

WHAT IS A P-CARD?

A P-card is an institutional purchasing credit card designed to simplify and decentralize the process of procuring goods for your department. The University's P-cards are VISA credit cards administered through PNC Bank.

The P-card works like a personal credit card, but with commodity restrictions and monthly, daily, and transaction dollar limits. Your P-card dollar limits can be found:

- On your P-card application
- On the Visa statement that initially accompanies your P-card
- The P-card Administrator has record of your limits

Any questions about your dollar limits should be directed to the P-card Administrator, not PNC Bank.

HOW DO I MAKE PURCHASES WITH THE P-CARD?

The P-card is provided as an effective tool to aid your department in procuring goods. It should work just like a personal credit card, but with dollar limits and commodity restrictions. For all purchases, do the following:

1. Keep a log of all P-card purchases
2. Keep receipts and packing slips filed in your office area
3. Keep statements on file
4. Make sure you are not being charged PA State Sales Tax (See *Pennsylvania Exemption Certificate*)
 - The University has a State Sales Tax Exemption number
 - A copy of this certificate can be faxed to the vendor for phone or web orders, or presented to the vendor if procuring items in person
 - The P-card also has the words "Tax Exempt" stamped on it
 - If PA sales tax is assessed on a purchase, the cardholder should request a credit from the vendor

ACTIVITY 1:

Using the Pennsylvania Exemption Certificate, answer the following question. What is the University's tax exempt number (account number)? The correct response to this Activity can be found on Page 5.

Phone Orders

1. Describe your needs as completely as possible to the supplier, i.e., use part numbers, catalog numbers, size, color, etc. Provide the supplier with the following:
 - Cardholder name
 - Card number
 - Card expiration date
2. If the supplier is located in Pennsylvania, tell the supplier that the University is tax exempt, and provide the supplier with the tax exemption number. If required, you can fax the supplier a copy of the *Pennsylvania Exemption Certificate*. If the supplier is out-of-state, check the *Sales Tax Exemption List* to see if the University is tax exempt in that state.
3. Provide the supplier with your ship-to address. This can be your office address, lab location, etc., but should not be a home address.
4. Ask if there will be shipping/delivery charges. Remember that you must stay within your transaction limits.
5. Ask the supplier about the expected delivery date.

In-person Orders

Take a copy of the *Pennsylvania Exemption Certificate* with you.

ACTIVITY 2:

Review the *Sales Tax Exemption List*. Is the University exempt from sales tax in North Carolina? The correct response to this Activity can be found on Page 5.

Web Orders

Before placing an order via the Web, make sure the site is secure for credit card information. Any of the following will indicate that a website is secure:

- Secure Sockets Layer - "https:" instead of "http:" will appear in the web address of the screen where you are entering credit card information
- Locked padlock icon on your browser
- Unbroken key icon on your browser
- A statement that the site is secure

WHAT CAN I BUY/NOT BUY WITH MY P-CARD?



The P-card can be used to procure routine goods and services from non-contracted suppliers for conducting business in your department. The card is intended for one-time (non-recurring) purchases related to University business only. Use of the card for personal purchases is strictly prohibited. Additionally, the card **cannot** be used to procure the following:

Airfare	Gift Cards
Alcohol	Gifts and Contributions
Animals	Hazardous Materials
Biological Materials	Hotels
Cash	Interdepartmental Charges
Caterers	Motion Picture – Video Creation
Conference Registrations	Radioactive Materials
Controlled Substances	Laboratory Chemicals
Drugs, Prescriptions	Testing Laboratories
Dues & Memberships, Registrations, Subscriptions	Travel, Business Entertainment
Foreign Good Imports*	Vehicle Rentals
Fuel, Gasoline	Weapons/Ammunition
Gases	Software***

*P-card users are authorized to purchase imported books and journals. However, the P-card cannot be used to purchase other foreign good imports.

***P-card holders who have completed additional training are authorized to purchase Click-Wrapped or Shrink-Wrapped types of software with their P-cards.

Flowers:

The University will allow purchases on the P-card for flowers provided that the cardholder has written approval from one of the following: Officer of the University, Vice Chancellor or higher, Dean or Academic Director, or Responsibility Center Head.

The P-card can be used to procure goods provided by University facilities, such as the following:

- University Book Center
- The Pitt Shop
- Pitt Licensing Service

There are other merchant categories that are not applicable to the University's day-to-day business affairs. Your transaction could be rejected at the point of sale if you attempt to purchase goods that are categorized with non-approved Merchant Category Codes (MCC). However, occasionally a supplier can be categorized with an incorrect MCC. If this is an issue, contact the P-card administrator.

An individual merchant may fall under a restricted merchant code due to the nature of their business. This does not necessarily mean that everything they sell is going to be restricted according to P-card policy. For example, a supplier may sell hazardous lab materials or drugs, but they may also provide tools or other lab equipment. If the procurement of lab equipment is being attempted with a P-card, and the vendor that also sells hazardous materials declines on an MCC, that particular code can be opened temporarily. Please contact the P-card administrator in situations like this. An approval email from the cardholder's supervisor (approver) will need to be sent to the P-card administrator as authorization. The email must include the supplier name, and what is being purchased.

ACTIVITY 3:

You have been instructed to print a listing of approved/non-approved MCC's. Use the listing to answer the following questions: (1.) Are photographic supply stores approved or non-approved. (2.) Are catering services approved/non-approved? The correct responses to this Activity can be found on Page 5.

AM I RESTRICTED IN SELECTING SUPPLIERS?

University Policy 05-02-15 requires the use of University-wide contracted suppliers, when available, for the product being purchased. Also, if the supplier will accept a purchase order, then the order should be placed via the PantherExpress system, instead of a P-card, so that the University's standard terms and conditions will apply. More information about the PantherExpress system may be found at: <http://www.cfo.pitt.edu/pexpress>

A list of contracted suppliers can be found on the PantherExpress website: <http://www.cfo.pitt.edu/pexpress>, [Contracted Suppliers link](#).

ACTIVITY 4:

According to the Contracted Suppliers list, who are approved vendors for appliances, or for computers? The correct responses to this Activity can be found on Page 5.

ANSWERS TO ACTIVITY QUESTIONS

ACTIVITY 1:

The University's Tax Exempt # is 75-436-298

ACTIVITY 2:

Yes, the University is exempt from sales tax in North Carolina.

ACTIVITY 3:

Photographic suppliers are approved; Caterers are non-approved.

ACTIVITY 4:

University approved vendors for appliances: Don's Appliances

University approved vendors for computers: Dell, Apple

LOGGING AND TRACKING P-CARD ACTIVITY

All P-card holders should maintain a log to facilitate reconciliation of P-card charges. The P-card Activity Log has been designed for this purpose.

Excel or any spreadsheet software can also work well to record P-card activity if you wish to keep an electronic log. Additionally, you can speak with your department administrator about using the PRISM P-card Redistribution application for logging and reviewing P-card charges.

Monthly P-card Visa statements should be reviewed and approved, line by line, with the entries in the log.



ACTIVITY 1:

Review the PCard *Activity Log*.

RECEIPTS/PACKING SLIPS

All receipts, packing slips, correspondences, and other relevant materials should be filed in the general area of the log keeper. These documents allow verification of prices, quantities, dates and other important tracking information needed as support data for University related business transactions.

You might find it helpful to record the associated line number from the log sheets onto the backup document (receipt, packing slip, P-card Visa statement). A consistent filing procedure is recommended, and these records should be kept for seven years or, if associated with grant monies, and the grant is longer than seven years, then the life of the grant, plus three years.

RETURNS/DISPUTES

Disputed billing can result from failure to receive goods or services charged, defective merchandise, altered charges, credits not processed, etc. Making returns and resolving disputes is the responsibility of the cardholder. It is also important to review statements for any fraudulent or unauthorized activity. Online fraud is common and attempts occasionally come through.

Do the following when an erroneous charge, return, or dispute exists:

1. Contact the supplier immediately to reconcile the dispute.
2. If you don't see an adjustment on your next statement, file a written dispute with PNC Bank by completing the *Billing Inquiry Form* that is on the back of your P-card Visa Statement. This must be done within 30 days of the date of the statement.

3. Fax the *Billing Inquiry Form* to the P-card administrator.
4. Call the P-card administrator if you need additional assistance. Do not call PNC Bank.

RECONCILING P-CARD ACTIVITY

The monthly P-card cycle is from the 5th day of the month to the 4th day of the following month. If the 5th falls on a weekend, the new cycle begins on the next business day. Cardholders receive a P-card Visa statement shortly after the 4th of every month for the previous monthly cycle. All P-card activity is paid for by the University within five days of receipt of a University consolidated invoice from PNC Bank. There is also a detailed electronic feed of charges and credits uploaded into the PRISM system on a daily basis.



Activity shown on the cardholder log needs to match charges shown on the monthly P-card Visa statement. Line item reconciliation should take place.

Statement charges will also display in the monthly level reports. P-card transactions can be identified on the level reports by the following:

Sub Code	Ref	Description	Budget	Actual	PO/ Req #	Identifier	Batch Name
6000		Office Supplies					
	00000	Xerox Corp.		39.95		Brown06141303	18312 Payables...
		PNC Pcard Misc.*		24.20		Brown06261304	18057 Payables...

Vendor

1st 6 characters of cardholder's last name plus transaction date**

*The vendor name appears as PNC Pcard Misc. for those vendors not in the PRISM vendor file

**The last two digits of the Identifier are used for internal system requirements

Monthly Review

All purchases made using your P-card are posted to a single department account number. Department administrators or card holders will need to initiate journal entries, or use the P-card Redistribution application, to redistribute charges to the proper accounts.

Additionally, all P-card holders must have a designated reviewer who is responsible for reviewing charges on a monthly basis, and certifying that P-card purchases are legitimate University business expenses. This monthly review is done within the P-card Redistribution application.

It is the responsibility of the P-card holder to forward copies of *P-card logs* and *P-card Visa Statements* to your administrator so that purchases can be reviewed and the redistribution of charges can be done on a timely basis!

SECURITY AND CONTROLS

After a card has been issued, it is the cardholder's responsibility to control the use of the card. Remember:

- The P-card is like money. It is the cardholder's responsibility to guard against theft and loss of the card. Be vigilant. Know where your card is at all times.
- Keep your P-card in a locked place, and only carry it on you when you are purchasing goods in-person.
- Under no circumstances is the card to be used for personal purchases.
- Do not write your P-card number on outgoing faxed orders. Instruct the supplier to call you for the credit card information.
- Each cardholder should know his/her transaction, daily, and monthly dollar limits.
- The P-card administrator conducts random P-card audits every month. Internal Audit conducts 10 P-card audits per year. Any P-card holder can be selected for a random audit.
- An audit of a card with suspicious activity can be done at any time, by contacting the P-card administrator.

MISUSING THE P-CARD

The following examples will be considered "misuse" of the P-card:

- Purchases made for the sole benefit of the cardholder.
- Assignment or transfer of an individual's card to an unauthorized person.
- Use of an individual's card by a suspended or terminated employee.
- Lack of proper and timely review and reconciliation of an individual cardholder account.

SANCTIONS



Sanctions will be imposed on a cardholder on a case-by-case review of misuse of the P-card. The P-card administrator and the audit staff will work with a department administrator and the cardholder to initiate sanctions where misuse of the card has occurred.

- First, the cardholder will receive a formal written reprimand from the P-card administrator. The cardholder's supervisor and department administrator will be copied on this memorandum.
- The cardholder may be asked to discontinue use, and return the card, if continued misuse occurs.
- Misuse of the card can jeopardize the cardholder's employment at the University. Cases of fraud could result in employment termination and/or prosecution. If a card has been revoked for cause, it is unlikely that it will be reinstated.
- In addition to the above sanctions, the improper use of the P-card for personal purchases will require repayment to the University. The P-card administrator and department administration will jointly assist with the arrangements for repayment.
- Finally, the P-card administrator is able to cancel a card account and call for return of the card for any reasonable reason.

REPORTING A LOST OR STOLEN P-CARD

It is very important to notify PNC Bank immediately when a cardholder or department administrator realizes a P-card has been lost or stolen. The toll-free phone number to call PNC Bank is **1-800-685-4039**. This number is accessible 24 hours a day, 365 days a year. The bank will be able to stop activity immediately. The P-card administrator must also be notified.

The cardholder's department is liable for all expenditures made with the card until reported lost or stolen to PNC Bank at the number given above. There is no \$50.00 limit similar to personal credit cards. It is possible for the department to be liable for thousands of dollars if notification is delayed.

On occasion, the P-card administrator will be notified directly by PNC that fraudulent activity is suspected or that a card has been compromised. When this occurs, the cardholder will be contacted by the P-card administrator in order to verify questioned charges and/or cancel and reissue the P-card.

FREQUENTLY ASKED QUESTIONS



Once I complete training, how do I get my P-card?

Once you have completed training, the P-card administrator will contact you with instructions on picking up your P-card. You will be asked to bring with you the following when you pick up your card:

- Signed Purchasing Card Acceptance Agreement form
- Valid University ID

You may send someone else to pick up the card. The designated individual will need a memo from the cardholder that grants permission for him to pick up the card. The designee will also need his own ID and the completed and signed Purchasing Card Acceptance Agreement form.

Can I have more than one P-card?

No. Each P-card holder is permitted to have only one card.

Will the P-card affect my personal credit rating?

No. The P-card is a commercial credit card and has no effect on your personal credit rating.

Can coworkers in my department use my P-card?

No. Only the person to whom the P-card has been issued can use the card. Remember, as a P-card holder, your name is on the card and you are responsible for all transactions made with the card.

Can I use my P-card only at University contracted vendors?

No. University Policy 05-02-15 requires the use of University-wide contracted suppliers, when available, for the product being purchased. However, the card can be used with any supplier who accepts VISA, and is categorized with an approved Merchant Category Code (MCC).

A list of preferred suppliers can be found in the Contracted Suppliers list on the PantherExpress website: <http://www.cfo.pitt.edu/pexpress>

Do I need to know the MCC for each P-card purchase?

No. The approved Merchant Category Codes are encoded into the strip on the back of the P-card. While you don't need to know the MCC for each P-card purchase, if you are unsure if a particular good or service can be bought with the



P-card, check your MCC listing for approved/non-approved commodities.

What should I do if the vendor asks me for a *Bill-To* address?

Provide the vendor with your *Statement-Address*. This does not mean that you will be invoiced directly. The vendor may simply ask you this question for verification/security purposes.

Can changes be made to a P-card?

Changes can be made to a P-card for the following reasons:

- Modify transaction, daily, and/or monthly limit
- Modify the account to which transactions are charged
- Name /address changes
- Cancel a P-card
- Refresh a declining balance card (if applicable)

To make any of these changes, follow the procedures outlined below:

1. Fill out the P-card *Change Request Form*, entering information as it applies to your requested changes.
2. Mail or fax the form to the P-card administrator, as noted at the bottom of the form.
3. PNC Bank will process the requested changes.

Temporary changes to limits can also be made. If the limit change is only a one- time increase, the cardholder will need to have his approver send an email to the P-card administrator. The email needs to identify the item being purchased and the amount of the requested increase. Under this method, limits are then reset after the purchase has been completed.

ACTIVITY:

Review the P-card *Change Request Form*.

Can I be approved for a single transaction limit greater than \$2,000?

Yes. \$2,000 is the preferred single transaction limit for all department P-card holders, but higher amounts can be approved. Please contact the P-card administrator for more details on obtaining higher limits.

Periodically, the P-card administrator will analyze spending versus current limits. If the limits appear to be too high, Payment Processing reserves the right to reduce limits.

Can I split a single purchase that is above my transaction limit into two transactions?

No. You cannot, for instance, purchase a \$3,000 computer by charging \$2,000 as one transaction, and \$1,000 as a second transaction.

What should I do with my P-card if I'm transferring to another department or leaving the University?

When a P-card holder leaves the University or transfers to a new department, the following guidelines apply:

1. The P-card is turned in to the department administrator.
2. The administrator completes a P-card *Change Request Form*, to cancel the card, noting that the cardholder is transferring or terminating employment.
3. The department administrator destroys the card and forwards the *Change Request Form* to the P-card administrator.
4. No additional purchases against this P-card are to be made.
5. For transfers, application for a P-card within a new department can be made with the new department administrator's approval.
6. All records and receipts must be maintained for a 7-year period (counting from the transaction date). If the P-card is tied to a grant that is longer than 7 years, then the retention period is the life of the grant, plus 3 years.

How do I get access to the P-card Redistribution application?

If you need access to the P-card Redistribution application as either the monthly reviewer, who certifies that charges are legitimate University business expenses, or as a reconciler, who will review, and if needed, move charges to the appropriate accounts, then you must submit a PRISM Department User Access form. This form can be found on the PRISM website, www.cfo.pitt.edu/prism, User Access.

To register for training as either a reviewer or reconciler (redistributor of charges), contact Cathy Lewis.

How do I contact the P-card Course Instructor or the P-card Administrator?

Cathy Lewis

Course Instructor
FIS Business Solutions
3200 Cathedral of Learning
Ph:412-624-6139
clewis@cfo.pitt.edu

Margie Jaczesko

PCard Administrator
Payment Processing and Compliance
116 Atwood Street
Ph:412-648-7051
Fax: 412-624-7131
mjaczeko@cfo.pitt.edu