MTSU PURCHASING CARD

A BUSINESS TOOL FOR TODAY'S FAST-PACED UNIVERSITY

An On-line Tutorial covering the guidelines and policies to help put you on the right track for gaining the most benefit from your MTSU University Purchasing Card.

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ISSUING AND SERVICING P-CARDS

THE THREE DEPARTMENTS THAT SERVICE THE P-CARDS ON CAMPUS

1. Procurement Services:

-Process applications

-Issue/cancel cards

-Initial training & refresher course

-Daily P-Card operations

2. P-Card Compliance, Business and Finance

-Conduct compliance reviews

-Additional training and education

-General ledger set up

-User account credential setup for software access

-Policy amendments

3. Audit and Consulting Services

- Conduct audits of individual P-Cards or departmental programs as needed or requested

P-Card Application Process

The application process is spelled out in Appendix A of the P-Card Policy. It requires 3 forms to be completed and submitted.

1. P-Card Application Form

   **Complete & submit to Business and Finance*

2. Approver Agreement Form

3. Cardholder Agreement Form

Forms #2-3 will be completed & signed at the conclusion of the initial training session with Procurement

TRAINING POLICY

Required Cardholder Training Sessions:

- ❖ An initial training session is required to activate each new P-Card and is completed with Procurement Services.

- ❖ A refresher training course is required every 3 years. Cardholders should use the P-Card expiration date printed on their card as the date reminder for this refresher training. Contact Procurement for this training information.

*The Training requirements include each cardholder, approver, and any support staff.

Cardholder Status Changes

Any cardholder employment change or a change in card usage will require an online form to be completed, the *Change In Cardholder Status Form.*

4 Reasons to Complete a Change In Cardholder Status Dynamic Form:

1. Departmental Transfer
2. Leave of Absence
3. Terminating Employment
4. Discontinued Use of P-Card

Actions For > 1. Departmental Transfer 2. Leave of Absence of more than 2 Weeks

- Notify the approver asap of any change in status
- Initiate the online *Change in Cardholder Status Form*
- The card is temporarily suspended until the new activation date or until the employee returns to campus
- P-Card Compliance will notify the cardholder of any other requirements

Actions For > 3. Terminating Employment 4. Discontinued Use of P-Card

- ❖ Stop using the card 2 weeks prior to closing the card.
- ❖ Initiate the online *Change in Cardholder Status Form*
- ❖ Destroy the card and email pcard@mtsu.edu when it has been shredded.
- ❖ Give p-card files to approver to retain for 5 year record retention requirement.
- ❖ P-Card Compliance will notify the cardholder of any other requirements

*For immediate terminations: Approvers are responsible for collecting P-Card files and notifying Procurement Services and the Office of Business and Finance

FILE MANAGEMENT REQUIREMENTS
-APPROVERS-

- Spot check receipts and monthly reconciliations on a routine basis.
- Determine a method for documenting which receipts were spot-checked for audit purposes.
- Review Banner Finance index and account coding for correctness prior to approval.
- Approve purchases no later than 10 calendar days after the end of the billing cycle. (Billing cycle ends on the 27th of each month)

FILE MANAGEMENT REQUIREMENTS
-CARDHOLDERS-

- ALL purchases must have original itemized receipts
  (packing slips, invoices, required forms)
- All items must be shipped to an MTSU Address
- Lost receipts must be replaced with a Replacement Receipt Form
- Original receipt tapes should be copied before final file retention due to paper fading issues
- Redact all sensitive card information from statements and files

FILE MANAGEMENT REQUIREMENTS
-CARDHOLDERS continued-

- ❖ Required support documents must be filed with original receipts (i.e. Policy approval forms & exception memos)
- ❖ Reconcile itemized receipts to each monthly bank statement
- ❖ Code purchases to correct Banner Finance budget index and expense accounts
- ❖ All documents are retained for **5 years**, not including the current year

*** Document in writing *all emergency or pre-approved non-procedural purchases* that were communicated with and approved by Procurement or P-Card Compliance. Place this documentation with the receipts for future review purposes.

Steps to Take for Fraudulent Charges & Lost or Stolen Cards

1. Contact the Truist Fraud Department , **1-866-495-5411**

2. Notify the Business & Finance Office, pcard@mtsu.edu. Notify the Business & Finance Office of any action taken by Truist to resolve the issue. If your current card has been canceled and a new card has been issued, you will need to provide that information along with a list of transactions that were determined to be fraudulent. Email information to pcard@mtsu.edu

3. Notify your approver

Lost and Missing Receipts

Policy requires that every purchase must have an *itemized* receipt on file. The cardholder should follow the steps below to obtain a replacement.

1. Contact the vendor for a duplicate receipt. If a duplicate cannot be obtained, move to step #2.

2. Complete the online dynamic *P-Card Replacement Receipt Form*.
   (Be very detailed on the form when describing your purchase.}

3. This form will now be used as the official receipt for your purchase. Attach it to your monthly bank statement for any future audits.

Purchasing: General Quick Tips & Facts

1. All card purchases are limited to a single transaction limit of $4,999.99
   *No splitting the transaction into 2 or more separate transactions to make the purchase fit the limit.

2. Contact Procurement Services if the card is declined at vendor checkout, **615-898-2511**

3. All card purchases must be paid with institutional or grant/restricted funding
   *No foundation or agency account purchases nor can a JV be completed from a Foundation account to cover the expense.

4. All card purchases must utilize contracted vendors when available

5. Card purchases should be made through MT$ource when possible

6. If your name is on the P-Card, **YOU** are the responsible party for the card
   *If another person in your area is in charge of reconciliation, that does not remove you from responsibility.

Purchasing >> Specific Help from A-Z

Advertising

- All employment ads must be approved by HR and listed on the recruitment plan.
- All Other advertising must be reviewed by the Marketing and Communications Department.
  - Contact Teena Young, teena.young@mtsu.edu for approval assistance.

Amazon

- MTSU has an Amazon Business Account for P-Card purchases. Contact ann.whitefield@mtsu.edu for an invitation to join the Amazon account.
- Personal credit cards or personal accounts may NOT be used with the Amazon Business Account.

Purchasing >> Specific Help from A-Z

Computers

- Software: If the cost is over $1,000, written ITD approval is required with receipt unless purchased from DELL or APPLE through MT$ource.
- Hardware: If the cost is over $1,000, written ITD approval is required with receipt unless purchased from DELL or APPLE through MT$ource.
- iPad & similar Tablets: ITD will be notified of purchase to allow for the tagging of equipment

Contracts

- Departments can not exceed $10,000 in purchases per year with a single vendor. If over $10,000 total spend is needed with a specific vendor, contact Procurement Services to pursue a contract.

Purchasing >> Specific Help from A-Z

Foreign Transactions

- Review of purchases from foreign vendors should be completed by the Business & Finance, Tax Compliance Office BEFORE the purchase is made.
- Jim Woulfe, Tax Compliance Office, will assist you with this review. Email james.Woulfe@mtsu.edu

Fringe Benefits to Employees

- Because fringe benefits exceeding $100 per employee - per year, are taxable; any P-Card purchases that could be determined to be a fringe benefit to an employee will be handled as follows:
  - At the time of the Compliance review, a list of recipients, a description of the items purchased, and dollar value of the items will be requested.
  - The documentation will be forwarded to the Business and Finance Tax Compliance Office for review.
- For additional information on Policy 608- email james.Woulfe@mtsu.edu in the Tax Compliance Office.

FOOD PURCHASE APPROVALS

- Any food item or beverage purchase must be pre-approved regardless of vendor. The **Food Purchase Authorization Form** must be completed and then routed for approvals using the dynamic form **Food Purchase Routing P-Card Form.** The form must be received in the P-Card Compliance Office 5 days prior to the food purchase date.
- This form is used to substantiate the IRS business purpose of the event and document the need for the food. The form must include the time of event, list of expected participants, detailed description of the event and an agenda. The business purpose of food purchases are reviewed according to the criteria in the Food and Beverage Policy 661.
- Upon review, P-Card Compliance will issue an FPA number, notify the cardholder, and open the P-Card for use on the intended date of purchase. The P-Card purchase may not be completed until the cardholder receives an email with the approved FPA number.
- Vendors may include, grocery stores, retail stores, wholesales clubs, restaurants, fast food vendors, and off-campus caterers.

Purchasing >> Specific Help from A-Z

Memberships and Subscriptions

- Original and renewals may be purchased on the P-card.
- The Subscription/Membership Application Form is no longer a required form.
- Department Heads are *responsible for ensuring that each purchase adheres* to the parameters set forth in Membership and Subscription Policy 660. https://www.mtsu.edu/policies/business-and-finance/660.php

Printing Services

- All publications should be produced on campus when economically feasible or unless Printing Services is unable to produce the job.
- For each printing purchase, documentation should be retained supporting the use of off-campus printing.

Travel Regulations

- Only conference registrations and coach airfare are allowed on the P-Card.
- A Travel Authorization, Chrome River Pre-approval report, or written approval is needed PRIOR to travel purchases.
- Seat upgrades and early check-ins are not allowed.
- Hotels and car rentals are not allowed.

Purchasing >> Specific Help from A-Z

SAM's Club Purchases

- RSVP and pick up the Sam's business membership card from Procurement. purchase@mtsu.edu.
- If your purchase is to include food/beverage, be sure the Food Purchase Authorization form request has been submitted 5 days prior to purchase date.
- Employees shopping at Sam's must have their own university P-Card for payment, as you are not allowed to give your P-Card to another person to use. (i.e. no grad students, student officers or other employees).
- For Sam's purchases, remember that the P-card cannot be used for purchases from a Foundation account or with funding held in an agency (08XXXX) account.
- All Sam's P-Card purchases will be part of the P-Card Compliance monthly review processes. Therefore, be sure and retain all itemized receipts.

Sales Tax Issues

If you are mistakenly charged sales tax here's what you need to do!

1. Contact the vendor for reimbursement of taxes paid.
2. Complete the dynamic form Sales and Use Tax Exemption Request (7/1/23 - 6/30/27) to request the MTSU Sales Tax Exemption Certificate be sent to a specific vendor.
3. Document your efforts and steps taken to recover the sales tax.
4. If the vendor refuses; document all correspondences to retain with the purchase documentation.

Purchasing Pitfalls to Avoid

Unallowable Purchases & Vendors

Items:

- Gift Cards
- Taxi/Uber-no employees, *University Guest are permitted*
- Car rentals, bus service, parking fees, tolls
- Donations or sponsorships – any form
- Foundation or agency purchases
- Mobile Apps for IPad, IPhone, or similar device
- Professional Services (Questions contact: Contract Services)
- Employee gifts, cards, flowers, (all occasions included)
- Food & Drink for staff/employee meetings
- Office and or break room appliances
- Meals during individual travel

Locations:

- Gasoline & Fuel, Service Stations
- Hotels
- Medical Service Operators
- Card & Souvenir Shops

***This is not an exhaustive list.
Please refer to Policy 632, or with the P-Card Compliance office if you have purchasing questions.**

P-Card Review Procedures

CARDHOLDER STEPS TO PREPARE FOR A REVIEW

Step 1: Relax – Everyone's P-Card transactions and accounts are reviewed by compliance.

Step 2: Cardholders - Keep all your itemized receipts, invoices, packing lists, and any documentation related to the purchase stapled to the bank statement. If in doubt, keep it. You will be in good shape if you keep your purchases documented and organized.

Approvers – Make sure that your area's procedures for spot-checking and all approver oversight is documented and up-to date. ***Spot-Checking is the approver's responsibility and must be documented!***

Step 3: Please take time to refer to the P-Card Policy for a list of all the exact Cardholder responsibilities. Also, for all approvers, the policy contains a detailed list of approver responsibilities as well.

Monthly Transaction Reviews

Summary: Each month the P-Card Compliance Office reviews ALL of the P-Card transactions from the previous month using models with various filters and screening processes making sure purchases are in alignment with MTSU policies and procedures. This usually covers anywhere from 1,800 to 3,000 transactions per month. When a purchase transaction is selected for additional review, an automated email is sent to the cardholder requesting that copies of receipts and all other supporting documentation be sent for further review. Once the review is complete, an email receipt closing the review is returned to the cardholder.

Step 1: The P-Card Compliance Office reviews all the university's transactions.

Step 2: An email is sent notifying the cardholder that a transaction is under review and requesting that a receipt be submitted. ****RESPONSES SHOULD BE TIMELY****

Step 3: The P-Card Compliance Office will review the additional information. A compliance review receipt will be sent to the cardholder upon completion of the review.

PLEASE NOTE: Cardholders should expect these requests at varying frequencies, rate, and number. If you ever have a question, we are always available for help!

Monthly ESP Image Online Reviews

Summary: Each month the P-Card Compliance Office will transactions from the previous month using models with various filters and screening processes making sure purchases are in alignment with MTSU policies and procedures. When a transaction is selected for additional review, the P-Card Compliance Office will review the documentation uploaded to ESP for an online ESP image review. The P-Card Compliance Office will notify the cardholder through an email request if additional information is required. Once the review is complete, a compliance review closing receipt will be emailed to the cardholder.

Step 1: The P-Card Compliance Office reviews all the university's transactions.

Step 2: The P-Card Compliance Office will review the ESP image receipt and supporting documentation attached to a transaction selected for review.

Step 3: The P-Card Compliance Office will request additional information from the cardholder if needed.

Step 4: A compliance review receipt will be sent to the cardholder upon completion of the review.

PLEASE NOTE: Contact the P-Card Compliance Office with questions, we are always available to help.

Cardholder Compliance Reviews

Summary: A staff member of the P-Card Compliance Office may schedule an appointment with the cardholder to review card transactions covering a specific period. This review is completed to ensure that purchases are in alignment with State and MTSU policies and procedures. When the review is completed, any outstanding issues are discussed, and a compliance report is issued to the cardholder and approver. If any corrective action needs to be taken, an action plan will be required from the approver and cardholder.

Step 1: P-Card Compliance may conduct a Cardholder Account Review at any time.

Step 2: Upon completion of the review, P-Card Compliance will issue a summary report to the cardholder and the approver.

Step 3: Action items should be submitted by the cardholder and if required, an action plan for improvement submitted by the approver.

PLEASE NOTE: A department head may call the P-Card Compliance Office and request a Compliance Review of an account at any time.

3 Month, New Cardholder Overview

Welcome to the P-Card Community!!

Summary: Someone from our team will schedule a review training meeting after your first few months of P-Card use. This phone or zoom meeting will answer any specific questions and review your P-Card use to date.

Step 1: When you receive an email request to schedule your visit for your 3 Month Overview – JUST RESPOND !!

Step 2: We look forward to these one-on-one appointments ☺

P-Card Violations & Non-Compliance

A cardholder or approver mismanaging their card or using it outside policy parameters will result in a *notice of non-compliance*. Consequences depend on the severity of the violation identified.

Possible Consequences of P-Card Violations:

1. Reimbursement of unallowable purchases
2. Receipt Notice for Non-Compliance
3. VP Signed Exception Notices for unallowable purchases
4. Temporary Suspension of P-Card Usage – This decision will be based on the severity of violations, number of offenses, and the departments ability to take corrective action.
5. Other Corrective Action: permanent card revocation and/or termination of employment.

Steps to Reimburse Unallowable Purchases

1. Initiate the online dynamic P-Card Reimbursement Form.

2. As part of the reimbursement form directions, make the reimbursement payment at the Cashiers window in the OneStop Bldg.

3. Keep a copy of the reimbursement form, receipt, and the original purchase receipt in the cardholder's file.

4. Document the reimbursement in the ***NOTE*** field of ESP for this transaction.

5. The approver will need to approve the purchases as normally required.

Keeping our P-Card Community Secure!

Reporting Fraud & Violations

Administrators, faculty, and staff who know of or suspect violations of University policies have a requirement to report their concerns. Please call or visit the P-Card Compliance Office and make us aware of any concerns or questions regarding this issue. It is a privilege to be a cardholder and misuse hurts the entire university.

Where to Find Common P-Card Forms

P-Card Compliance Webpage: http://www.mtsu.edu/boffice/pcard.php

P-Card Application

P-Card Approver Agreement

P-Card Cardholder Agreement

P-Card Change in Cardholder Status (Dynamic Form)

P-Card Replacement Receipt Form (Dynamic Form)

P-Card Reimbursement Form (Dynamic Form)

Food Purchase Authorization (Interactive Form)

Food Purchase Routing-PCARD (Dynamic Form)

Finding Help with your P-Card Questions

P-Card Contact Information

Haley Bunney
P-Card Analyst
615-904-8259
Cope 106
Haley.bunney@mtsu.edu

Ann Lee Whitefield
Asst. Director-Financial Systems
615-494-8813
Cope 103
ann.whitefield@mtsu.edu

Melisa Warner
Procurement
615-898-2511
WH
melisa.warner@mtsu.edu

Amy Kincaid
Financial Analyst 2
615-494-7739
Cope 106
amy.kincaid@mtsu.edu

Carol Rozell
Director-Financial Systems
615-898-5218
Cope 103
carol.rozell@mtsu.edu

P-Card general email address: *pcard@mtsu.edu*
P-Card Compliance web page address: *mtsu.edu/boffice/pcard.php*

Other Helpful Resources

Contract & Signed Agreement Information
Contract Services Phone
615-898-2088

Advertising Purchase Information
Marketing & Communication
Teena Young
Teena.young@mtsu.edu

Tax Compliance Office
James (Jim) Woulfe
james.Woulfe@mtsu.edu

Travel Purchase Information
Business Office, Travel Department
Megan McKee, megan.mckee@mtsu.edu
Gayla Wilson, gayla.wilson@mtsu.edu

ITD - Computer and Software Purchase Information
Emily Harper– Director-ITD Business Ops
Contact: 615-898-2206 or emily.harper@mtsu.edu

General MT$ource and Procurement Information
Procurement Services
Phone 615-898-2944
purchase@mtsu.edu

Construction and Renovation Information
Terri Carlton
terri.carlton@mtsu.edu