

Texas A&M University–Kingsville

Procurement Card Program Guide Manual



TABLE OF CONTENTS

1. OVERVIEW.....3

1.1	Procurement Card Program	3
1.2	Procurement Card Contract	3
1.3	Procurement Card Program Guide.....	3
1.4	Important Points of the Program	3

2. GENERAL INFORMATION4

2.1	Duties and Responsibilities	4
2.1.1.	Procurement Card Coordinator	4
2.1.2.	Department/Division Head	4
2.1.3.	Cardholder.....	5
2.1.4.	Citibank Customer Service.....	5
2.2	Procurement Card Controls.....	5
2.2.1.	Eligibility Criteria	5
2.2.2.	Credit Limits.....	5
2.2.3.	Transaction Limits	5
2.2.4.	Restricted Vendors	6
2.3	Maintaining Your Procurement Card	6
2.3.1.	Itemized Invoices/Receipts.....	6
2.3.2.	Monthly Reminder Email	6
2.4	Sales and Use Tax	6
2.5	Security of the Procurement Card	6
2.6	Employee Termination and Transfer	7
2.7	Lost or Stolen Cards.....	7

3. PROCEDURES.....7

3.1	Obtaining the Procurement Card.....	7
3.2	About the Card	8
3.3	Procurement Card Activation	8
3.4	Procurement Guidelines	8
3.4.1.	General Information.....	8
3.4.2.	Examples of Acceptable Purchases.....	10
3.4.3.	Unacceptable Purchases	12
3.5	Receiving Supplies	12
3.6	Procurement Card Documentation.....	13
3.7	Guidelines for Allocating Procurement Card Expenditures	13
3.8	Audits.....	13
3.9	Statement and Payment	14
3.10	Returns, Credits, and Disputed Charges.....	14
3.11	Card Termination	14
3.12	Non-Compliance.....	15

4. FREQUENTLY ASKED QUESTIONS AND ANSWERS17

5. ATTACHMENTS/FORMS.....19

Attachment A – Cardholder Procurement Card Agreement.....	20
Attachment B – Sales Tax Exemption Certificate	21
Attachment C – Business Meal Food Form.....	22
Attachment D – Missing Receipt Form.....	23

1. OVERVIEW

1.1 Procurement Card Program

The purpose of the Procurement Card Program is to establish a more efficient, cost-effective method of the delegated purchases and payment. If used to its potential, the program will result in a significant reduction in the data entry of small orders, receiving, and invoices. The Procurement Card can be used with any supplier that accepts MasterCard as a form of payment.

The Procurement Card program is designed to delegate the authority and capability to purchase limited items directly to the person to whom it most matters - YOU, the user. The Procurement Card will enable you to purchase under your delegated authority non-restricted commodities directly from the vendors without the issuance of a purchase order.

1.2 Procurement Card Contract

The terms and conditions of the Procurement Card contract were specified and awarded by the Office of the Comptroller of Public Accounts for the State of Texas. TAMUK is utilizing the State of Texas contract for Procurement Card services with Citibank. TAMUK will comply with the terms and conditions of the state contract in the implementation of this program.

1.3 Procurement Card Program Guide

The Procurement Card Program Guide provides the guidelines for using the Procurement Card. Please read it carefully. Your signature on the Cardholder Procurement Card Agreement shows that you understand the intent of the program and agree to follow the established guidelines.

1.4 Important Points of the Program

The following important points should be reviewed before using the Procurement Card:

- Your Procurement Card is issued in your name. All purchases made on the Procurement Card must be made by you, the cardholder. You are responsible for the security of the Procurement Card and the transactions made with it. If you do not follow guidelines when using the Procurement Card, you may receive disciplinary action, up to and including termination.
- You can use the Procurement Card at any vendor that accepts MasterCard and is not on State hold. It may be used for in-store purchases, mail, telephone, fax orders, or internet purchases.
- You may use the Procurement Card to purchase supplies within your delegated limits.
- You may not exceed the individual transaction limit or the monthly credit limit assigned to you.
- Monthly Allocation of charges is required to ensure all charges are accurate. Concur online account allocation and expense report must be completed, submitted, and approved by the 15th of each month. If the deadline falls on a weekend, the due date will move to the next business day.
- The Procurement Card is not intended to avoid or bypass appropriate procurement or payment procedures. This program compliments the existing processes available.
- The Procurement Card is **NOT** for personal use.
- Procurement Cards must be cancelled immediately upon separation or termination from employment. The Procurement Card must be returned to the Procurement Card Coordinator. The employee and the department head are both responsible for immediately notifying the Procurement Card Coordinator of the employee's separation/termination.

- If the employee is transferred to another department, the employee is required to complete and submit a new E-Form Procurement Card Application with the new department information. The Procurement Card Coordinator will make the appropriate changes with the bank, resulting in no break in the use of the card.
- In the event the employee no longer has a need for the Procurement Card due to a job status change, even in the same job position, the Procurement Card must be returned to the Procurement Card Coordinator. The employee and the department head are both responsible for notifying the Procurement Card Coordinator of employee's changes in job status.
- In Concur, cardholders can assign delegates, who are allowed to allocate monthly charges and prepare monthly expense reports on their behalf; however, the cardholder will ultimately be held responsible for meeting the submission and approval deadline.
- Personnel (account supervisors and cardholders) must attend training workshops for purchasing policy, appropriate card use, and online allocation procedures either by taking the online training course available through TrainTraq or by attending a live monthly held training course. Training records shall be maintained in the Procurement and Travel Services (PTS) Department.
- All cardholders will be required to pass an online refresher course, available through TrainTraq, every two (2) years.

2. GENERAL INFORMATION

2.1 Duties and Responsibilities

2.1.1. Procurement Card Coordinator:

The Procurement Card Coordinator is charged with keeping documentation for the Procurement Card activities within TAMUK. The Coordinator is knowledgeable about the program, the guidelines and related forms. Cardholders shall first contact the Coordinator, who will answer questions in regards to the program or potential problems. The Coordinator may refer questions to the Program Administrators when necessary. All Procurement Card requests must go through the Procurement Card Coordinator.

TAMUK Procurement Card Coordinator:

vacant
361-593-4655
pcard@tamuk.edu

2.1.2. Department/Division Head:

The department/division head, or designee, is responsible for designating cardholders and approving all transactions and monthly Procurement Card statements of cardholders to ensure they are within TAMUK's policy. The department/division head is also responsible for designating some personnel to have access to allocate transactions to their appropriate expenditure codes and may assist in assigning cardholder limits and regulations.

The department/division head, or designee, shall review the usage of the Procurement Cards and cancel cards based on non-usage to limit our liability. The review should be done at least twice a year. The review shall also consider if the limits are appropriate for existing Cardholders.

2.1.3. Cardholder:

The cardholder is the employee designated by the department/division head to utilize the Procurement Card for purchasing small dollar supplies. The cardholder is responsible for:

- Following the purchasing guidelines of TAMUK in regards to purchases
- Selecting vendors per purchasing guidelines
- Attending and completing trainings
- Safe keeping and securing the card
- Reviewing accounts
- Allocating transactions on a monthly basis
- Submitting monthly expense reports timely

2.1.4. Citibank's Customer Service:

The Procurement Card Program is serviced using a team approach with the issuing **Citibank's Customer Service Center**. This center is **available 24 hours a day, 7 days a week** to assist the cardholder with general questions about the Procurement Card account. If a Procurement Card is **lost or stolen**, notify Citibank Customer Service immediately at **1-800-248-4553**.

2.2 Procurement Card Controls

2.2.1. Eligibility Criteria:

In determining which employees should receive a Procurement Card, the Department/Division Head considers the following criteria:

- 2.2.1.1. The University's goals for the procurement card program (efficient and effective small dollar purchasing)
- 2.2.1.2. The employee's essential job duties
- 2.2.1.3. The number of procurement cards the employee already has (note: more than one card is an exception and requires written justification to the Procurement Card Coordinator).
- 2.2.1.4. The ability of the supervisor to oversee the use of the card

2.2.2. Credit Limits:

All Procurement Cards have monthly credit limits. Limits vary for each cardholder and are established by the Department/Division Head in consultation with the Procurement Card Coordinator and Administrators during the application process.

Any requests for changes to the initial setup of monthly credit limits may be sent to the Procurement Card Coordinator in writing or via e-mail (pcard@tamuk.edu) through the Department/Division Head.

* Please allow 2 to 4 working business days to process any changes with Citibank.

2.2.3. Transaction Limits:

Your Procurement Card has a single transaction limit. This is the amount available on the Procurement Card for a single purchase. A transaction includes the purchase price plus freight and installation. Cardholders should not attempt to make a purchase greater than his/her approved amount.

Any requests for changes to the initial setup of transaction limits may be sent to the Procurement Card Coordinator in writing or via e-mail (pcard@tamuk.edu) through the Department/Division Head.

* Please allow 2 to 4 working days to process any changes with Citibank.

The maximum single transaction limit is \$5,000 as per your assigned delegation of authority, as expenditures above this amount are subject to the bidding process. Exceptions are uncommon but may be made with pre-authorized approval by the Program Administrator.

2.2.4. Restricted Vendors:

The Procurement Card Program may be restricted for use with certain types of suppliers and merchants. If you present your Procurement Card for payment to these vendors, the authorization request may be declined. Should this occur, contact the Procurement Card Coordinator with justification for the allowable transaction for approval. We may override the Merchant Commodity Code by contacting Citibank so the transaction may process.

2.3 Maintaining Your Procurement Card

2.3.1. Itemized Invoices/Receipts:

Always obtain an itemized invoice when using the Procurement Card. It is every cardholder's responsibility to ensure there is an itemized invoice for each purchase.

If the vendor cannot provide a receipt/invoice, screen prints are acceptable for internet orders and order forms for fax/mail orders. This information is to be retained in the department for future audits and is TAMUK's official record for the transaction.

2.3.2. Monthly Reminder:

At the end of each billing cycle, notifications are posted via JNET and email to the procard@tamuk.edu list serv:

"This is a reminder that the P-Card billing cycle closes on the 3rd of each month. Your Concur expense report must be submitted and completed routing by the 15th. If this deadline falls on a weekend, the due date will move to the next business day."

If you choose to have a Delegate who prepares your monthly expense reports, the cardholder is ultimately responsible for verifying that all P-Card requirements are submitted timely and correctly.

2.4 Sales and Use Tax

TAMUK, as an agency of the State of Texas, is tax exempt within the State of Texas. The cardholder should carry and present a TAMUK tax exemption certificate with their Procurement Card (See Attachment B).

The tax exemption certificate is available online at:

https://www.tamuk.edu/finance/files/finance/ssgs/forms/Sales_Tax.pdf

In the event that sales tax is charged in error, notify the vendor immediately to credit the P-Card for the sales tax portion. Attach the credit slip to the documentation to reflect that no sales tax was paid.

2.5 Security of the Procurement Card

The cardholder is responsible for the security of the card. This card shall be treated with the same level of care as the cardholder would use with his/her own personal charge cards. Guard the Procurement Card account number carefully. It shall not be posted in a work area or left in a conspicuous place. It should be kept in an accessible, but secure location.

The only person authorized to use the Procurement Card is the cardholder whose name appears on the card. The card is to be used for business purposes only. TAMUK has disciplinary procedures related to unauthorized use of the Procurement Card. See section 3.12 of this guide.

2.6 Employee Termination and Transfer

The Procurement Card must be cancelled upon the cardholder's termination. The Department/Division Head sends an e-mail to the Procurement Card Coordinator at pcard@tamuk.edu with the cardholder's name. The Procurement Card may be given to the Procurement Card Coordinator during the employment exiting process.

Upon termination of active employment, Cardholders must allocate all card charges. All disputes must be resolved.

When a cardholder transfers to another department, the employee is required to complete and submit a new E-Form P-Card Application with the new department information and the department head's signature. The Procurement Card Coordinator will make the appropriate changes with the bank, resulting in no break in the use of the card.

If the cardholder will not need the P-Card, the card must be turned in to the Procurement Card Coordinator to be cancelled and destroyed.

2.7 Lost or Stolen Cards

If a Procurement Card is lost or stolen, immediately contact **Citibank's Customer Service** department at **1-800-248-4553**.

After contacting Citibank, notify the Procurement Card Coordinator, in writing, at pcard@tamuk.edu and copy the Department/Division Head.

Prompt and immediate action reduces our liability of fraudulent activity. It is imperative that you contact the bank immediately for suspension of your card because TAMUK is responsible for all charges made on the card until it has been cancelled.

3. PROCEDURES

3.1 Obtaining a Procurement Card

3.1.1. To obtain a Procurement Card the following process shall be followed:

- 3.1.1.1. The Cardholder e-form Application is available online at <https://it-lf-ecmf.tamu.edu/Forms/pcardapp>. This application will provide the necessary information about the Cardholder, the budgeted FAMIS account/support account for default payment, and the Department/Division Head's approval of your application and subsequent designation of your delegated purchasing authority within the procedure of TAMUK.
- 3.1.1.2. Submit the e-form application for approval.
- 3.1.1.3. Procurement and Travel Services Department will request issuance of the Procurement Card from Citibank.
- 3.1.1.4. Applicant will receive an email advising of required training.
- 3.1.1.5. Applicant completes online training course in TrainTraq or attends a classroom training.
- 3.1.1.6. Upon successful completion of a TrainTraq training, the applicant will receive an

email confirmation from TrainTraq Messenger. The applicant should forward the completion certificate per the instructions provided in the email confirmation.

- 3.1.1.7. Applicant signs Cardholder Procurement Card Agreement when picking up the Procurement Card and activation instructions in the Procurement and Travel Services Department. This is an agreement between the cardholder and TAMUK that affirms that the cardholder has read and understands the policy and procedures for the Procurement Card Program.

3.2 About the Card

A Procurement Card will be issued in your name with the State of Texas seal and the wording "For Official Use Only" clearly indicated on the card. This card is for University business purposes only and may not be used for any personal transactions. It is important that you understand that you are personally responsible and accountable for this Procurement Card.

- 3.2.1. The following items should be provided to you, the cardholder, upon completion of the online training course:

All items are also available at: www.tamuk.edu/finance/procurement/pcard_services

- 3.2.1.1. Procurement Card Program Guide: This document outlines TAMUK's procedures in regard to its Procurement Card. It also outlines some approved types of purchases.
- 3.2.1.2. Procurement Card: Upon signing the Cardholder Procurement Card Agreement and proper identification and verification, the card will be issued directly to the you; no one else can pick up the card.

3.3 Procurement Card Activation

The cardholder must activate the Procurement Card before using it. Upon receipt of the card, the cardholder should sign the back of the Procurement Card and always keep the card in a secure place.

For cards issued after 01/01/06 all references to social security number should be replaced with a uniform identity number (UIN)

3.4 Procurement Guidelines

3.4.1. General Information

As a State institution, we are bound by certain State, Local, and Federal guidelines and laws. All purchases must be in accordance with the laws of the State of Texas and the purchasing procedures of the Texas A&M University System and TAMUK. The cardholder is responsible for compliance and strict adherence to all procurement guidelines within their departmental delegated authority.

As a reminder, the departmental delegated authority is for small dollar amount transactions. State law mandates that large purchases may **not** be broken down into small purchases to meet delegated limits. To do so would be a violation of State Law and of TAMUK's Procurement Procedures.

Cardholders should promote and encourage positive interactions with suppliers. Honesty and courtesy are essential ingredients in all aspects of a buyer/supplier relationship.

All cardholders shall follow these guidelines when using the Procurement Card:

- 3.4.1.1. Determine if the transaction is an acceptable use of the card, and if it is within the

cardholder's delegated limits.

- 3.4.1.2. *For Purchases greater than \$500, you must verify that the vendor is not on the **State of Texas Vendor Hold List:** <https://fmcpa.cpa.tx.us/tpis/search.html>

*For purchases involving contracts, you must verify that the vendor is not on the below lists:

State of Texas Vendor Hold List: <https://fmcpa.cpa.state.tx.us/tpis/search.html>

State of Texas Debarred Vendor List:

<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/debarred-vendors.php>

Excluded Party List:

<https://www.sam.gov.SAM/pages/public/searchRecords/search.jsf#1>

*Per Texas A&M Guidelines for the Disbursement of Funds

<https://disbursement.tamu.edu/purchase/payment-card/purchasing/guidelines/> & State of Texas Procurement Manual page 87 and 88.

- 3.4.1.3. Contact vendor to place your order.
- 3.4.1.4. Confirm pricing and estimated freight.
- 3.4.1.5. Request that a hard copy of the invoice with the pricing and freight be submitted to the cardholder and/or included in the shipment of supplies.
- 3.4.1.6. Ask the supplier if a purchase order number is required. If supplier requests a purchase order number use a combination of initials "PCP", Name, e.g. PCP-John Doe plus extension, (PCP-John Doe x-1111), would be the purchase order number.
- 3.4.1.7. Request the supplier indicates the initials "PCP" and your name and extension appear on all packing lists and box labels. e.g. PCP-John Doe x-1111. This will enable the Central Receiving Department to facilitate delivery of your supplies.
- 3.4.1.8. Use of the Procurement Card to purchase or transfer "export controlled" technology, software, information or items may be prohibited or restricted. Do not utilize the Procurement Card for these types of purchases and process all export type items in the e-procurement system JavelinaBuy.
- 3.4.1.9. Foreign vendor payments are not allowed by utilizing the payment card, as this requires a conversion from a foreign currency to US dollars. This type of purchase for foreign purchases should be processed through the e-procurement system JavelinaBuy.

3.4.2. Examples of Acceptable Purchases:

All purchases must be made in accordance with the Texas and United States Constitutions, applicable statutes and regulations, the State Comptroller's rules, Texas A&M University System regulations, and TAMUK rules. A state agency may not pay for goods before their delivery to the agency. The purchaser needs to ensure goods will be received before the statement due date.

Our statement closing date will be the 3rd of each month. Vendors should only charge the account when goods are shipped. Back orders should not be charged until the goods are shipped. (Refer to Guidelines for Disbursement of funds, See Attachment D)

<http://policies.tamus.edu/21-01-03.pdf>

The Procurement Card may be used for many various purchases such as:

Supplies-Office General	4010	Building Supplies & Materials	4076	Medical & Lab Equip	5751
Supplies-Paper Goods & Janitorial	4011	Landscaping Supplies	4077	Institutional Furnishings & Equip	5752
Supplies-Education	4012	Fabrics & Linens	4080	Shop & Industrial Equip	5753
Supplies-Research	4013	Furnishings & Equipment (non-inv)	4085	Marine Equipment	5754
Supplies-Other (including Ammunition)	4014	Computer Parts & Supplies	4090	Uniforms & Clothing	5755
Computer Consumables	4020	Telecom-Parts & Supplies	5120	PC Peripherals/Add Ons	5760
Subscription, Periodicals	4025	Employee Training-Regis. Fees	5215	Educational Books, Film & Ref	5765
Chemicals & Gases	4040	Employee Training-Tuition	5217	Purchase of Animals	5767
Medical Supplies	4045	M&R-Marine Equipment*	5510	Telecom - Equip Purchase	5770
Food Purchases (Rsrch, Smnrs, Tchng)	4050	M&R-Motor Vehicles*	5511	Fabrication of Equipment	5772
Farm, Ranch, and Nursery Supplies	4055	M&R-Machinery & Equipment*	5512	Real Property & Improvements	5773
Fertilizer	4056	M&R-Medical Equipment*	5513	Rental of Tools & Equipment	5810
Pesticides	4058	M&R-Tractors*	5514	Rental of Exhibit Space	5871
Supplies & Material-Roads & Hwy	4060	M&R-Land and Land Improvements*	5545	Other Expenses-Local Only	6335
Parts-Motor Vehicles	4065	Photographic Services	5615	Business Meals**	6340
Parts-Machinery & Equip	4066	SVCS - Reproduction, Scan, Imaging	5616	Participant Costs-Other	6374
Parts-Marine Equipment	4067	Freight/Delivery Services	5650	Items Purchased for Resale	6901
Parts-Tractors	4068	Postal Services	5655	Raw Material Purchased	6902
Plants-Local only	4070	Criminal & Civil Investigation Exp	5660		
Shop & Industrial Supplies	4075	Office Furnishings & Equip	5750		

Maintenance and Repair (5510 through 5545): All purchases must be for the service of actual repair cost, not maintenance agreements.

Food Purchases

State Funds:

State funds can only purchase food used directly in teaching or research and must be documented on the payment request.

Expense object code 4050 should be used.

Local Funds:

All consumable food purchases must be made on local funds and must include the business purpose for the food and who will consume the food.

Business Meal

A business meal can be defined as food purchased while attending a meeting with colleagues or other business associates and tips are allowed and should not exceed 20%.

The IRS requires "who, what, when, where and why" documentation for business meals and alcohol.

The IRS considers this entertainment and if not documented properly will be considered a taxable benefit to the employee and must be taxed. This is why it is important to document correctly the purchase of all food and alcohol.

A Business Meal Form must be completely filled out with for all business meals to meet IRS requirements.

If allowable, business meals should be coded with expense object code 6340.

If allowable, alcohol should be coded with expense object code 6341.

Food

Allowable food purchases other than for business meals.

Expense code 6339 should be used.

A Food Purchase Information Form is not required.

Indicate on the receipt the business purpose for the food purchase.

Tips are allowed and should not exceed 20%.

A meal eaten alone in your office does not qualify as a business meal and the cost cannot be reimbursed as such. This would violate Texas A&M System Policy and Texas A&M System Policy **07.01: Ethics**.

Expenditures for food and/or refreshments from local funds are authorized to the extent such expenditures enable the state agency to carry out their educational function, serve to promote education in the state of Texas, and provide an important public service.

3.4.3. Unacceptable Purchases:

The Procurement Card may not be used for the following purchases:

Salaries	1110 - 1640	Data Proc Emplt Serv-TAMU CIS	5645	Investment Fees	6320
Wages	1710 - 1775	Data Proc Emplt Serv-not TAMU CIS	5646	Alcohol Purchases***	6341
Employee Benefits	1910 - 1990	DP Rental Svcs-TAMU CIS	5647	Development Fee	6350
Travel Pool ***	3010 - 3410	DP Rental Svcs- Not TAMU CIS	5648	Development Fee Return	6351
Utilities	5010 - 5035	Other Contracted Service****	5670	Infrastructure Support	6355
Telecom – Long Distance	5110	Extermination Services	5671	Arbitrage	6360
Telecom Pool	5110 - 5116	Security Service	5672	Dormitory Charges for Students	6361
Telecom Pool (con't)	5125 - 5158	Royalty Distribution Services	5680	Food Services for Classes	6362
Service Pool	5211 - 5213	Computer Software	5761	Housing for Guest Instructors	6363
Service Pool (con't)	5220 - 5240	Telecom Infrastructure	5771	Participant Cst-Conference & Short Crs	6365
Judgment & Court Cost	5310 - 5340	Inventoried (Non-Capitalized)	5775 - 5799	Use Fee for Equip Repair	6410
Consultant Services	5350 - 5356	Rental & Leasing****	5811 - 5870	Administrative Allowance	6415
Professional Services	5410 - 5471	Scholarship Pool	5910 - 5925	Subawards- 1 st \$25,000 & Collecting	6449
Hazardous Waste Disposal Services	5610	Grants	6010 - 6032	Subawards- after 1 st \$25,000	6450
Temporary Support Service	5620	Debt Retirement	6110 - 6130	Capital Outlay Pool \$100,000>	8010 - 8250
Computer Prog Svcs-TAMU CIS	5625	Inter-agency Contracts & Trans	6210	Lease Purchase \$100,000>	8310 - 8371
Cmptr Prog Svcs-not TAMU CIS	5626	Trust or Suspense Payment	6215	Capitalized Furn & Equip > \$5,000.00	8410 - 8455
Communication Services	5630	Group Insurance Premiums for Retirees	6225	Construction	8710 - 8733
Cleaning Services****	5635	Penalty on Late Payment to Vendor	6230	Expense	9610 - 9635
Advertising Services-Sponsored	5640	Bad Debt Expense	6310		
Advertising Services-All Others	5641	Fines and Penalties	6315		

Gift Card Purchases are not allowed.

Alcohol Purchases are allowed per accounts rules. For specific expenditures information, please contact the Accounts Payable Department. See also the Expenditure Guideline Matrix (<https://www.tamuk.edu/finance/files/finance/dtps/expenditure-guideline-matrix.pdf>). All alcohol purchases must be pre-approved by the Procurement Card Coordinator. The cardholder must email justification to the Procurement Card Coordinator at pcard@tamuk.edu.

3.5 Receiving Supplies

Upon receipt of goods, ensure the correct product and quantity has been shipped. Follow up directly with the vendor to resolve all discrepancies or damaged goods. Retain charge slips, sales receipts and any other supporting documentation for your records.

Invoices with no amount due are the most optimal documentation since they itemize the purchases. A vendor's entry system usually prints an automatic invoice with the processed order. To prevent duplicate payments to vendors, instruct the vendor to send the invoice directly to the cardholder

making the purchase and not to the Accounts Payable Department. If a purchase is made via mail or telephone, ask the vendor to include an *itemized* receipt with the goods.

If your purchase is being shipped to Central Receiving, instruct the vendor to identify your purchase as a procurement card purchase (PCP) by including your name and phone number on all documentation. Central Receiving tracks deliveries by Purchase Order number and P-Card purchases do not have a PO reference.

Your name/number will assist Central Receiving with expediting your delivery.

3.6 Procurement Card Documentation

The following documentation must be retained with Concur expense report:

- All Purchase Voucher Requirements apply to P-Card transactions
- Itemized Sales Receipts
- Packing Slips
- Credit Card Receipts/Slips
- Other information or correspondence related to the purchase
- Screen prints are acceptable for internet orders

Any discrepancies identified shall be promptly investigated and resolved by the cardholder or department.

If the cardholder or department is unsuccessful in resolving any disputes with the supplier, contact Citibank Customer Service at 1-800-248-4553 to dispute any charges. Citibank will obtain all necessary information from the cardholder.

Documentation of any action taken to resolve a discrepancy must be recorded and retained with the rest of the documentation.

3.7 Guidelines for Allocating Procurement Card Expenditures

3.7.1. All cardholders are required to allocate their monthly transactions. There should be record (i.e. receipts, invoice, and copy of orders) of all orders/purchases placed on the P-Card. It is the cardholder's responsibility to ensure there is an itemized invoice/receipt for each purchase.

Screen prints are acceptable for internet orders and order forms for fax/mail orders if the vendor does not provide a receipt/invoice. Attach itemized invoices, receipts, and other supporting documentation to the Concur Expense Report.

3.7.2. Concur online allocation and an approved expense report is required by the 15th of each month. This allocation should reflect all items during the date range of 4th to the 3th of the previous month. All required documentation should be attached to the Concur Expense Report.

3.7.3. Instructions on how to allocate procurement card expenditures are available on the PTS web site: <https://www.tamuk.edu/finance/files/finance/ssgs/forms/AllocatinganExpense.pdf>

3.8 Audit

The Expense Report, along with the supporting documentation, becomes the official records and shall be maintained within the Concur System in accordance with TAMU System Record Retention Schedule. The official records will be utilized when TAMUK is audited by the State Comptroller and other external entities (i.e. State of Texas Auditors, Public Accounting Offices, TAMUS Internal Audit department). The Procurement and Travel Services Department will conduct random internal audits, for compliance.

3.9 Statement and Payment

The Procurement and Travel Services Department will receive a monthly statement detailing transactions for each cardholder. The statement, individual cardholder Expense Reports along with supporting documentation will be filed and kept within the department.

The Accounts Payable Department pays the summary billing in full from a clearing account. Cardholders will submit the allocated Concur expense report. Concur Departmental Expense Reports upon approval are directly exported to FAMIS production and will post the next business day. The Procurement Card Coordinator reviews expense reports for accuracy and compliance. Designated accounts are debited, and in turn reimburse the clearing account. The merchants are paid by Citibank between 24-48 hours of your placing your order or picking up merchandise.

The Texas Government Code requires the Accounts Payable and/or the Procurement Card Coordinator to audit all vouchers before they are submitted to the State Comptroller's office for payment. All expenditures using state accounts will require the department to submit the corresponding receipts with the Concur expense report.

Employees do not pay their own monthly statement. The program does not affect your credit rating in any way. The Procurement Card program carries corporate and individual liability.

3.10 Returns, Credits, and Disputed Charges

Should a problem arise with a purchased item or charge, every attempt shall be made by the cardholder to first resolve the issue directly with the supplier. Review of future statements is vital to ensure the account is properly credited for returns, credits, and disputed charges. The returned, credited, or disputed item shall be noted on the Expense Report.

- **Returns:** If a cardholder needs to return an item to a supplier, contact the supplier and obtain instructions for return. Note that some suppliers may charge a restocking or handling fee for returns.
- **Credits:** If the supplier accepts an item as a return, a credit for this item should appear on the following month's statement.
- **Disputed Charges:** If a cardholder finds a discrepancy on a monthly statement, the cardholder should contact the supplier and attempt to resolve the problem directly. All disputed items should be documented. A copy of the form and letters shall be kept as documentation.

If the cardholder or department is unsuccessful in resolving any disputes with the supplier, contact Citibank Customer Service at 1-800-248-4553 to dispute any charges. Citibank will obtain all necessary information from the cardholder. The issuing Bank will place the charge in a "State of Dispute" and the account may be given a provisional credit until receipt of adequate documentation from the vendor. If the documentation appears to be in order, the transaction will be re-posted to the account and the dispute considered closed. If the charge is suspected to be fraudulent, the card will be immediately blocked, continue to have a provisional credit (if given) and an investigation of the charge will continue. A new card will then be re-issued to the cardholder, if appropriate. If the charge appears legitimate, the transaction will then post to the new account.

Please remember that the Procurement and Travel Services Department is your partner in this venture and is willing to assist in any dispute resolution.

3.11 Card Termination

When a cardholder terminates employment with TAMUK or is no longer required to use the procurement card, the department has the specific obligation to cut the card in half and forward it to the Procurement Card Coordinator.

3.12 Non-Compliance

- 3.12.1. Multiple notifications to a single cardholder/department for insufficient budgets by the Procurement and Travel Services Department may result in revoking all card privileges.
- 3.12.2. Non-adherence to State and University Procurement and Procurement Card policy and procedures may result in revoking of individual cardholder privileges. All non-compliance will be monitored. Non-compliance includes, but is not limited to, incorrect reports, late receipt of documentation, unacceptable purchases and lack of documentation to back up expenditures.
- 3.12.3. Reports are due on the 15th of every month. If the 15th falls on a weekend or holiday, the report is due the following business day. Reports that are not completed/approved by the due date will be late. Late reports will warrant a temporary suspension of their card privileges. The card will remain suspended until the report has been submitted and fully approved.
 - 3.12.3.1. Non-adherence to the report due date will result in a warning letter for the first violation;
 - 3.12.3.2. Thereafter, it will become part of the cardholder's non-compliance notification history and will be subject to the sanctions listed in 3.12.6 (Non-Compliance)
- 3.12.4. Upon notification of the non-compliance, the cardholder has seven (7) days to procure and submit any missing documentation. After 7 days a temporary suspension will be placed on the card for any cardholder that has not provided the requested documentation stated on the exception letter. Once the documentation is received, the temporary suspension will be lifted unless it is the cardholder's 3rd exception or beyond.
- 3.12.5. The only person authorized to make purchases with the card is the cardholder whose name appears on the card. Sharing or giving you card to someone is a card security violation. The P-Card Program does not allowed for card sharing and if it is determined that the card has been shared with another individual or employee, it will lead to the cardholder to forfeit his/her P-Card.
- 3.12.6. The P-Card is to be utilized for university business only. Cardholders may not utilize the P-Card for personal expenses. If an expense is determined to be personal through the audit, the cardholder must reimburse the university via the Business Office. This is an audit finding and an exception letter will be issued. If it is the 2nd exception for Personal Expense, the card will be suspended for 30 days or it will lead to the cardholder to forfeit his/her P-Card.

Non-Compliance will be documented with a Non-Compliance Form. The following are sanctions that will be imposed upon violation:

- ◆ First violation will warrant a Non-Compliance form/notification to the cardholder.
 - A First violation will result in the cardholder being tagged for a higher-level screening on future transactions.
- ◆ Second violation will warrant a Non-Compliance form/notification to the cardholder, and the cardholder's Supervisor/Department Head.
 - A Second violation will require completion of the P-Card Refresher course.
- ◆ Third violation will warrant a Non-Compliance form/notification to the cardholder, Supervisor/Department Head, and Dean/Vice President of the department.
 - A Third violation will result in a 30-day suspension of card privileges.
- ◆ Fourth violation will warrant a Non-compliance form to the cardholder, Supervisor/Department Head, and Dean/Vice President of the department.
 - A Fourth violation will result in a 90-day suspension of card privileges.

- ◆ After a cardholder has been suspended, any action that is an exception to the policy and procedures, without prior written justification and approval from a Program Administrator may result in permanent loss of P-Card privileges.
- ◆ A cardholder's failure to comply with procedures may also be addressed on the employee's performance evaluation.
- ◆ Violation history is evaluated on the previous 12 months preceding the current violation.

FREQUENTLY ASKED QUESTIONS AND ANSWERS

1. **For what types of purchases should I use the Procurement Card?**

TAMUK's Purchasing policies and procedures governs how you can use the Procurement Card. The current purchasing guidelines for delegated purchasing authority will determine the type of purchases for which you are authorized (See page 9 for various purchases).

2. **In what ways do I benefit from using the Procurement Card?**

When you use the Procurement Card, you enjoy reduced paperwork, quick and efficient order processing, faster delivery, no prompt payment interest, no more phone calls from the vendors asking where their money is and the ability to monitor purchases on-line throughout the month instead of waiting for invoices to come in.

3. **How does TAMUK benefit from the Procurement Card Program?**

When employees use the Procurement Card, TAMUK enjoys greater productivity as a result of reduced paperwork and savings from consolidated multiple supplier invoices to one statement from Citibank.

4. **What should I do if my Procurement Card is lost or stolen?**

You should call Citibank Customer Service toll-free at **1-800-248-4553** immediately to report the Procurement Card missing and request a replacement. Then contact the Procurement Card Coordinator, at 361-593-4655 or pcard@tamuk.edu, and your Department/Division Head to advise that you have called Citibank.

5. **What do I do if a purchase is denied?**

Your purchase may have exceeded a spending or transaction limit, TAMUK excluded that type of merchant or the vendor is not equipped to accept MasterCard as payment. Contact your Procurement Card Coordinator at 361-593-4655 or pcard@tamuk.edu to determine the reason.

6. **Is it possible for someone else to use my card?**

No, it is not possible for someone else to use the card. According to the Cardholder Agreement that you sign, you are responsible for all charges and the safekeeping of the card. However, the cardholder may purchase a registration for a conference or seminar for someone else on his/her card.

7. **What should I do if a supplier does not accept the Procurement Card?**

Contact the Procurement Card Coordinator at 361-593-4655 or pcard@tamuk.edu and provide the supplier's name, address, and phone number. This will be sent to Citibank. Citibank will enroll the supplier in the FAST program and work with TAMUK to bring the supplier into the program.

8. **Will use of the Procurement Card affect my credit report?**

No. The Procurement Card is a corporate liability card and carries no personal liability for cardholders that use the Procurement Card.

9. **Whom should I contact to resolve an error or dispute concerning my account?**

You should first contact the supplier. Most exceptions or issues can be resolved between you and the supplier. If the cardholder or department is unsuccessful in resolving any disputes with the supplier, contact Citibank Customer Service at 1-800-248-4553 to dispute any charges. Citibank will obtain all necessary information from the cardholder.

10. **When I use my Procurement Card to make a purchase, how is the transaction authorized?**

When you use the P-Card to make a purchase, the supplier verifies the account number with Citibank. Your spending limits are checked automatically against preset TAMUK limits.

11. **What about TAMUK being tax exempt?**

The card is identified as a "State of Texas" official business, tax-exempt card. You are encouraged to advise the supplier (at the time of order or check out) that the purchase is to be tax exempt. You must present a copy of the TAMUK tax exemption certificate (See Attachment B) when making a purchase. TAMUK is exempt from paying sales tax on business meals when we are direct billed. Payments made by the P-Card are considered direct bills. If ordering by phone or the internet, the vendor must be told that we are exempt and a form can be faxed.

12. **What are the most Fraud Indicators to be aware of:**

- Unusual vendor names
- Same vendor address and employee address
- Only one employee ever uses a specific vendor
- Unusual activity for a given cardholder
- Repeated misuse by cardholder
- Round number purchases
- Transaction with missing receipts or altered documentation
- Sequential or unnumbered receipts
- Duplicate charges
- Purchases made outside of regular business hours
- Activity by non-cardholders and terminated employees
- Cardholder approving his or her own transactions

ATTACHMENTS/FORMS

- A. Cardholder Procurement Card Agreement..... Attachment A
- B. Sales Tax Exemption Form..... Attachment B
- C. Business Meal Food Form Attachment C
- D. Missing Receipts Form Attachment D

ATTACHMENT A - Cardholder Procurement Card Agreement

**TEXAS A&M UNIVERSITY-KINGSVILLE
CARDHOLDER PROCUREMENT CARD AGREEMENT**

I, _____, hereby acknowledge receipt of a Texas A&M University-Kingsville MasterCard Procurement Card. As a cardholder, I agree to comply with the terms and conditions of this Agreement and the Procurement Card procedures.

I acknowledge that I have read and understand the terms and conditions of this Agreement and the Procurement Card procedures. I understand that Texas A&M University-Kingsville is liable to the Managing Bank and MasterCard for all Texas A&M University-Kingsville charges.

I agree to use this card for Texas A&M University-Kingsville approved purchases **only** and agree not to charge personal purchases. I understand that Texas A&M University-Kingsville will audit the use of this card and report any discrepancies.

I further understand that improper use of this card may result in disciplinary action, which may include termination of employment. I agree to repay Texas A&M University-Kingsville any amounts owed by me even if I am no longer employed by Texas A&M University.


I understand that the card is property of Texas A&M University-Kingsville. I further understand that Texas A&M University-Kingsville may terminate my right to use this card at any time for any reason. I agree to return the card to Texas A&M University-Kingsville immediately upon request or upon termination of employment.

Cardholder: _____ Master Card #: _____

Signature: _____ Date: _____

PTS PCARD
Approval: _____

Attachment B - Sales Tax Exemption Form

 Form 01-339 (Back)
State of Texas
Comptroller of Public Accounts
(Rev. 4-13/8)

SAVE A COPY
CLEAR SIDE

Texas Sales and Use Tax Exemption Certification

This certificate does not require a number to be valid.

Name of purchaser, firm or agency TEXAS A&M UNIVERSITY-KINGSVILLE	
Address (Street & number, P.O. Box or Route number) MSC 212, 700 UNIVERSITY BLVD	Phone (Area code and number) 361-593-3814
City, State, ZIP code KINGSVILLE, TX 78363-8202	

I, the purchaser named above, claim an exemption from payment of sales and use taxes (for the purchase of taxable items described below or on the attached order or invoice) from:

Seller: _____

Street address: _____ City, State, ZIP code: _____


Description of items to be purchased or on the attached order or invoice:

Purchaser claims this exemption for the following reason:

State Agency, Institution of Higher Education Tax Code 151- 309 (4)
Federal Tax ID# 746001530

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law.

I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.

 Purchaser	Title	Date
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NOTE: This certificate cannot be issued for the purchase, lease, or rental of a motor vehicle.
THIS CERTIFICATE DOES NOT REQUIRE A NUMBER TO BE VALID.
 Sales and Use Tax "Exemption Numbers" or "Tax Exempt" Numbers do not exist.

**This certificate should be furnished to the supplier.
 Do not send the completed certificate to the Comptroller of Public Accounts.**

ATTACHMENT C – Business Meal Food Form



TEXAS A&M UNIVERSITY KINGSVILLE

TEXAS A&M UNIVERSITY-KINGSVILLE Business Meal Food Form

Food purchase rules are determined based on specific guidelines related to State of Texas Regulations, A&M System Policies, and Texas A&M University-Kingsville rules and regulations.

Employee Name: _____ Date of purchase: _____

Payment Method: P-Card T-Card Personal Card or Check Cash

[If payment method above is a personal credit card or check, you must attach a copy of the credit card (for debit cards, copy of card not required) or the front & back of the canceled check]

Card Number (last 6): _____ Total Charge Amount: \$ _____
(P-Card or T-Card)

Vendor Name & Location: _____

Purpose of purchase: _____

Alcohol served: No Yes Tip Included: No Yes: Amount \$ _____

Please select type of food purchase: (select one)

- Business Meal - business meals (Obj Code 6340)
- Classroom or Research Material - food for research, seminars, teaching (Obj Code 4050)

Please select purpose: (select one)

Expenditure request for food and/or refreshments must comply with one or more of the following direct purposes. If an internal audit makes a determination that the request does not comply with one or more of the following direct purposes the food purchase will be considered a violation of the P-Card Rules and Regulations:

- The recognition or promotion of academic achievement, athletic achievement, scholarship and/or service to a component of the System or the State;
- The promotion of the communication of intellectual ideas among students, faculty, staff, administrators and/or representatives of the public;
- The support of student events and activities which are sponsored by a component of the System;
- The recruitment of highly qualified faculty, staff, and students;
- The promotion of the exchange of ideas with community leaders regarding the role of a component of the System in the community;
- The assistance of the Regents, accrediting agencies, officials from other universities and/or public officials in inspecting and reviewing the facilities and programs of a component of the System;
- The support of a program of continuing education sponsored by a component of the System; or
- The conduct of staff conferences and receptions or other events designed to recognize and honor employees.

Reference: Texas A&M University System Policies and Regulations 21.01.12 Purchase of Food and Refreshments

Required Attachments*:

- > Participants List (sign-in sheets acceptable if printed name is included)
- > Agenda or Flyer
- > Itemized Receipt or Invoice

*Auditors reserve the right to request more documentation if deemed necessary.

I certify that the expenses were business related and are true, correct and have not been reimbursed.

Employee Signature: _____

Supervisor Signature: _____

For P-Card, please attach to Expense Report via Concur
For T-Card, please attach to Expense Report via Concur

Rev 10/4/18

ATTACHMENT D – Missing Receipt Form



Procurement Card Missing Receipt Form

Cardholder Information

Name on P-Card: _____ P-Card #: xxxx-xxxx-xx _____

Transaction Information

Vendor Name: _____

Vendor Address: _____

Vendor Representative and Phone #: _____

Transaction Date: _____ Transaction Amount: \$ _____

Food Purchased / Business Meal: No Yes (Food Purchase Information form required)

Sales Tax Paid: No Yes: Amount \$ _____

Tip included: No Yes: Amount \$ _____

Alcohol served: No Yes: Designated Funding Account: _____

Itemized Transaction Description (include each item, quantity and price)

Table with 3 columns and 5 rows for itemized transaction description.

Please attach an additional page if needed.

Certification

I certify that the above stated information is accurate and the charge was made during while conducting official business for Texas A&M University-Kingsville. I also certify that every attempt was made to obtain the itemized receipt prior to use of this form.

Cardholder Signature: _____ Date: _____

Supervisor Signature: _____ Date: _____

This form will now be used as the itemized receipt for this transaction. Submit this form with your monthly p-card documentation. If you have any questions, please contact the Office of Strategic Sourcing and General Services at procurement@tamuk.edu or x3814.