

Arkansas State University

Procurement Card (PCard) Program

Guidelines Manual

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Procedures and guidelines will be changed to meet the needs of the Procurement Card (PCard) Program. For the most current guidelines, please refer to our WEB site at: <http://purchasing.astate.edu>

INTRODUCTION

Welcome to the State of Arkansas/ Arkansas State University Procurement Card (PCard) Program. As an agency of the State of Arkansas, Arkansas State University is participating in this program that is designed to help better manage low-dollar supply purchases and bring many benefits to you, the University, and our vendors. The PCard will facilitate the acquisition of lower dollar goods and services needed for conducting official University business. It is intended that the PCard be issued to select University full-time employees to enhance the University and departmental effectiveness or economy of operations. Liability for payment, total responsibility and accountability for the PCard transactions resides at the department level. **Personal purchases are strictly forbidden and may result in disciplinary action.**

It is accepted that no policy and guideline statement can cover all eventualities. Exceptional cases will be resolved as circumstances and prudent business practices warrant on a case-by-case basis.

University departments, as a condition of participation in the PCard program, shall abide by the terms of the guidelines unless written exception is requested and approved by the A-State Procurement Services Director.

The success of the Procurement Card Program and its continuing use depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within this document.

1. WHAT IS THE PROCUREMENT CARD?

The Procurement Card is a Mastercard credit card issued by Bank of America. It is a fast, flexible new purchasing tool which offers an alternative to the existing purchasing processes and provides an extremely efficient and effective method for purchasing and paying for supplies with a total cost of up to **\$2500.00** or less per *individual order* with a maximum monthly limit not to exceed \$2500 without the approval of the division Vice-Chancellor. **The PCard is to be used only for official business purchases for Arkansas State University.**

The issuance of a PCard to you represents the trust bestowed upon you by the University to protect its assets and integrity. Under your oversight, review and approval, you provide the key point of control to maintain appropriate spending activities to protect your departmental funds.

The Procurement Card will enable you to purchase non-restricted commodities, by telephone or in person, directly from the vendors. It will eventually eliminate the need for issuing low dollar purchase orders and many blanket purchase orders.

The Procurement Card will be issued in the individual cardholder's name with the wording "Arkansas State University" and "For Official Use Only" clearly indicated on the card.

The basic PCard transaction consists of the following steps:

- Cardholder enters a business and selects the item(s) needed, charges it on the PCard, signs a sales/charge slip and takes itemized receipt of the merchandise.
- Merchant submits the transaction to Mastercard and in-turn they submit it to Bank of America for payment (merchant normally will receive their payment within 3 working days of the original transaction).
- Bank of America will bill A-State on the 16th of each month for all charges made by the various A-State departments for the proceeding 30 days.
- A-State reconciles the receipts/charge slips from the PCard Transaction Log and makes a single payment to Bank of America, on behalf of all the A-State departments. The Accounting Department debits/credits each appropriate departmental account after the reconciliation is made.

2. THE PROCUREMENT CARD PROGRAM BRINGS MANY BENEFITS TO....

Cardholders - You will be able to obtain various supplies and services directly from our vendors without using a purchase order. This streamlines the purchasing process and can help improve turnaround time on receipt of your order. It significantly reduces the workload and processing costs related to the purchase and payment of supplies.

Arkansas State University - The Procurement Card program provides a cost-efficient, alternative method for purchasing low-dollar supplies and services. Built-in card features make the program easy to control and manage and reduce processing costs at all levels by reducing the number of requisitions, purchase orders, invoices and checks. The Procurement Card enables departments to focus on higher yield value added activities.

Vendors - Vendors who accept Mastercard will welcome the Procurement Card. When they accept the card for business purchases, vendors need not send invoices to Arkansas State University, and they will receive payment directly from Bank of America within 72 hours.

3. ALLOWABLE and NON-ALLOWABLE CHARGES

There are many possible items and services that can and cannot be charged to the A-State Procurement Card. The allowable items/services that can be purchased are vast, some examples are, books, general office and educational supplies, lab supplies, postage, subscriptions, UPS, FedEx and many more. The PCard will be accepted at the A-State Bookstore, Hobby Lobby, Wal-Mart and many other merchants. In general, the Cardholder may purchase goods and services that serve as official business purposes for Arkansas State University, **EXCEPT:**

- **Airfare, Hotel, Vehicle Rental, Restaurants, Conference Registration (except virtual or local conferences)**
- **Alcoholic Beverages**
- **Cash Advances**
- **Office Décor for an individual office (office décor for the reception area is allowed)**
- **Gasoline or any type of fuel**
- **Gift Cards (unless approved by Procurement Services in advance)**
- **Food or Meals (certain food items can be purchased with approval from Procurement Services in advance) ABSOLUTELY NO RESTAURANTS OR CATERING SERVICES (with the exception of Sodexo)!**
- **Professional Services (ex. hiring lawyers, accountants, architects)**
- **Any transaction over \$2500**
- **Computers including tablet computing devices (ex. iPads)**
- **Cellular Telephones**
- **Trade-Ins (Do not trade in ASU property to receive credit for another item)**
- **Greeting Cards**

- Software without first obtaining permission from Procurement (VPAT & IT Questionnaire required)
- Televisions (must go through IT Services)
- Flowers
- Office Party supplies and or items
- Gifts for faculty or staff
- Printing of any kind
- Any other purchases not permitted under A-State policy and/or procedures

NOTE: All purchases must be for official business of Arkansas State University.

4. MAKING A PURCHASE

When making a PCard transaction the Cardholder shall check as many sources as reasonable to assure the best price, quality, service and delivery is in the best interest of the University. Products ordered must be picked up or delivered to an authorized University address only. Products may not be delivered to a personal residence unless authorized by the appropriate Dean, Chair, or Vice Chancellor. Shipments to non-AState addresses can result in cancellation of the PCard. There are many methods of procuring with the PCard.

Purchasing in Person – The Cardholder takes the PCard to the supplier and verifies the supplier accepts the Mastercard. The Cardholder selects the order, carefully ensuring that the selection is not listed as an exception to the allowable items/services that can be procured with the PCard and that the total cost does not exceed the control limits set for the Cardholder’s PCard. The Cardholder takes the order to the supplier’s cash register and presents the PCard for payment. The supplier either swipes the PCard through a card reader or calls for an authorization. The supplier then asks the Cardholder to sign for the charges. The supplier issues the Cardholder a copy of the slip, cash register tape or paid invoice. The Cardholder shall retain all PCard transaction documentation and provide it to the Department Liaison for reconciling on the PCard Statement Report in Concur.

Phone Orders – The Cardholder may telephone an order to a supplier. The supplier shall request the Cardholder’s PCard number and expiration date. For security reasons, ensure others do not overhear or view this information. The Cardholder advises the supplier that the **University is not tax exempt** and shall pay all applicable sales tax. The Cardholder shall ensure the supplier includes a PCard authorization slip, cash register tape or paid invoice with the delivery of the order. All orders shall be made deliverable to the University department’s official shipping address thru central receiving. The Cardholder shall ensure all

transaction documentation is provided to the Department Liaison for reconciling to the PCard Statement Report in Concur.

Internet Orders – The Cardholder may use electronic mail to submit an order to a supplier. The Cardholder shall ensure the supplier includes a PCard authorization slip, cash register tape, paid invoice and/or delivery slip with the order. If the supplier intends to mail the PCard transaction documentation as a separate item, the Cardholder shall ensure the documentation is mailed to the University department's official address. The Cardholder shall ensure all transaction documentation is provided to the Department Liaison for logging to the PCard Transaction Log. Internet orders may be subject to Use Tax.

5. GENERAL POLICIES AND PROCEDURES

- Procurement cards will only be issued to an individual in the individual's name.
- Cardholder must be a full-time employee of Arkansas State University.
- Procurement cards will be available only to full-time employees of Arkansas State University.
- Procurement cards will not be transferable between individuals.
- A default account and object code will be assigned to each procurement card.
- Each department will assign a department liaison.
- Each account code will belong to one department. However, a department may have more than one account code.
- Cardholders will be linked to their department by their account code.
- Department liaisons will be responsible for the basic accounting procedures and maintenance of the PCard Transaction Log along with the applicable back-up documentation applicable to all transactions for each cardholder assigned to them by the department head.
- Department cardholder may be a liaison for him/herself.
- Department liaison may be responsible for more than one department account.
- Procurement Services will name a Procurement Card Coordinator.
- Employee's Dean/Director and appropriate Vice-Chancellor must approve the employee agreement request for a card, assign the department liaisons for each individual card user and submit this information to the Procurement Card Coordinator before the process of issuing a card can begin.
- A criminal and credit background check will be conducted prior to a PCard being issued.
- Upon receipt of this approved background check, the Procurement Card Coordinator will submit the application to Bank of America.
- The cardholder must provide notification to the Procurement Card Coordinator when changes in department liaisons occur.
- Department head approval delegates transaction authority to the cardholder.
- Bank of America is to be paid each billing cycle from the departmental funds.
- Department liaisons will have the capability to, and will be responsible for:
 - Reconciling each cardholder's transactions to the PCard Statement Report in Concur and maintaining the documentation for each transaction.

- reallocating cost share information if required
- Departments will be responsible to assure credit card charges are accurate on their Monthly Management Budget printout report.

6. PARTIES INVOLVED

- **Agency** – Arkansas State University who arranges with the card issuer, Bank of America for the issuance of procurement cards to approve departments and agrees to accept liability for the employees' use of the cards.
- **Cardholder** – a full-time employee of Arkansas State University who is approved by his/her department head and division Vice-Chancellor to use the procurement card to execute purchase transactions on behalf of their department.
- **Card Issuer** – Bank of America services were contracted for/by the State of Arkansas, to issue Mastercard procurement cards to Arkansas State University employees, to bill the University for all purchases made on the cards, and to collect payment from Arkansas State University on behalf of the vendors.
- **Department Head** – Arkansas State University official who must approve employee's request for a procurement card, assign department liaisons, designate account and object codes for purchases on the purchasing card, and submit applications to the procurement card coordinator. Department head approval delegates transaction authority to the cardholder.
- **Department Liaison** - An employee(s) in each department/college responsible for proper use of the procurement card within their assigned department. Each cardholder will be assigned to department liaison(s) by means of their department and the liaison will be responsible for reviewing transactions of individual cardholders to make sure the transactions are classified as an appropriate expense.
- **Procurement Card Coordinator (PCC)** - the central coordinator will be located in Procurement Services. This person will coordinate the procurement card program and acts as an intermediary in correspondence with the card issuer and perform some audit functions.
- **Vendor** - the merchant from whom a cardholder is making a purchase.
- **Department** - this is derived from the University's management/budget reporting structure. It is used to provide a means of security so that department liaisons can manage their cardholders and account codes.

7. CARDHOLDER RESPONSIBILITIES

Cardholders are responsible for knowing and applying all of the rules related to the PCard program. The Procurement Card may not be used for travel, entertainment, cash and

other categories as determined by Procurement policy. Misuse of the card will subject the Cardholder to disciplinary action in accordance with Arkansas State University Policies and Procedures relating to disciplinary action and termination for cause. The Cardholders' responsibilities include:

- Ensure the Procurement Card is used only for legitimate A-State business purposes.
- Maintain the Procurement Card in a secure location at all times.
- Not allow other individuals to use the Procurement Card unless a Cardholder Delegation Form has been completed.
- Adhere to the purchase limits and restrictions of the Procurement Card and ensure the total transaction amount of any single transaction does not exceed \$2500.00 per item or single invoice.
- Adhere to the purchasing rules and regulations of not splitting orders to circumvent the \$2500 limit.
- Obtain all original itemized sales slips, register receipts, and/or Credit Card slips and provide to the Department Liaison for reconciliation, approval and allocation of transactions.
- Notify Department Liaison if the account and/or object code should be changed on a transaction.
- Attempt to resolve disputes or billing errors directly with the vendor and immediately notify the Departmental Liaison and the Procurement Card Coordinator if the dispute or billing error is not satisfactorily resolved.
- Ensure that an appropriate credit for the reported disputed items(s) or billing error appears on a subsequent Cardholder's Statement.
- **Not accept cash or gift cards in lieu of a credit to the procurement card account.**
- **Immediately report a lost or stolen card to Mastercard at 1-888-449-2273 (24 hours a day, 365 days a year).**
- Return the procurement card to Procurement Services upon terminating employment with Arkansas State University or upon request of the Procurement Card Administrator or Department Head.
- If the cardholder is changing departments within Arkansas State University they must contact the Procurement Card Coordinator to coordinate the change.

8. DEPARTMENT LIAISON RESPONSIBILITIES

Each Department Head must designate a Department Liaison for each department. A Department Liaison may also be liaison for his/her own card. However, if the department liaison(s) is also a procurement cardholder, it will be the responsibility of the liaison to have the monthly charges incurred on the liaison's procurement card reviewed and signed by their department head, Dean or Vice-Chancellor of their division. The department liaison must attend all required training sessions and will be notified of these by means of a PCard Listserv to which they should be subscribed. Responsibilities include:

- Collecting vendor receipts and procurement card receipts from each Cardholder, validation of those documents and reconciling to Bank of America billing statements.
- Maintain a PCard Statement Report in Concur for each card within that department
- Log each transaction as the Cardholder presents the individual transactions and maintains the back up (itemized receipts, sales slips, packing list, etc.) for future audit purposes.
- Retaining all charge slips and receipts for audit by internal and external auditors.
- Attempts to resolve any disputes with vendor and/or Bank of America not resolved by Cardholder. **Note:** there is a 60-day period for resolution of disputes.
- Changing the default account and/or object code for individual cards as needed.
- Notifying Procurement Card Coordinator of lost or stolen cards.
- Requesting Procurement Card Coordinator to cancel a Cardholder's card e.g. (terminated employees, loss of purchasing card privileges) as approved by Department Head.
- Department liaisons are responsible for making sure that they are receiving messages from the PCard Listserv.

9. DEPARTMENT HEAD RESPONSIBILITIES

The Department Head is responsible for reviewing purchases made by the PCardholder and applying all of the rules related to the PCard program. The Procurement Card may not be used for travel, entertainment, cash and other categories as determined by Procurement policy. Misuse of the card will subject the Cardholder and the Department Head, who approves the purchases, to disciplinary action in accordance with Arkansas State University Policies and Procedures relating to disciplinary action and termination for cause. The Department Heads' responsibilities include:

- Verify purchases made by the Cardholder are legitimate office-related purchases.
- Verify the items purchased can be located within the department.
- Verify that the Cardholder does not split purchases over \$2500 to circumvent the \$2500 single purchase limit (this would apply to Cardholders who have a monthly credit limit over \$2500)
- Verify that no gift cards were purchased without the approval of the Director of Procurement Services.
- Question receipts that are not itemized and ask the Cardholder to obtain itemized receipts.
- Verify that office supplies are being purchased from contracted office suppliers only.
- Review receipts before approving the transaction log.
- Be aware of charges made during holiday, vacation, sick leave, and FMLA leave by the Cardholder and report this to the Procurement Card Coordinator if found.
- Notify Procurement Services if misuse is suspected.

10. PROCUREMENT CARD COORDINATOR RESPONSIBILITIES

The Procurement Services Office will assign a PCard Coordinator to be responsible for the over-all Procurement Card program. Responsibilities include:

- Arkansas State University contact with Bank of America.
- Utilizing application from Bank of America.
- Reviewing Department approved applications for completeness of required information.
- Submitting completed application to Bank of America and receiving Procurement Card from Bank of America.
- Training Department Liaisons before releasing Procurement Cards.
- Training Cardholders before releasing Procurement Card.
- Having Cardholder sign Cardholder agreement, signifying agreement with the terms of the Procurement Card program.
- Handling disputed charges/discrepancies not resolved by Cardholder or Department Liaison.
- Initiating change of Procurement Card default account and/or object code upon request of Department Liaison.
- Securing revoked Procurement Cards and submitting information to Bank of America.
- Reviewing usage of Procurement Card data for appropriateness.
- Performing audit functions and/or coordinating them with the A-State Internal Auditor.

11. CARDHOLDER ELIGIBILITY

Criteria to receive a Procurement Card are as follows:

- Applicant must be a full-time employee of Arkansas State University.
- His/her Dean/Director and the appropriate Vice Chancellor must approve applicant's request for a Procurement Card.
- Employee must attend a training session before he/she may be issued a Procurement Card.
- Each individual Cardholder must sign a training agreement in the presence of the Procurement Card Coordinator.
- A criminal and credit background check will be conducted prior to a PCard being issued.

12. CARDHOLDER LIABILITY

The Procurement Card is a corporate purchasing Mastercard charge card, which will not affect the Cardholder's personal credit. Your department is liable for all charges made on the PCard issued to you. This includes transactions made on a lost or stolen card before it is reported lost or stolen. However, it is the Cardholder's responsibility to ensure that the

card is used within stated guidelines of the Procurement Card Cardholder Manual as well as Arkansas State University's Policies and Procedures relating to the expenditure of Arkansas State University. Failure to comply with program guidelines may result in revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination of employment. **Ultimate responsibility for use/misuse of charges rest with the cardholder.**

13. CARDHOLDER TERMINATION

The Procurement Card Coordinator is required to close an account if a Cardholder:

1. Moves to a new job on campus in which a Procurement Card is not required
2. Terminates Arkansas State University employment
3. For any of the following reasons, which will also subject Cardholder to disciplinary action in accordance with Arkansas State University's Policies and Procedures, relating to disciplinary action and termination for cause.
 - a. The Procurement Card is used for personal or unauthorized purposes.
Note: Use of the card for personal and/or unauthorized purposes could be interpreted as fraud, which could be grounds for employee termination.
 - b. The Procurement Card is used to purchase alcoholic beverages or any substance, material, or service, which violates policy, law or regulation pertaining to Arkansas State University.
 - c. The Cardholder splits a purchase to circumvent the limitations of the Arkansas Procurement Law.
 - d. The Cardholder fails to provide Department Liaison with required receipts.
 - e. The Cardholder fails to provide, when requested, information about any specific purchase.
 - f. The Cardholder does not adhere to all of the Procurement Card policies and guidelines.
 - g. Failure to provide a receipt will result in employee reimbursing the University for the purchase.

14. DOCUMENTATION OF EXPENDITURES

The Cardholder must provide valid documentation of each transaction to the Departmental Liaison. The Departmental Liaison must review all documentation submitted and determine that valid and complete documentation is on file for every transaction listed on each Cardholder's statement. Each Cardholder will provide valid documentation of each transaction to the Departmental Liaison after each transaction. All documentation for each and every transaction must be maintained for audit purposes and shall be placed in a permanent file for the current and the previous fiscal years.

1. Valid source documentation may be:
 - a. An original itemized receipt and/or itemized card transaction slip from the merchant.
 - b. A faxed copy of the receipt will be accepted if it is determined to be authentic.
 - c. An order form for books, subscriptions, or similar items.
 - d. An invoice showing credit card payment.

2. All documentation should include the following minimum information (Cardholder must hand write it if not originally printed on the form):
 - a. Vendor name.
 - b. Date of the purchase
 - c. Description and quantity of each item purchased.
 - d. Per item cost, if available from the merchant.
 - e. Total cost of the transaction.
 - f. Cardholder name and card number.
 - g. Business purpose and location of purchase.

3. The PCard holder, liaison, and Department Head should insure that all items purchased with the PCard are received and accounted for before signing and submitting the transaction log. Items not located by an audit could be considered personal purchases and a violation of PCard policy. Exceptions will be made in cases of consumable items.

15. LOST, MISPLACED OR STOLEN PROCUREMENT CARDS

Cardholders are required to immediately report any lost or stolen Procurement Card to **Bank of America** at **1-888-4492273** (24 hours a day, 365 days a year). The Cardholder must also immediately notify his/her Department Liaison and/or the Procurement Card Coordinator about the lost or stolen card at the first opportunity during normal business hours.

16. SPENDING CONTROLS

The Procurement Card is to be used only for the purchase of supplies and services. Arkansas State University's spending parameters for each procurement card issued is set at **\$2500.00 per individual single transaction** with a monthly maximum that is not to exceed \$2500 unless approved by the division Vice- Chancellor. Arkansas State University, through the Procurement Services Department, will adjust limits as determined by demonstrated and/or special need.

17. CARD DECLINES

Should a vendor decline the Procurement Card, the Cardholder should immediately contact the Procurement Card Coordinator for assistance. If purchase is being made

outside normal business hours, the employee must find an alternate payment method or terminate the purchase and contact the Procurement Card Coordinator during normal business hours.

18. EMERGENCY TRANSACTIONS

Emergency transactions over \$5,000.00 may **not** be handled with the Procurement Card due to State/University procurement regulations. For any transaction, which does not meet the spending controls assigned to the card, the Cardholder must contact the Procurement Services Office for assistance. An exception to this rule will be made if it applies to the A-State Disaster Plan.

19. CREDITS

Vendors will issue all credits to the individual Procurement Card account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. **Under no circumstances should a Cardholder accept cash in lieu of a credit to the Procurement Card account. If a vendor issues cash or gift cards as credit, the PCard holder and/or liaison is to contact Procurement Services. Arkansas State University will cease doing business with a vendor that reimburses with cash or gift cards.**

20. UNRESOLVED DISPUTES AND BILLING ERRORS

The Cardholder is responsible for contacting the vendor to resolve any disputed charges or billing errors. If the matter is not resolved with the vendor, the Cardholder/Department Liaison should:

- Contact the Procurement Card Coordinator for assistance.

Note: The total amount billed by Bank of America will be charged to the individual department accounts and credits for disputed transactions will be posted to department accounts when the credit appears on the Bank of America billing.

21. SECURITY AND STORAGE

- **Procurement Cards** - Cardholders should always treat the Procurement Card with at least the same level of care as one does with their own personal credit cards. The card should be maintained in a secure location within the department and the card account number should be carefully guarded. The only person entitled to use the card is the person whose name appears on the face of the card. The card may not be lent to another person for any reason unless a delegation form is completed by the cardholder.
- **Program Documentation** - The Department Liaison assigned to each department will maintain the Cardholder's vendor receipts/packing slips/charge slips. The

Procurement Card Coordinator located in Procurement Services will maintain all other documentation concerning the Procurement Card program. This documentation includes, but is not limited to, applications, Cardholder agreements, agency billing statements, reconciliation of accounting statements, documentation, and copies of transmittals and correspondence with Bank of America.

22. VENDOR SET UP

If a vendor does not accept Mastercard, Arkansas State University will assist in recruiting the vendor to take the necessary steps to begin acceptance of the card and provide this information to Bank of America. Cardholders should contact the Department Liaison or Procurement Card Coordinator when encountering vendors who do not accept the card.

23. MERCHANT CATEGORY CODE BLOCKING

Arkansas State University has adopted the State of Arkansas's Blocked Merchant Category Code List with some adjustments. Transactions will be blocked at the point-of-sale level at the types of vendors on the Blocked Merchant Category Code List.

24. PROCUREMENT CARD SET UP, MAINTENANCE AND CLOSURE

All contact with Bank of America for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by the Procurement Card Coordinator who is located in Procurement Services (972-2028).

- Card Set Up
 - Arkansas State University employee completes a Procurement Card application and submits to his/her Department Head for completion and approval.
 - Department Head completes the application by providing the name of the Department Liaison (only if a new department liaison is necessary) and default account and object code to be assigned to the card.
 - Department Dean and Division Vice-Chancellor signature approval delegate's transaction authority to the Cardholder.
 - Approved application is to be sent to the Procurement Card Coordinator.
 - Procurement Card Coordinator reviews application for completeness and submits the background check application to A-State Human Resources Department.
 - Upon approval of criminal and credit background check, the Procurement Card Coordinator submits the application to Bank of America in an approved format.
 - Upon receipt of the Procurement Card from Bank of America, the Procurement Card Coordinator will conduct a training session with the Cardholder prior to issuing the card.

- Cardholder signs Cardholder Agreement signifying agreement with the terms of the Procurement Card program.
- Card Maintenance
 - Procurement Card Coordinator will use all available tools of Bank of America software for the maintenance of cards.
- Closure
 - Lost or Stolen Cards - Cardholder must immediately report the lost/stolen card to **Bank of America at 1-888-449-2273**. Cardholder must also notify the Procurement Card Coordinator who will follow up with Bank of America.
 - Terminated Employees - Department Liaison is to secure Procurement Cards from terminated employees. The Department Liaison will immediately notify the Procurement Card Coordinator by phone of the termination. A request for closing the Cardholder account will be submitted to Bank of America by the Procurement Card Coordinator within 2 days of receiving the notification. All Procurement Cards are to be returned to the Procurement Card Coordinator for disposal.
 - Other Card Revokes/Closures - Procurement Card Coordinator will notify Bank of America immediately of all revokes and closures.

25. RECONCILIATION, APPROVAL AND ALLOCATION OF BILLING

Receipt and Payment of Bank of America Billing

- Bank of America will electronically bill Arkansas State University within 3-5 days after the close of the billing cycle on the 15th of each month.
- Procurement Card Coordinator will review bill for any obvious errors in charges or un-posted payments. If none noted, payment in full will be made to Bank of America.
- Director of Accounts Payable will prepare payment request document against the account and submit the billing to Disbursing/Accounts Payable for a payment to be issued to Bank of America. The Payment Voucher will be prepared after receipt of the bill and processed so that payment will reach the bank no later than **10** calendar days after the close of the billing cycle of the previous month (with the exception of holidays, the closing of the University, and the fiscal year end).
- Payment will be transmitted in accordance with Bank of America instructions.

Allocation of Procurement Card Charges to Departments

A default account and object code will be assigned to each Procurement Card issued. Bank of America will submit monthly an electronic billing statement to Arkansas State University-Jonesboro and all Procurement Card transactions will be charged to the account number unless adjustments are made as follows:

- Department Liaisons will change account and/or object codes as necessary.
- Department Liaisons will assemble and retain Cardholders statements, charge slips and receipts for audit by internal and external auditors. Receipts for

- purchases made from Federal funds must be maintained for the current fiscal year and the previous fiscal year.
- Procurement Service Director will process upload of the department charges to accounting for charging individual departments.
 - The total amount billed by Bank of America will be charged to the individual department accounts. Credits for disputed transactions will be posted to departmental default account when credit appears on the Bank of America billing.
 - Accounts Payable will reconcile the detailed electronic billing statement to amount paid the Bank of America.

26. END OF FISCAL YEAR PROCEDURE

Goods and services shall be expended in the year they are received. When the PCard is used, the supplier may hold the PCard transaction posting for several days and it could take 2-3 days for the actual posting to the Bank of America billing which is the 16th of each month. Either of these events could create an accounting problem at the end of the fiscal year (June 30th). To ensure that PCard expenditures are properly recorded in the year goods and services are received, the Cardholder shall inform the supplier, for any June transactions, that the transaction should be posted the same day as the actual transaction took place.

27. AUDIT

Arkansas State University's internal control policies and procedures are as follows:

Cardholder will:

- Submit vendor itemized receipt/packing slip and charge slip(s) to the Department Liaison. If order was by telephone/fax, the Cardholder must supply a copy of the order blank or a description of order to Department Liaison for logging and filing purposes.
- Indicate account, object, and/or cost share account code for purchases to be charged if different than the account number assigned to the Procurement Card.

Department Liaison will:

- Maintain PCard receipts for each card within that department.
- Match Cardholder receipts to the monthly electronic billing received from Bank of America.
- Enter account, object, and/or cost share account code when applicable.
- Enter analytical for cost sharing to grants when applicable.
- Maintain a detailed report of the above and forward to the Procurement Card Coordinator within five (5) working days after receipt of monthly electronic billing for each individual card.

- Retain all transaction receipts and vouchers for audit by internal and external auditors. Receipts for purchases paid from Federal funds are to be maintained for the current and previous fiscal year.

Director of Procurement Services

- Process upload of departmental charges to Information and Technology Services for charging individual departments. Upload to individual account codes is to be for the total amount of the electronic billing.

Procurement Card Coordinator will:

- Make periodic audits of card use and PCard charges for appropriateness. Areas to be monitored include, but not limited to, compliance with State of Arkansas Procurement Laws/Regulations, compliance with Procurement Card regulations, compliance with Arkansas State University regulations.