CE-CERT Pro Card Desk Procedures and Best Practices

Background

The Procurement Card is a "Visa" purchasing card issued through US Bank, to designated University employees for the purpose of low dollar value purchases in accordance with University policies and procedures (see Section 750 of UCR's Policy and Procedures Manual). Although the card resembles and essentially functions like a personal credit card, there are significant differences. Full liability rests with the University for payment to the bank for all transactions. It is assigned by the bank to a specific University employee, but is issued in the name of and on behalf of the University.

The card is not intended:

- To bypass procurement or accounting policies (Sections 750 & 200 of UCR Policy and Procedures Manual)

- For entertainment purchases

- For travel

- For personal use

The Procurement Card Coordinator is located in the Campus Purchasing Department and may be reached at 951-827-3008.

Requirements to become a cardholder

Selection of cardholders will be done at the departmental level, in consultation with Purchasing, and must follow Low Value Purchase Authority Policies and Procedures (UC Riverside Policies and Procedures, Section 750-39). The Cardholder must be a UC career employee and have been delegated purchasing authority.

Cardholders must complete the online Procurement Card Training Program and Assessment with a passing score of 80% or high, in addition to, "The Nuts and Bolts of UCR Purchasing" training class. Furthermore, all Cardholders must attend a refresher course annually. Failure to complete refresher training will be cause for suspension or termination of the card.

Application

Intended cardholders must complete and submit a Cardholder Application form

1. Upon approval, a training date will be scheduled. Only after completion of training will a Low Value delegation be granted and a Low Value Delegation be issued.

2. In addition, Cardholders must sign an Employee Agreement Form, and accept its Terms and Conditions.

Departmental Roles and Responsibilities

Financial Manager's Responsibilities (Katie Dell)

i. **Monitor Selection**

1. Ensure the selection of cardholders follows Low Value Purchasing Authority delegation (UC Riverside Policies and Procedures 750-39).

2. Selection of Cardholders must be approved by the department financial manager.

ii. **Monitor Use**

1. Monitor card activity to ensure the Procurement Card is only being used for allowable purchases as outlined in Low Value Purchase Authority policies.

2. Maintain a list of all Cardholders within the department.

iii. **Training**

1. Ensure that authorized Cardholders, Departmental Administrators and they themselves are trained in the proper use of the card and have attended the Procurement Card Training and Refresher Training classes.

iv. **Cardholder Application/Employee Agreement Form**

1. Ensure that all appropriate signatures and accounting information are secured before submission to Purchasing.

2. Assigned dollar limits are not to exceed LVPA

v. **Separation of Duties**

a. Ensure that no one employee, including a manager, is in a position to both take unauthorized action (or make an error) and permanently conceal it. Duties must be separated and transactions must be independently reviewed and reconciled by someone other than the person conducting the purchase. The Reviewer cannot be subordinate to the Cardholder. Review DCA card charges (Katie to review Berenice's charges)

b. DCA will provide pro-card transfer documentation upon completion for PAN review the following day.

    a. During PAN review, check that account, activity, fund, function, CC, and PC are appropriately expensed with PI authorization or FO authorization for use of funds

    b. Review the transaction for appropriateness to the fund

    c. Be sure back-up documentation/receipt coincide with the amount charged

    d. Sign-off on Pro-card clearing form once complete

    e. Return for filing in appropriate funds

vi. **Termination, Changes, Deletions and Additions**

    1. Notify the Procurement Card Coordinator immediately, in writing, of any changes, deletions or additions to the Procurement Card including changes to the FAU, transaction limits or information displayed on the Procurement Card.

vii. **Departmental Card Administrator**

    1. Appoint a department employee whose responsibility is to manage the Procurement Card program within the department.

Departmental Card Administrator (DCA) Responsibilities (Berenice Murillo-Quintana)

viii. **Training**

    1. Ensure that cardholders and they themselves are trained in the proper use of the card and have attended Purchasing Training and Procurement Card specific training and Refresher training classes.

ix. **Reconciliation**

    1. Make certain that required supporting documents are on file in department for five years.

    2. Ensure accurate reconciliation of bank charges with Financial Transaction Detail Report or completed within thirty days after the final Transaction Detail Report.

3. Ensure that cardholders submit required documentation within ten days.

    a. Source documentation (receipts) from the vendor must provide sufficient information to permit validation by an individual other than the cardholder. This documentation can be itemized receipts or itemized packing slips.

    b.   Purchases Made in Person - To document purchases made in person, a credit card slip (customer copy) or a cash register tape, signed by the Cardholder normally is acceptable. If the merchandise purchased is not itemized on the signed document, the purchaser must request and obtain a cash register tape or a manual itemized receipt from the vendor. This must be done at the time of purchase. Additional documentation must be provided if the cash register tape or other receipt provided by the vendor does not provide sufficient detail to permit verification by a person other than the Cardholder of the items purchased.

    c. Mail, Telephone or Internet Orders - To document purchases made via mail, telephone or Internet, departments must obtain a copy of the vendor's order confirmation/acknowledgement, packing slip or vendor invoice. These documents must contain sufficient information to permit proper reconciliation of charges.

4. Ensure that all items that are received are inspected within ten days.

x. **Purchasing Policy**

    1. Ensure compliance with Low Value Purchase Authority policies and procedures

    2. Ensure restricted items are not being purchased with card

xi. **Accounting**

    1. After receipt of PAN notification of PRO charges, ensure redistribution of card transactions to the appropriate FAU are made within sixty days of posting or by the end of the year, whichever occurs first.

    2. Check to make sure that the charges include SALES TAX/USE TAX (if appropriate)

3. If the charge does not include USE TAX, go to the inquiry on UCRFS Financial System and enter the Journal ID, print the appropriate line item, and send it to accounting to add the USE TAX

4. REMOVAL of USE TAX. If accounting is adding USE TAX to a charge that does not require it, the following procedures apply:

   a. If invoice says "freight" or "shipping" by itself, it shouldn't be used to calculate tax

   b. If invoice says "freight/shipping & handling" – this is taxable.

   c. So calculate what the use tax really should be – if the difference is less than $2, the dept. absorbs it.

5. Ensure use of the card follows all current accounting policies and procedures.

xii. **Transaction Log**

1. Completion of a P-Card Transaction Log used in addition to document for a transaction provided all the details of the purchase.

xiii. **Credit Log**

1. Department is to maintain a credit log and follow up requests for credit to a satisfactory completion. All requests for credit must be resolved within sixty days of posting of the transaction. Credits must be monitored until received

b. **Performing the PCT Function (Bernice Murillo-Quintana**

i. Run a Totals Report of all pro-card transactions and save the query in W:\PurchasingPayrollTravel\Purchasing Assistant\ProCard\FY20xx and in the appropriate month

ii. The pro-card holders are required to turn in a Pro-Card Clearing Form with their purchases/receipts stapled to it

iii. Compare the Totals Report to what receipts provided. Contact the cardholder via e-mail to request outstanding receipts missing from documentation.

iv. Use the Pro-Card Clearing Form and make sure that the authorizing PI has signed it

v.   Ensure sales tax has been charged on the purchases that require sales tax (services and downloads do not require sales tax). If the receipt does not have sales tax, check to see if UCR has added use tax via the totals report

vi.   If UCR has added use tax, then make sure that it is the correct amount

vii.   If UCR has not added use tax, send a PDF of the invoice to accounting so they can add use tax to the FAU that the expense will be transferred to

viii.   Check the purchase to determine allowable costs on the funding source provided on the Pro-Card Clearing Form by looking at the contract terms and conditions

ix.   Maintain the PCT list with the pro-card clearing account FAU and the FAU that the expense is being allocated to, along with a description of what was purchased

x.   Use the UCRFS Financial System PCT function and create a PCT journal to transfer the expense to the appropriate funding source and write the new Journal ID on the Pro-Card Clearing Form

xi.   Once all expenses have been transferred, sign the bottom of the Pro-Card Clearing Form