Welcome!

Pcard Training Level 1: New Cardholders

- Everyone: please turn electronic devices to vibrate, silent or off.
- Classroom participants: please be mindful of the microphones and keep ambient noise to a minimum.
- Video participants: please actively participate, but mute your microphone when not speaking.
- Everyone: ensure your attendance is captured by the facilitator in order to receive credit for completing this course.
PURCHASING CARDS

LEVEL 1:
TRAINING FOR NEW CARDHOLDERS

August 2014
Purchasing Services
Introduction

- Facilitator Intro
- Contact Info
  Email: purchasing.card@wsu.edu
  Admin Phone: (509) 335-9527
  Website: http://purchasing.wsu.edu/Purcard.html
- WSU Card Programs Intro
  JPMC Purchasing Card
  JPMC CTA Card
  JPMC Travel Card
  Comdata Fuel Card
Purchasing Card Glossary

- **PaymentNet - PNet**

- **Card Roles**
  - CARDHOLDER - CH
  - RECONCILER - REC
  - APPROVING OFFICIAL - AO
  - APPROVING OFFICIAL DELEGATE - AOD
  - DELEGATED PURCHASER

- **Limits**
  - SINGLE TRANSACTION LIMIT - STL
  - MONTHLY CREDIT LIMIT - MCL
  - TRANSACTIONS/DAY LIMIT
  - MERCHANT CATEGORY CODE - MCC
  - DIRECT BUY LIMIT - $10,000
The Transaction Lifecycle

- AVG. Time between Trans Date & Post Date = 3 days
  - Due to batching, it can be much longer (i.e. 6+ months)
- Any declines that happen prior to the point of visibility are at the fault of the Merchant or the Acquirer, and we will have no info about why.
Card Framework

- **Policy - BPPM 70.08**
  [http://public.wsu.edu/~forms/HTML/BPPM/70_Purchasing/70.08_Purchasing_Card.htm](http://public.wsu.edu/~forms/HTML/BPPM/70_Purchasing/70.08_Purchasing_Card.htm)

- **Method of payment only**
  Approval of expenses comes from the AO

- **All policies are always in effect.**
  WSU, Local, County, State, Federal, Grants, NCAA, etc…

- **Limits – based on your needs, 110%**
  
  **STARTING POINTS**
  - STL: $3,500
  - MCL: $3500-$10000
  - Transactions per day: 8

  **NOTE:** STL requests at the Direct Buy limit and over require additional approvals and reviews in order to be granted.
Tax and Shipping

Transaction limits include all merchant included costs (i.e. tax, shipping, special handling, surcharging, etc…).

NOTE: The Direct Buy limit only factors in the subtotal.

Examples:

Q: Card Smith #1234 has a STL of $3500, and attempts to buy a Computer from Dell for $3300. The transaction declines - WHY?

A: After Tax and Shipping is applied, the grand total of the transaction is equal to $3700, and is now over the STL.

Tax is based on the ultimate destination of the goods or services.
- Where the item was purchased is of no consequence!
- We also do not account for any destinations outside the state of WA.
- If the tax paid to the original merchant is too little or too much based on the ultimate location, then WSU pays “Compensatory or Use Tax” directly to the State of Washington.
  • This does NOT affect the card’s limits, as Comp Tax is done on the backend by WSU, not JPMC.

The University is NOT tax exempt.
- This is rare as most Universities are.
WSU Purchasing Card Program

- JPM CREDIT CARD WITH VISA LOGO
- EMBOSSED WITH EMPLOYEE’S NAME AND WASHINGTON STATE UNIVERSITY
  - BY USING THE CARD YOU ARE ENTERING THE UNIVERSITY AND THE STATE INTO FINANCIAL COMMITMENTS THAT WE WILL BE HELD LIABLE FOR.
- EXCLUSIVELY FOR WSU PURCHASES
- USED IN ACCORDANCE WITH WSU BUSINESS POLICY 70.08
# Purchasing Roles

<table>
<thead>
<tr>
<th>CH</th>
<th>Purchase</th>
<th>REC</th>
<th>Record</th>
<th>AO</th>
<th>Approve</th>
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<tbody>
<tr>
<td></td>
<td>• Make allowable purchases</td>
<td></td>
<td>• Receive, examine, and maintain all documentation</td>
<td></td>
<td>• Examine all documentation and transactions for validity</td>
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<tr>
<td></td>
<td>• Receive goods</td>
<td></td>
<td>• Upload data into PNet</td>
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<td>• Approve requests</td>
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<tr>
<td></td>
<td>• Document transactions</td>
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<td>• Review transactions in PNet for validity</td>
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<td>• Sign EOM report as Signature Authority</td>
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<td></td>
<td>• Timely submission of receipts</td>
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<td>• Assemble EOM 3-part documentation</td>
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<td>• Supervise use of Pcard</td>
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<tr>
<td></td>
<td>• Report lost or stolen card</td>
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</table>
Organization of the Roles

Option 1
- Approving Official
  - Cardholder
  - Reconciler
  - Delegated Purchaser

Option 2
- Approving Official
  - Cardholder
  - Reconciler

- Delegated Purchaser

Cardholder
Cardholder
Cardholder
Delegated Purchaser
Cardholder Responsibilities

- KEEP CARD SECURE
- LOCKED WSU FILE IF NOT IN USE
- MAKE ALLOWABLE PURCHASES
- PROMPTLY SUBMIT ITEMIZED RECEIPTS TO RECONCILER
- VERIFY QUESTIONABLE CHARGES
  ACCESS CODE = _______ DOB _____
- REPORT LOST OR STOLEN CARD
Lost and Stolen Cards

- ACCOUNT NUMBER STOLEN
- PLASTIC CARD LOST
- CALL JPMC TO REPORT: 800-270-7660
  ACCESS CODE = 9999; DOB 1/1/77
- TIME IS OF THE ESSENCE!
- NOTIFY RECONCILER AND APPROVING OFFICIAL
- RECEIVE AND SUBMIT JPMC’S AFFIDAVIT OF FRAUD
Cardholder Responsibilities

- MAKE NO PERSONAL PURCHASES
- MAKE NO PURCHASES RESTRICTED FOR PCARD BY POLICY BPPM 70.08
- COMPLY WITH UNIVERSITY DIRECT BUY LIMIT: $10,000
- STRIVE TO ACHIEVE GOOD VALUE IN YOUR PURCHASES. CHECK PRICES AND QUALITY.
- ABIDE BY THE ETHICS GUIDELINES SET FORTH IN THE BPPM (SEE 10.21, 20.37, AND 70.15).
- UNDERSTAND TRANSACTION DATA IS HIGHLY TRANSPARENT AND RETAINED AS PUBLIC RECORD
### Transaction Documentation

- one for every transaction
- obtained from the merchant
- original form, integrity preserved
- itemized

**RECEIPT, INVOICE, PACKING LIST, ORDER CONFIRMATION OR OTHER DOCUMENT CONTAINING**

- name of merchant
- date of purchase
- description
- quantities
- unit prices
Appropriate Transactions

• Certain goods and services are unallowable on the Pcard. BPPM 70.08 contains a full list of these restricted items.

• An Exception Request Template can be submitted for permission to buy any prohibited items. Template requires AO approval. Incomplete requests will be returned to the requestor.

• Exceptions are approved only in advance of a purchase. If the transaction has posted, then no exception will be approved -- Instead, Cardholder must submit Documentation of Restricted Purchase.

• All Templates are provided at:

http://purchasing.wsu.edu/RestrictedPCardPurchases.html
Restricted Purchases

Prohibited Purchases

University personnel are not to authorize payment with purchasing cards for:

Alcohol
- Alcohol for any purpose
- Meals served with alcoholic beverages

Beverages
- Water for employee consumption where potable water is available. EHS determines whether available water is potable.

Entertainment
- Tickets (unless such purchases are charged to 17A).

Gifts
- Donations
- Gift Cards
- Gifts (unless allowed by and charged to 17A).

http://public.wsu.edu/~forms/HTML/BPPM/70_Purchasing/70.08_Purchasing_Card.htm
Restricted Purchases

Restricted Materials
- Controlled Substances
- Over-the-Counter Medications for first aid kits unless preapproved in accordance with SPPM 2.42.
  NOTE: OTC Medications are allowable PCARD purchases without preapproval for units with dispensing pharmacies or trained medical staff.
- Prescription Medications
  NOTE: Prescription Medications are allowable PCARD purchases for units with dispensing pharmacies or trained medical staff.
- Radioactive Materials
- Weapons, Ammunition
- Fuel for University-owned, privately-owned or rental vehicles.

Contracts
- Contract payments, including leases and rentals as well as rentals of mini-storage space
  NOTE: Payments for short term small equipment rentals are allowed.

Internal Purchases
- Purchases from WSU departments (Use interdepartmental Requisition and Invoice (IRI); see 70.05)
Restricted Purchases

Restricted Payments
- Cash Advances
- Employee Relocation Expenses
- Payments to individuals, employees, students
- Personal Purchases
- Purchases to be funded by registered students organization (RSO) accounts, e.g., student club and organization expenses (See 70.18 for purchasing procedures.)
- Transactions split to circumvent the direct buy limit of $10,000.

Travel
- Employee Travel and reimbursable expenses (e.g., transportation, lodging, hotel reservations, meals.)
- EXCEPTIONS: The following travel-related payments are allowable:
  - Payment of Washington “Go-Pass” road toll fees
  - Conference registration fees without included lodging costs or paid to a WSU department (see 95.05 and 80.05)
  - Nonemployee travel and travel expenses (e.g., hotel reservations, ground transportation and lodging).
Restricted Purchases

Equipment and Furnishings
- Air Conditioners (see 70.10)
- Appliances for break rooms or personal use, e.g., coffee makers, refrigerators and microwaves.
- Furnishings which must be purchased through Facilities Services, Operations, in accordance with 70.01, 70.10 and 80.45, i.e.:
  - Carpets
  - Floor/Window Coverings
  - Furniture requiring connections to a building or building utilities
- Capitalized equipment (object 06; see 20.50 for definition; see also SAAM Chapter 30 and below and 70.09)
- Equipment purchased with equipment trade-in credit (see 70.12)
- Equipment qualifying for tax exemption or tax deferral (see 70.42)
- Equipment with titles and licensing, e.g., vehicles, trailers and vessels

Services
- Funds transferred to internet accounts to pay web services workers or survey respondents
- Nonemployee labor for services subject to prevailing wages (e.g., carpentry, electrical, plumbing)
- Telephone services, including cellular telephone services and hardware for accounts not owned by the University.
Merchant Category Code Blocks

Transactions with merchants in these categories will be declined:

Airlines, Air Carriers
Airports, Airport Terminals
Travel Agencies and Tour Operators
Transportation Services
Passenger Railways
Banks, ATMs Wire Transfer, Money Orders
Jewelry Stores
Watch, Clock & Jewelry Repair
Furriers And Fur Shops
Dating & Escort Services
Lottery Tickets, Betting
Consequences of Misuse

- Written notice of policy violation
- Additional training
- Card suspension or cancellation
- Report to VP and/or Internal Audit
- Termination of employment
- Recovery actions
- Criminal Prosecution
THE TRANSACTION IS OVER LIMIT
MONTHLY CREDIT LIMIT USED UP
IT’S THE 9TH CHARGE OF THE DAY
THE ACCOUNT IS SUSPENDED
CARD EXPIRATION DATE ERROR
ERROR IN 3-DIGIT SECURITY CODE

WHAT TO DO:
During WSU business hours call 509-335-9527; after hours call 800# on back of PCard
Online Purchases

- BILLING ADDRESS – ALL WSU PCARDS
  WASHINGTON STATE UNIVERSITY
  PO BOX 641020
  PULLMAN, WA 991641020

- SHIPPING ADDRESS FORMAT
  WASHINGTON STATE UNIVERSITY
  ATTENTION: YOUR NAME
  BUILDING NAME/ROOM NUMBER
  STREET ADDRESS
  CITY STATE ZIP CODE
Delegated Purchases

- Cardholder may authorize and instruct another employee to make purchases.
- The card must be checked out and back in on a PCard Check-out Record.
- Cardholder provides a delegation form for the assistant to show merchant.
- The cardholder is responsible for all purchases made with his/her PCard.
## PURCHASING CARD CHECK-OUT LOG SHEET

The cardholder and card reconciler are responsible for monitoring who has possession of the purchasing card. Usually, the cardholder is the person who has possession of the card. If an alternate user makes purchases with the card, indicate the name of the alternate user, the date and time the card is checked out, and the date and time the card is returned. Either the cardholder or the card reconciler maintains a copy of this log for each purchasing card which is checked out.

<table>
<thead>
<tr>
<th>DEPARTMENT NAME</th>
<th>CARDHOLDER NAME</th>
<th>CARD RECONCILER NAME</th>
<th>LAST 4-DIGITS OF CARD NO.</th>
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### PURCHASING CARD CHECKED OUT TO:

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<tr>
<th>DATE / TIME OUT</th>
<th>DATE / TIME RETURNED</th>
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Transaction Transparency

- Transactions are monitored and audited
- Electronic and paper records are created and retained
- Retention period for documents - 6 full fiscal years + current
- Stored in data warehouse
What Auditors Examine

- PRACTICES
- ROLES AND RESPONSIBILITIES
- DOCUMENTATION
- ITEMIZED RECEIPTS
- STATEMENT AND MONTHLY REPORTS

THE REVIEW IS A TEST OF COMPLIANCE WITH POLICY AND PROCEDURE
### PCard Account Maintenance

<table>
<thead>
<tr>
<th>Change of Reconciler</th>
<th>Change of Approving Official</th>
<th>Change of Spending Limits</th>
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<tbody>
<tr>
<td>Change of Duties</td>
<td>Transfer or Separation from Dept.</td>
<td>Compromise or Fraud</td>
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The Pcard is the property of the bank, and the cardholder is responsible for all activity on their card. If the cardholder leaves WSU or their dept., the card is to closed and destroyed. The cardholder must notify Purchasing of this event in advance via written notification.
Resources for Program Participants

Purchasing Cards

BPPM 70.08
Forms and Reports
PaymentNet 4
Problems and Solutions
Record Retention Schedule
Restricted Purchases
Training Classes and Resources

http://purchasing.wsu.edu/Purcard
Program Administration

The Purchasing Card Program is administered from Purchasing Services, and supported by Accounts Payable. Key contacts:

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeff Senkevich</td>
<td>Program Management</td>
<td>Account maintenance, training and customer assistance</td>
</tr>
<tr>
<td>509-335-9527</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patty Gropp</td>
<td>Program Administration</td>
<td>Policy, compliance, customer service</td>
</tr>
<tr>
<td><a href="mailto:gropp@wsu.edu">gropp@wsu.edu</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sean Dinius</td>
<td>Accounts Payable</td>
<td>Assistance with posted transactions and tax issues</td>
</tr>
<tr>
<td>509-335-2010</td>
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</table>
End of Training

We appreciate your attendance, attention, and effort in being here with us today.

Thank you
Late Attendance

If you did not get marked off for Roll Call at the beginning of class, please ensure to get credit for today by notifying me via email at purchasing.card@wsu.edu

Email should contain:

- Your Full Name
- Your WSU ID#
- Your Location (City and Dept. name)
- Make sure to identify the class you attended as “Level 1 Pcard Training on XX/XX Date”