 4 exception-based transaction processing. These features help ensure that the P-Card use is limited as to purpose and dollar amount. The Purchasing Department has been assigned responsibility to oversee administration of the P- Card program and monitor user compliance.

- **Key Contacts**

- **Jess Waddington, Purchasing Director ADM 104 792-2431**
- **Diana Higgins, Administrative Assistant ADM 104 792-2288**

- **Bank of America Customer Service: 888-449-2273**



How Do I Get a P-Card?

- Forms are on Purchasing's website.
- Submit completed forms to pcards@lcsc.edu.
- Once submitted, cards arrive in 3-5 business days.
- Purchasing will email you to pick up the card (can assign a designee).
- You no longer need a Pickup Form; Purchasing will maintain a sign out sheet to note who picked up a card and when.



Which Type of P-Card?

- Individual card – if an individual will be using the card for travel, they should get a card in their name.
- The person named on the card should be the only person making charges on the card. (Supervisors may authorize a direct report to use the card on their behalf.)

Which type of card? cont.

- If various people in a department are going to be using a card, the department should get a department card.
- The P-Card Manager will be responsible for maintaining the expense logs, Works statement, and check-in/-out log.

Roles & Responsibilities

P-Cardholder

Role:

Utilize the P-Card to make authorized LCSC purchases.

Responsibilities:

- Proper use of the P-Card
- Is accountable for P-Card security
- Utilize the P-Card for official College business only
- Make purchases in accordance with institutional and state policies and procedures
- Immediately report a lost or stolen card to Bank of America and a P-Card

Administrator in the Purchasing Office

- If the P-Card holder is not the department/division head, then the P-Card holder will be included in an annual audit by Purchasing.



Roles & Responsibilities, cont.

- Monitor all charges associated with the use of the P-Card; shipping, surcharges, etc.
- Ensure that sales tax is excluded from amount of purchase
- Obtain and submit adequate supporting documentation for each purchase
- Review and sign-off on the P-Card Log for each month there is activity
- Contact merchants for all returns, exchanges and refunds and ensure credits are posted back to the P-Card account
- Contact merchants to resolve disputes and complete the Bank of America Dispute Form, when necessary
- Access WORKS to review and sign off on transactions by each month's Sweep date (which is published on the Purchasing website, and is generally the 4th business day of the following month).
- Notify a P-Card Administrator of changes in personal employment status, including transfer or termination



Roles & Responsibilities, cont.

Department P-Card Manager

Role:

Review P-Card transactions to ensure compliance with all State of Idaho and institutional policies, procedures and program provisions.

Responsibilities:

- Provide physical security for the P-Card, the P-Card number and the PIN number
- Instruct and train departmental users as needed
- Restrict use of the P-Card for official College business only
- Make purchases in accordance with institutional and state policies and procedures
- Maintain check-out log for the P-Cardholder
- Verify transactions and obtain required invoices and documentation
- Assist P-Cardholder with returns, exchanges and refunds to ensure credits are posted back to the P-Card account



Roles & Responsibilities, cont.

- Assist P-Cardholder in resolving disputes with merchants and retain a copy of Bank of America Dispute Form for departmental records
- Monitor activity for unusual transactions or unusual patterns of use and report to a P-Card Administrator in the Purchasing Office
- Notify a P-Card Administrator in the Purchasing office if P-Cards are lost or stolen and assist in acquiring replacements
- Document and report any violations to a P-Card Administrator
- Access WORKS to review and sign off on transactions by each month's Sweep date (which is published on the Purchasing website, and is generally the 4th business day of the following month).
- Maintain the monthly P-Card Log (which is the Bank of America statement and associated transaction records) and provide to the P-Cardholder for their review and signoff, by the end of the following month.



Roles & Responsibilities, cont.

- If the P-Cardholder has no charges incurred for a given month, the P-Card log and bank statement should be printed and then signed by the P-Cardholder, confirming that there were no charges, and retained. No next level signature is required.
- Ensure that all statement reconciliation documentation is received and retained in the department. Records will be retained for a period of five (5) fiscal years. Transactions involving federal or grant funds may require a longer retention period. Contact the grant administrator for additional information. Records will be stored in the department and must be available for review or audit upon request.
- Notify a P-Card Administrator of changes in employment status, including transfer or termination.



Roles & Responsibilities, cont.

P-Cardholder Department Head

Role:

Review P-Card transactions to ensure compliance with all State of Idaho and institutional policies, procedures and program provisions.

Responsibilities:

- Is responsible for the P-Card(s) associated within department
- Review staff P-Cardholder(s) statements, original receipts
- Authorize monthly P-Card expenses
- Internal control owner for the P-Card program
- Review all activity to verify that departmental use complies with all State of Idaho and Institutional policies, procedures, and provisions of the P-Card Program.
- Review and sign off on staff P-Card logs (which is the Bank of America statement and associated transaction records) by the end of the following month.



Roles & Responsibilities, cont.

- Discuss any non-compliance issues with the staff involved and should any violations occur, discuss appropriate action with a Program Administrator in the Purchasing Office.
- Acknowledge that the College is liable to Bank of America for all charges made by Department Heads department including charges made on a lost or stolen P-Card before it's reported lost or stolen.
- Notify a P-Card Administrator in the Purchasing Office of any suspected or actual P-Card misuse.
- Comply with internal control procedures designed to protect the assets of the College and assist with audit requirements.
- Notify P-Card Administrator immediately if Department P-Card Manager or P-Cardholder within department is transferred to another department or is no longer employed by the College.



P-Card Limits

- Dollar limits and other controls are established for each P-Cardholder on the P-Card Application Form when the P-Card is authorized and approved
- The Visa system validates the transaction against the pre-set restrictions which include:
 - Single purchase limit not to exceed \$1,999.99.
 - Spending limit per month not to exceed the assigned limit (default set at \$5,000).
 - Institutionally approved commodity codes, Merchant Commodity Codes (MCC), are established by the bank and encoded into the magnetic strip on the reverse side of the card.



P-Card Limits, cont.

- The P-Card program provides for merchant category blocking. If a particular merchant category is blocked (e.g., jewelry stores, pawn shops) and an attempt is made to use the P-Card at such a merchant the purchase will be declined.
- Extensive efforts have been made to ensure that the vendors/suppliers used in the normal course of business are not restricted. If the P- Card is refused with a vendor where you believe it should have been accepted, contact the P-Card Administrator. If your purchase falls into an authorized category, Purchasing can lift the restriction in order for you to complete the transaction.
- If the MCC code restriction must be lifted temporarily (for a purchase that does not fall into an authorized category), approval from the P-Cardholder's supervisor and/or member of executive leadership is required. An e-mail with the approval must be submitted to pcards@lcsc.edu. A list of restricted MCC Codes is on the Purchasing webpage under P-Card Guidelines.



State Contracts

- It is required that State of Idaho contract vendors be used when purchasing goods or services provided through State Contracts or price agreements.
- See Purchasing website for a complete list of the State Contracts.
- If you need an account login to obtain our pricing, let Purchasing know.
- If you have a valid reason to purchase outside of the State Contracts (out of stock issue, etc.) document fully and retain for your P-Card log.



Split Purchases

- Any action taken to “work around” or “bypass” the limits set on P-Cards is prohibited.
 - A single purchase cannot be divided into separate transactions or to different vendors to circumvent a single purchase dollar limit or to artificially create small purchases to circumvent bidding as required by State and institutional policy.
 - See IDAPA 38.05.01.044.02 “Splitting” of purchases may result in revocation of the P-card.



Authorized P-Card Transactions

The P-Card is intended for small purchases transacted during the course of business.

Examples of common uses of the P-Card program may include:

- Airline tickets
- Automotive parts
- Baggage Charges
- Books, Magazines, Subscriptions
- Building materials
- Computer hardware
- Conference registration fees
- Equipment repairs



Authorized P-Card Transactions, cont.

- Gas for rental cars
- Lodging
- Newspaper ads
- Office supplies
- Parking
- Printing
- Rental cars
- Short term rentals
- Sodexo food purchases
- Software
- Follett's Bookstore purchases



Unauthorized P-Card Transactions

Examples include:

- Alcoholic beverages
- Any single transaction exceeding \$1,999.99 (fixed asset level)
- Cash advances
- Donations
- Entertainment
- Food/meals (food purchases will be limited to executive management only, unless an exception has been approved by the President)
- Gas for personal vehicles



Unauthorized P-Card Transactions, cont.

- Gas for personal vehicles
- Gift certificates/gift cards
- Payment to Independent Contractors
- Items for personal use
- Medical: Doctors, Dentists, Chiropractors, etc.
- Professional services
- Purchases that involve signing an agreement, license, contract, or lease
- Salaries and wages



Purchasing Food

- Food/meal purchases will be limited to executive management only (President, Vice Presidents, and Deans) unless an exception has been approved by the respective Vice President or President (for direct reporting units).
- The Food Use Exception Form can be found on the Purchasing website.
 - The form can be used for one occasion, or a date range can be indicated (semester, etc.).



Emailing P-Card numbers

- **Do not** e-mail P-Card numbers for any reason. E-mail is not secure and should never be used for any purchase or payment of registration fees.
- Only the P-Cardholder's name and last four digits of the P-Card # are needed in e-mail communication on campus.



Account-Setting Modifications

Single Transaction Limit Restriction

In the rare occasion when there are no other means of purchase for items exceeding \$1,999.99, requests to temporarily lift the single transaction limit require prior approval from a Vice President or President. The approval must be in the form of written documentation. The request can be submitted via e-mail or other electronic means.

Monthly P-Card Expense Limit

Requests to permanently increase monthly expense limits require submission of a completed P-Card Account Maintenance Form with approvals from the P-Cardholder's supervisor and/or member of executive leadership. E-mail requests should be sent to pcards@lcsc.edu.



Using Works

Logging into Bank of America for the first time:

- You will receive a welcome email from Bank of America when your new P-Card is ordered, or when you're set up as a P-Card Manager
- Click on the link in the email. This link can only be used once. If not used within 60 days, the link will expire.
- The email will display your username and the email address you will use to log in.
- Follow the instructions to create your password and answer three security questions.



Works Home Page

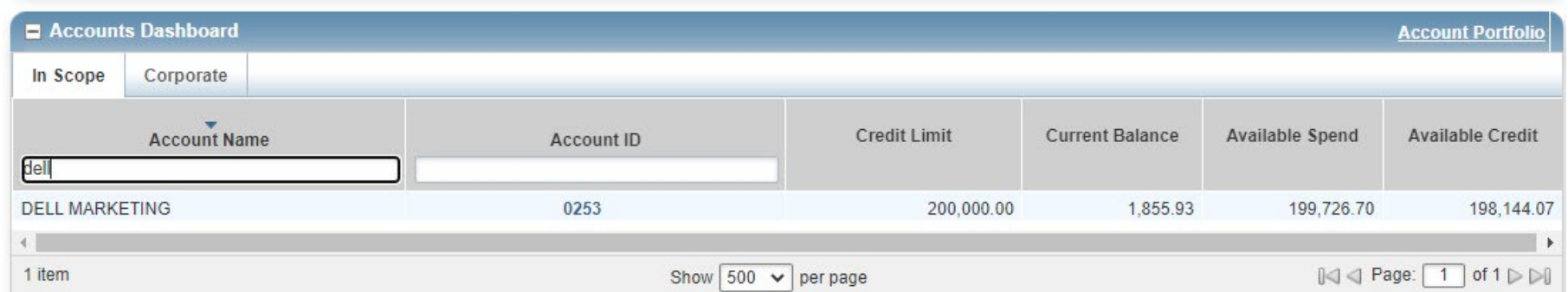
- On the Home page you will find Action Items. This is a list of items that require your attention.
- Click on the blue link in Current Status to see what is pending (needing to be reconciled or approved).

Action	Acting As	Count	Type	Current Status
Sweep	Accountant	214	Transaction	Pending
Sign Off	Accountholder	3	Transaction	Pending
	Accountant	44	Transaction	Flagged

3 items Show per page Page: of 1

Works Home Page, cont.

- The Accounts Dashboard is a quick view of the basics of the account(s) that you are responsible for.



The screenshot displays the 'Accounts Dashboard' interface. At the top, there is a header bar with 'Accounts Dashboard' on the left and 'Account Portfolio' on the right. Below the header, there are two tabs: 'In Scope' and 'Corporate'. The main content area is a table with the following columns: 'Account Name', 'Account ID', 'Credit Limit', 'Current Balance', 'Available Spend', and 'Available Credit'. A search bar is present above the 'Account Name' column, containing the text 'Dell'. The table contains one row of data for 'DELL MARKETING' with an 'Account ID' of '0253', a 'Credit Limit' of '200,000.00', a 'Current Balance' of '1,855.93', an 'Available Spend' of '199,726.70', and an 'Available Credit' of '198,144.07'. At the bottom of the table, there is a pagination bar showing '1 item', 'Show 500 per page', and 'Page: 1 of 1'.

Account Name	Account ID	Credit Limit	Current Balance	Available Spend	Available Credit
DELL MARKETING	0253	200,000.00	1,855.93	199,726.70	198,144.07

Works Home Page, cont.

The Alerts section is a message board relaying messages from the P-Card Administrators or directly from Bank of America.

Lewis-Clark State C

The screenshot shows a web interface with a sidebar on the left and a main content area on the right. The sidebar contains a 't Status' section and an 'Account Portfolio' section. The 'Account Portfolio' section shows 'Available Credit' with a value of 198,144.07. The main content area has two sections: 'Alerts' and 'My Announcements'. Both sections display the message 'No alerts at this time.' and 'No announcements at this time.' respectively. The 'Alerts' section has a blue header bar, and the 'My Announcements' section has a blue header bar. The page number '1 of 1' is visible at the bottom of both the sidebar and the main content area.

Alerts

No alerts at this time.

My Announcements

No announcements at this time.

Account Portfolio

Available Credit

198,144.07

Page: 1 of 1



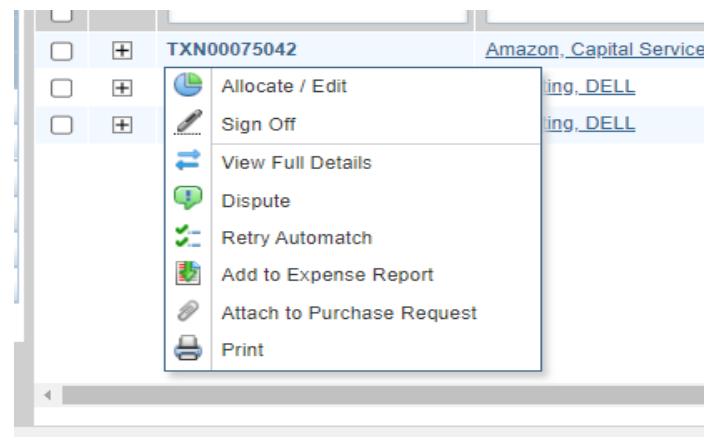
Reconciling Transactions

From Navigation Bar, click on Pending

Action	Acting As	Count	Type	Current Status
	Accountant	44	Transaction	Flagged
Sweep	Accountant	214	Transaction	Pending
Sign Off	Accountholder	3	Transaction	Pending

3 items Show 10 per page Page: 1 of 1

From drop-down menu on the right side of the Transaction ID, select Allocate/Edit



Reconciling Transactions, cont.

Edit the default description:

Allocation Details -TXN00075373 - DMI DELL K-12/GOVT

Allocation

	Comp Val Auth	All Values Amount	Sales Tax	Description	GL01: Fund
<input type="checkbox"/>	x ✓ ✓	75.37	0.00	DMI DELL K-12/GOVT - Purchase	

0 Selected | 1 item

Allocation Details -TXN00075373 - DMI DELL K-12/GOVT

Allocation

	Comp Val Auth	All Values Amount	Sales Tax	Description	GL01: Fund
<input type="checkbox"/>	x ✓ ✓	75.37	0.00	Headphones for Louise	

0 Selected | 1 item

Buttons: Previous, Add, Duplicate, Clear



Splitting Cost Centers

To split across cost centers, add a line or lines:

<input type="checkbox"/>	Comp Val Auth	All Values Amount	Sales Tax	Description	GL01: Fund
<input type="checkbox"/>	x ✓ ✓	75.37	0.00	Headphones for Louise	
<input type="checkbox"/>					

0 Selected | 2 items

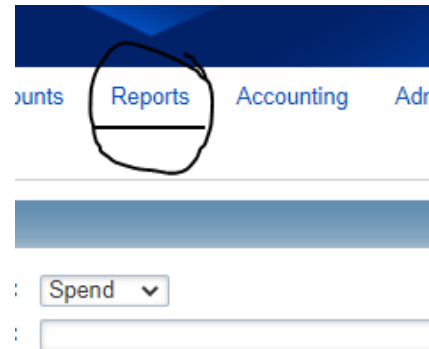
Reference & Tax

When finished, make any comments and then sign off.

If you later discover an error, contact Purchasing to flag it for you so that you can edit it. After the monthly sweep, you will need to contact the Controller's Office to do a Journal Entry.

Maintaining P-Card Log

- Each month you will run the statement in Works. There is an option to add a signature line.
 - From the drop-down under the Reports tab, select Create




- Select Category: Spend
- Select Template: shared: Lewis Clark State College Billing Statement

A screenshot of the 'Create Report' form in Works software. The form has two dropdown menus: 'Category' with 'Spend' selected, and 'Template' with 'shared: Lewis Clark State College Billing Statement' selected. At the bottom, there are radio buttons for 'Report Options', with 'Basic' selected and 'Advanced' unselected.

Maintaining P-Card Log, cont.

- Edit the Post Date range to the calendar month you're reporting.

Add filter:

Post Date: 01/16/2023 - 02/16/2023 

CH Last Name: Is exactly

Transaction Type: Cash advance Misc Credit Misc Debit Purchase Reimbursement Payment

Select Dates

2				1	2	3	D
0	4	5	6	7	8	9	E
2	11	12	13	14	15	16	C
2	18	19	20	21	22	23	
	25	26	27	28	29	30	31
2	1	2	3	4	5	6	J
0	8	9	10	11	12	13	A
2	15	16	17	18	19	20	N
3	22	23	24	25	26	27	
	29	30	31				
2				1	2	3	F
0	5	6	7	8	9	10	E
2	12	13	14	15	16	17	B
3	19	20	21	22	23	24	
	26	27	28				
2				1	2	3	M
0	5	6	7	8	9	10	A

MM DD YY
2 1 2023
2 28 2023

Month-to-Date Selected Week
 Cycle-to-Date Selected Month
 Year-to-Date Selected Cycle

Previous Week Today
 Previous Month Custom
 Past 30 days
 Previous Cycle
 Past 30 days



Maintaining P-Card Log, cont.

- Type the last name of the cardholder

Add filter:

Post Date: 02/01/2023 - 02/28/2023

CH Last Name: Is exactly

Transaction Type: Cash advance Misc Credit Misc Debit Purchase Reimbursement Payment

Format

Formats: Exact



Maintaining P-Card Log, cont.

- (Optional but useful: Check the box to Add Signature Line to either the Header or the Footer)

Formats: Excel

PDF

Output Files: Full Details
 Summary Only

Paper:

Orientation: Portrait Landscape

Add Summary Data in Header

Add Signature Line to: Header Footer

Insert Page Break:


Delimited Text

Maintaining P-Card Log, cont.

- Click the Submit Report button at the bottom of the screen.
 - Note: Reports can be run immediately or can be scheduled to run on a later or recurring date.

☐ Scheduling and Expiration

Job Name:

Run for User(s): None selected 

Schedule: Run Now
 Run Later
 Recurring

Report Expiration: after day(s)

- **NOTE:** If you run a report immediately after editing a transaction, there can be a lag and your changes might not show up. If so, try again after 15-30 minutes.



What is a Valid Receipt?

Receipts: The P-Cardholder must obtain appropriate, detailed, itemized documentation to support every transaction charged to the P-Card. A valid receipt contains the following information:

- Vendor name and address
- Date of purchase
- Description, unit price, and quantity of each item purchased
- Total cost of the order, including shipping and handling charges
- P-Cardholder name and/or the last four digits of the P-Card number
- If you absolutely cannot obtain a receipt, please fill out the Missing Receipt Affidavit (found on the Purchasing website) for your log.



Disputed Charges

If there is a discrepancy between the P-Card Log and the Bank of America statement, it is imperative that the issue is addressed immediately.

- If you believe the vendor has charged incorrectly, you must first contact the vendor and try to resolve the error or issue.
- If the matter cannot be resolved directly with the vendor and the error involves an overcharge, a credit adjustment should be requested and should appear on the next statement.
- If the vendor feels the original charge was correct, immediately contact the Department P-Card Manager and a P-Card Administrator who will work together with Bank of America to resolve the dispute. Bank of America will request complete details of the dispute in writing in order to research the item in question. The details of the disputed transaction must be reported on the Bank of America Dispute Form within 60 days of the transaction date.
- While pending resolution, the P-Card statement will be credited with the amount of the disputed transaction.



Review and Audit

- External independent auditors perform an annual audit, making it essential to adhere to the record-keeping guidelines.
- P-Card logs must be retained for a period of five years. Transactions involving federal or grant funds may require a longer retention period. Contact the grant administrator for additional information. Records will be stored in the department and must be available for review or audit upon request.
- Purchasing performs random audits of a minimum of 25 P-Card Logs on an annual basis. Purchasing also monitors P-Card program performance with reporting and data analytics in Works.
- If the P-Card holder is not the department/division head, then the P-Card holder will be included in an annual audit by Purchasing.



Violations & Consequences

The P-Cardholder is responsible for purchasing only items that are necessary to carry out their job requirements and to comply with State and institutional purchasing policies and procedures.

- Any P-Card transaction contrary to the program's authorized usage is a violation.
- P-Card violations range from inadvertent mistakes to negligent or fraudulent use. In the event of willful or negligent actions relative to these obligations, the College will take any appropriate recovery action, as permitted by law, including criminal prosecution.
 - Personal Purchases
 - It is a violation of federal and state laws to use public funds for a personal purchase; regardless of intent to reimburse. Such use may be considered an act of embezzlement.
 - Cash or Cash Equivalent Transactions
 - Cash transactions such as cash back with a purchase, cash credit returns, purchase of traveler's checks or money orders, as well as ATM transactions are strictly prohibited.
- Violations could result in corrective or disciplinary action up to and including termination of employment.



FAQ

- Can a P-Card holder be their own P-Card manager?
 - Yes
- What do I do if my card is declined?
 - Contact your P-Card Manager to ensure that you have not exceeded your monthly limit.
 - If that is not the issue, you or the P-Card Manager can contact Purchasing to investigate the cause. Sometimes the MCC restriction needs to be lifted to allow a routine transaction; sometimes the bank has flagged a transaction as potential fraud. In the latter scenario, the cardholder must call the number on the back of the card to authorize the transaction.
- I use my supervisor's card all the time. Is this OK?
 - A cardholder can authorize a direct report to use their named P-Card on their behalf. If the cardholder is wanting to distribute the card to multiple employees, a department card is needed.
- Can I let a student use a department P-Card?
 - P-Cards are only to be used by LC State employees who have taken the training and signed the application form.



FAQ, cont.

- I signed off on my monthly transactions and then ran my statement. My changes didn't hold.
 - There is often a lag between you make edits to transactions and when they appear on the statement. It is recommended to wait about 30 minutes after making changes before running the statement.
- There's a transaction on my statement that I don't recognize. What do I do?
 - If you recognize the vendor name, contact them to see if they can confirm the transaction.
 - If an unfamiliar vendor, Google to find a contact.
 - If the transaction can't be identified, call the number on the back of the card as soon as possible and report the transaction as fraud.
- Do I have to print out my statement if there were no transactions?
 - Yes, please print (or save a pdf) a 0 balance statement. The P-Card Manager will sign this but no other signatures are required.





Thank you. Questions?

Purchasing Department

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