This manual includes general information and detailed procedures for card issuance and card processes, purchasing guidelines, and documentation requirements.
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Introduction

Welcome to the Fayetteville State University Purchasing Card Program

The purpose of the Fayetteville State University Purchasing Card Program is to simplify procurement and payment processes for selected low dollar, high volume business commodities and services. The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures such as purchase requisitions/orders, direct pay requests, and expense reimbursements. The card is issued by Bank of America Merrill Lynch (BAML) and is widely accepted by vendors that support Visa card purchases. The program provides the following benefits to account holders and the university:

Benefits to the Account Holder

- Eliminates the need to use personal funds and obtain reimbursements.
- Provides convenience, security, and flexibility to make small dollar purchases.
- Empowers account holders with choices and immediate access to goods.

Benefits to Fayetteville State University

- Significant cost savings in the purchase-to-pay cycle.
- Increased expense analysis power.
- Increased ability to provide value-added services.
- Eliminates Vendor Registration

Corporate Liability

Fayetteville State University’s purchasing card is a Visa credit card with corporate liability. Corporate liability is defined as follows:

- The university is liable for all charges made by university employees.
- The university is not held liable for charges made by a terminated employee once notice of termination is provided to BAML.
- The university is not liable for charges made with the purchasing card resulting from card theft or other fraudulent use by third parties not employed by the university.
This reference guide will provide you with the details of the program, including general information, card issuance, card processes, purchasing guidelines, and documentation requirements. It is important to read the following information carefully, as accountholders, reconcilers, approvers, and department heads are responsible for adhering to the established policies and procedures.
General Information

The purchasing card (p-card) is a corporate Visa credit card, issued to Fayetteville State University through Bank of America Merrill Lynch (BAML). The card is to be used for Fayetteville State University’s business transactions only. Personal use of the Visa card by an employee is strictly prohibited.

A permanent, non-student employee with department head approval may acquire a p-card by having authorization from the Vice Chancellor of Business and Finance, completing the application and agreement and completing purchasing card training. The p-card is issued in the employee’s name through BAML and the Fayetteville State University Employee’s Name.

**Personal Credit History:** Although the p-card is issued in the employee’s name, your personal credit history is not considered during the application process, and use of the p-card will not affect your personal credit history in the future.

**Payment of Charges:** Monthly purchasing card charges are paid to BAML by the university. University funds and expense accounts assigned by the Accountholder or Reconciler during the reconciliation process are charged monthly when the payment to the bank is generated. The purchasing card program provides the university with full dispute rights and corporate liability coverage for all purchases.

### Card Usage

Your p-card can be used for most allowable Fayetteville State University business expense with vendors that accept Visa credit cards. The card can be used to facilitate in-store purchases as well as purchases placed by phone, internet, fax, or mail. Personal use of
the card is not allowed and will be considered as terms for card revocation as well as employee disciplinary action.

Charges to the card are limited by daily, and monthly transaction dollar amounts as defined below. In addition, some vendors are blocked based on their Merchant Category Code (MCC). Transaction dollar limits and allowable merchant categories are established for each card account.

**Transaction Dollar Limits:** Standard transaction limits are set at $2,500 per transaction with a daily/monthly limit of $5,000. *The Accountholder should be aware that splitting transactions in order to remain within the transaction limit, daily limit, or monthly limit is prohibited.*

**Increases:** All increase request will need to be submitted through P & C prior to making your transaction over the limit. Please do not wait until the last minute these request will be done through email and will need more time to process. Please contact your Procurement Card Administrator for further instructions.

**Merchant Category Blocking:** Merchant category blocking utilizes MCCs to limit purchases from specific vendors. If a particular merchant category is blocked (e.g. jewelry stores) and a purchase is attempted, the purchase will be declined. Management has made an effort to ensure that vendors used during the normal course of business are not restricted.

If your card is declined by a vendor that provides allowable business purchases, please contact the Purchasing Card Administrator to assist with the purchase.

**Card Security**

*Information Security,* you are responsible for ensuring the quality of and control over University Data associated with your issued p-card and other University Data in your custody. All payment (debit and credit) card numbers - including those of University p-cards - and associated accountholder data is considered “Confidential Data” as defined in University Policies and must be safeguarded in the manner prescribed by Payment Card Industry Data Security Standards (PCI DSS). As an Accountholder you assume personal responsibility for the protection and proper use of your card. Follow the points below to assure card security.
Definitions:
Cardholder Data (CHD) or Accountholder Data includes any of the following (together or separately):
- Primary Account Number (PAN),
- Accountholder Name,
- Service Code, and
- Expiration Date.

Sensitive Authentication Data is security related information used to authenticate accountholders and/or authorize payment card transactions and includes (but is not limited to):
- Card validation codes/values (three- or four-digit card verification codes printed on the front of the card or the signature panel often referred to as security codes; includes CVV2, CVC2, CID, CAV2 data)
- Full magnetic-stripe data (also called full track, track, track 1, and track 2 data),
- Primary Identification Numbers (PINs) and PIN blocks.

Access

- A p-card can only be used by the person to whom the card has been issued. Never lend your card to another person or use another employee’s p-card.

- All handling of data (for retention, storage, or destruction) must be carried out by authorized employees only. Access to CHD must be restricted to the minimum number of people possible and only to those whose jobs require such access.

- If your purchasing card is lost or stolen, promptly follow the instructions under “Lost or Stolen Card.”

- If your employment changes or terminates, complete and submit the Purchasing Card Change Form prior to your last day of employment to the PCA.

Transmission

All transmission of payment card data must be secure and limited to analog (not network) connected devices. Card data is NEVER to be sent via e-mail. Purchases can be made via fax if the card number is not included on the fax or if the data is sent via a secure analog fax machine.
Thus, for security purposes, the order of preference for transmitting p-card information is as follows (each method of submission should only be used if the more preferred methods are not available):

1) Submit via phone to authorized vendor
2) Submit via secure, analog fax
   a. If possible, call the vendor with your p-card number instead of including it on the actual fax (you may indicate on the form to “Call for credit card number” and include your phone number).
   b. If card data must be sent by fax, the guidance provided in the “Purchases by Fax” section of this manual must be adhered to.

**Storage**

- Always keep the card in a secure place, just as one would a personal credit card. Treat the card like cash.

- **No** Sensitive Authentication Data may be stored in writing, on any personal device or network, or on a Fayetteville State University’s device or network, even if encrypted.

- Electronic data created in association with a payment card transaction which gives more than the last 4 digits of the PAN of the accountholder must be destroyed after two years if no litigation, claim, audit, or other official action involving the records has been initiated.

- Maintain receipts in a safe place until they are submitted to the Reconciler or Approver as documentation.

**Disclosure**

You must not sell, purchase, provide, disclose, or exchange any information concerning a University accountholder account or any other transaction information without proper approval and authorization.

**Breach Notification**

Any suspected breach or fraudulent or criminal activity involving payment card data must be reported to Procurement Card Administrator and Bank of America immediately—*Personal Information Security Breach Notification Procedures*. 
Roles and Responsibilities

University employees and management play key roles to support the purchasing card program. A summary of roles and responsibilities follow.

**Accountholder**

- Ensures compliant use of the p-card according to university policies, purchasing guidelines, the Purchasing Card Manual, and the Travel Procedures Manual.

- Maintains the p-card in a secure location at all times.

- Never allows anyone else use of the p-card assigned to you.

- Ensures spending limits and allotted operating budget are not exceeded on any transaction.

- Ensures transactions are not split to circumvent spending limits or university guidelines.

- Ensures NC Sales and Use Tax is not charged on purchases.

- Obtains a valid receipt for each purchase which includes the vendor name, date of purchase, item description, and total amount of purchase.

- Provides clarity to an item description or business purpose that is not self-explanatory.

- Submits original receipts to the Reconciler.

- Assists the Reconciler with resolution of billing discrepancies, disputes, and credits.

- Contacts BAML and the Purchasing Card Administrator immediately if your card has been lost or stolen.

**Reconciler**

The department can decide that an accountholder will also serve as the Reconciler for a specific purchasing card. This decision can be made
for each individual card. This allows the program to best meet the department’s needs.

- Receives and Uploads to Works™ original receipts from the Accountholder.

- Compares receipts with the electronic transactions recorded in Works™, the purchasing card transaction management system.

- Reviews and approves each transaction in Works™ and ensures that the:
  - Item purchased, amount charged, and the vendor name match the receipt
  - NC Sales and Use Tax is not included
  - Description of the expense is clear
  - Business purpose of the expense is clear
  - Correct organization, fund, and account code are used

- Resolves discrepancies with the Accountholder when necessary.
- Provides tax reporting as appropriate according to University Approver

- Ensures that the p-card is used in compliance with university purchasing guidelines, and the Purchasing Card Manual.

- Reviews transactions in Works™ to verify that purchases have been, documented, charged to the correct fund(s) and general ledger account(s) and ensures corrections are processed through Works™.

- Ensures that the p-card is used in compliance with university purchasing guidelines, and the Purchasing Card Manual.

- Ensures the Accountholder has not exceeded the spending limits or fund budget on any transaction.

- Reviews that the Accountholder has not split any transactions to circumvent spending limits or the university guidelines.

- Reviews receipt is uploaded and complete in Works™.
Approves transactions in Work*™

Ensures transaction review and signoff is complete by the 19th of the month, or first business day following weekend or holiday. If in compliance p-cards are subject to suspension.

If an employee transfers to another department, has terminated employment, or if card use is not in compliance with this policy and supporting procedures.

**Department Head**

- Provides fiscal oversight and management of business operations within his or her department.
- Selects department employees for participation in the Fayetteville State University’s Purchasing Card Program based upon business need and the ability to fulfill program requirements.
- Accounts for the use of the purchasing card in his or her department, taking appropriate action with departmental staff when required.
- Ensures staff members are performing p-card activities during regular work hours or with the advance approval of their supervisor if overtime is required to complete tasks.

**Purchasing Card Administrator**

- Provides program management and oversight.
- Develops and delivers effective training for users.
- Ensures program compliance and quality assurance.
General Card Processes

How to Obtain a Card

Department heads and business managers will identify faculty and staff with a business need for p-cards to the Vice Chancellor of Business and Finance. Upon his or her approval, a Purchasing Card Application and Agreement can be obtained from the Purchasing Card Program page on the Purchasing website. Complete and forward the Purchasing Card Application and the MOU Agreement with the appropriate signature approvals to the PCA. The Accountholder, Reconciler, and Approver must complete before the card is provided.

Card Changes - Employee Name Change, Organization and Fund Code Changes, and Approver Change

The Purchasing Card Administrator maintains accountholder applications, agreements, and change documents. To report a legal name change, change organization and fund codes assigned to the card, change spend control profiles or change the Reconciler or Approver, complete a Purchasing Card Change Form located on the Purchasing Card Program page on the Controller’s Office website.

Card Renewal

P-cards are issued with a three (3) year expiration date and are subsequently renewed every two (2) years. Renewal cards will be mailed from the bank to the university and distributed by the PCA to the Accountholder. You should receive your new card approximately thirty (30) days before the expiration date. To avoid denial of charges, accountholders will need to ensure that all vendors who maintain your card number on file are aware of the new expiration date.

Accountholder Employment Changes

If you leave the university, transfer to a new department, or no longer use your card in the performance of daily job duties, your p-card must be cancelled immediately. Complete and submit the Purchasing Card Change Form following the instructions provided on the form.
If you transfer to a different department and your new position requires the use of a p-card, submit a Purchasing Card Application and Agreement listing your new department information. Because you were issued a card in the past, additional training will not be required.

Regardless of the type of employment change, the card remains the property of Fayetteville State University and must be surrendered immediately upon request for any reason by an authorized person (such as the department head or the PCA).

Card Inactivity

In the event a card is inactive for ninety (90) days, the card will be reviewed for possible cancellation by the PCA.

Lost or Stolen Card

If you believe you have lost your card or that it has been stolen, immediately report the problem to BAML at 1-877-451-4602. Customer assistance is available 24 hours a day. Immediately after reporting to BAML, notify your PCA of the event. It is extremely important to act promptly in the event of a lost or stolen card to avoid company liability for fraudulent transactions.

You will no longer be able to use the account number after notifying the bank. BAML will automatically reissue a new card. The PCA will notify you as soon as the new card is received. A card that is subsequently found after being reported lost should be sent to the PCA.
General Purchasing Guidelines

The p-card represents Fayetteville State University’s trust in you as a responsible employee who will safeguard and protect university assets. As an accountholder, you assume the responsibility for proper use of your card. Card purchasing does not change or alter current purchasing policies and departmental approval processes. Your card serves only as an optional method of payment.

Vendor Selection

Your p-card can be utilized with any vendor who accepts Visa as a payment source, with the following exceptions:

- The vendor is a Fayetteville State University or state employee.
- The vendor is an immediate family member of any employee of the university.
- The vendor is listed on the North Carolina Department of Administration’s Debarred Vendors list.

Allowable and Non-Allowable Card Purchases

The Fayetteville State University’s purchasing card is intended for operating supplies and other low value purchases needed during the course of business.

P-Card shall not be used for any Travel related purchases (e.g. Gas, Hotel reservations or even to hold a room, airline tickets, rentals etc). Two charts are listed below as a guide for allowable/unallowable expenses.
## Allowable Expenses on the Fayetteville State University Purchasing Card

<table>
<thead>
<tr>
<th>Supplies and Materials</th>
<th>Travel Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Express Mail Service and Freight</td>
<td>This is not permitted, if needed and travel in not available please contact Ms. Mac the Director of purchasing.</td>
</tr>
<tr>
<td>➢ Professional Development</td>
<td>(For full details see Items you can and cannot purchase with a p-card on the P-card website).</td>
</tr>
<tr>
<td>➢ General Office Supplies</td>
<td></td>
</tr>
<tr>
<td>➢ Agricultural</td>
<td></td>
</tr>
<tr>
<td>➢ Classroom items for instruction, research, or exam purposes</td>
<td></td>
</tr>
<tr>
<td>➢ Laboratory</td>
<td></td>
</tr>
<tr>
<td>➢ Advertising when contract is required by Materials Management or the Vendor</td>
<td></td>
</tr>
<tr>
<td>➢ Catering Services</td>
<td></td>
</tr>
<tr>
<td>➢ Food and Drinks (allowed with prior approval)</td>
<td></td>
</tr>
<tr>
<td>➢ Advertising when contract is required by Materials Management or the Vendor (Please stay within your spending limits)</td>
<td></td>
</tr>
<tr>
<td>➢ Cleaning, Garment and Laundry Services</td>
<td></td>
</tr>
<tr>
<td>Supplies and Materials</td>
<td>Travel Expenses</td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>-----------------------------------------------------------</td>
</tr>
<tr>
<td>• Alcohol or Tobacco Products</td>
<td>• Transportation</td>
</tr>
<tr>
<td>• Cash or Cash Advances</td>
<td>▪ Choice Seating</td>
</tr>
<tr>
<td>• Gratuities</td>
<td>• Insurance</td>
</tr>
<tr>
<td>• Cell phone equipment, accessories, or plan expense; EXCEPT for payment of monthly service plan costs associated with University-owned devices</td>
<td>▪ Optional rental car insurance</td>
</tr>
<tr>
<td>• Contractual Services (Professional or Independent Contractor Services)</td>
<td>▪ Personal accident insurance</td>
</tr>
<tr>
<td>• Hazardous Materials (cylinder gases, radioactive materials)</td>
<td>▪ Personal liability insurance (airline)</td>
</tr>
<tr>
<td>• Insurance Premiums, Co-pays or Deductibles</td>
<td>• Hotel Expenses</td>
</tr>
<tr>
<td>• Lease Agreements, Equipment Rental</td>
<td>▪ Room Service</td>
</tr>
<tr>
<td>• Printing projects</td>
<td>▪ Movies</td>
</tr>
<tr>
<td>• Computer hardware (CPU, monitor), Tablets, Laptop</td>
<td>▪ Gym or Sauna services</td>
</tr>
<tr>
<td>• Computers, computer attachments, Software and distribution license, developed software, or upgrades to existing software, (see details on Website)</td>
<td>▪ Laundry</td>
</tr>
<tr>
<td>• Books available through campus bookstore</td>
<td>▪ Special requests (foldaway bed, microwave, refrigerator)</td>
</tr>
<tr>
<td>• Alcohol</td>
<td>• Registration Fees</td>
</tr>
<tr>
<td></td>
<td>▪ Optional meals</td>
</tr>
<tr>
<td></td>
<td>▪ Tours or other social activities</td>
</tr>
</tbody>
</table>

(For full details see Items you can and cannot purchase with a p-card on the P-card website).
**Split Transactions**

A split transaction occurs when you split a purchase to stay within the dollar limits of your card (per transaction, day, or month), or to avoid bid processes. Splitting transactions is strictly prohibited. Care should be taken by the Accountholder to avoid the appearance of such.

Examples of split transactions are noted below. If you are uncertain as to if a transaction would be considered “split,” contact the PCA.

- **Accountholder** purchases similar or complementing items that cost a total of $3,000. The sale is divided into separate transactions of $1,800 and $1,200. This is considered a split transaction to avoid exceeding the transaction limit and is not allowable.

- **Accountholder** purchases an item on Monday which costs $3,500 and pays the vendor $2,500. The remaining $1,000 is paid on Friday. The $3,500 purchase has been divided into two transactions. This is considered a split transaction to avoid exceeding the transaction limit and is not allowable.

- **Two accountholders** within the same department use their cards to purchase an item or complementing items that cost $4,500. Two transactions occur (one on each card) for the purchase. This is considered a split transaction to avoid exceeding the transaction limit and is not allowable.

**Budgets**

You can only spend the amount of money you have in your budget. Example: If you have $6,000 in your budget you can only spend $6,000, not $10,000. If you make a purchase before you confirm you have the funds in your account, and there is not enough to cover your purchase; this is a violation of procedures and your transaction will be charged to your default account number. P-card will be subject to suspension.

**Sales Tax Exemption**

The university is a tax-exempt entity and is not required to pay North Carolina sales and use tax on goods (see Certificate of Exemption on the [Tax Office website](#)).
When dealing with vendors, the accountholder should make them aware of the exemption by providing the tax exempt number printed on the p-card or a hard copy of the Certificate of Exemption.

Verify that the invoice does not include a charge for NC Sales and Use Tax. If it does, provide the vendor with the tax exempt number again and ask for a credit to be issued. All sales tax paid to a vendor will be charged to the default organization and general ledger fund listed on your card application.
How to Make a Card Purchase

This section addresses the application of the general procurement guidelines to purchasing card transactions.

**Card Purchase Steps**

To make a card purchase, follow the steps below. If in doubt about any part of the process, contact your Approver or PCA for clarification.

1. Follow the internal procedures of your department to determine if a purchase is required and authorized.

2. Determine if the price quoted is the best price you can obtain.

3. Tell the vendor you are making the purchase on behalf of Fayetteville State University and that we are exempt from NC Sales and Use Tax. Provide the NC Sales and Use Tax exemption number located on your p-card and ensure tax is not included on the invoice.

4. Provide payment with your p-card.

5. Obtain an itemized receipt (must list item description, quantity, price, and total purchase) from the vendor.

6. If goods are to be delivered, provide the vendor your name, department, phone number, and complete delivery instructions. It is recommended that purchases be shipped directly to your campus address whenever possible. Purchases should never be shipped to a home address. If Central Receiving is used as the delivery point, please use the following address and phone number:

   Fayetteville State University
   Central Receiving
   1200 Murchison Rd.
   Fayetteville, NC 28301
   (910) 672-1743
7. When goods are delivered, retain and match the packing slip to the original itemized receipt (the documents will be mandatory in the reconciliation process).

**Purchases by Internet**

On-line purchases must be made with vendors who use a Secure Sockets Layer (SSL) browser session. To confirm that a secure area has been accessed, look for “https” (denoting a secure site) in the web address. A closed lock usually appears to the right of the web address or at the bottom right-hand side of the screen when you are asked to enter your card number.

If a secure browser site is not readily apparent to you, do not utilize the internet to make the purchase as the security of your card could be jeopardized.

**Website Receipts**

Websites that present an on-line receipt, which reflects the items purchased and cost with a company logo or name, will serve as proper documentation. Simply print the on-screen document.

Websites that reflect the billing amount only will serve as proper documentation by printing the email confirmation or order acknowledgement.

Websites that do not present an on-line receipt can still be utilized. The customer should print screens that reflect the items being purchased and the amount, and then ensure the email confirmation or order acknowledgement is attached.

**Missing Receipts**

Complete a [Missing Receipt Affidavit](#) Contact the PCA he or she will email the form. In the future these forms will be listed on the Procurement Card website.

**Purchases by Fax**

Only submit payments via secure, analog fax if the vendor will not allow payment via any other method (See “Card Security > Transmission”).

- Faxing is not encourage but can be done by the following
- The fax must be made only on an analog fax device. This means:
  - The fax machine must be connected to an analog, or phone, line. Analog fax machines are typically those that are single-purpose fax machines,
not those that are computer-integrated, such as all-in-one printers that allow you to scan, copy, fax, and print from one machine and are connected to the Internet. You can check to see if your fax machine is on an analog or digital line by checking the connection line. If the device is connected via a telephone cord, the connection is analog. If the device is connected via an Ethernet cable, the connection is digital and must not be used.

- **Photocopies:**
  - Do not send photocopies of the p-card itself or any photo identification cards unless the vendor absolutely requires it.
  - Note that, per NC G.S. 20-30(6), color photocopies of drivers licenses are not allowed to be made.

- **Disposing of card data:**
  - Only the portion of the fax authorization form that does not include card data can be retained, along with a copy of the fax transmission confirmation page. If the full card number, or PAN (the 16-digit card number), was contained on the original fax, the number must be removed from your copy of the document and crosscut shredded. Blackening out the PAN is not sufficient to constitute removal.
  - Note that copies of faxes that include card data in any format (on an authorization form or as a copy of the card itself) should be crosscut shredded and disposed of immediately and should not be stored even temporarily, e.g., for Travel Authorizations. The fax confirmation page should serve as evidence that the payment method has been submitted.

- To avoid duplicating an order, do not mail a copy of a faxed order to the vendor. If the vendor requires the original, be sure to clearly mark it “Confirmation of Fax Order, Do Not Duplicate.”
**Purchases by Email**

A purchase by email is not an approved purchasing method at Fayetteville State University. For security purposes, p-card numbers should never be sent via email to a vendor or anyone else.

**Return of Goods Purchased**

Items purchased with the p-card will periodically need to be returned. When this occurs, a vendor usually offers a Return Materials Authorization (RMA) number and issues a credit invoice upon receipt of the goods. Make certain to document the RMA number and keep the credit invoice to use in the reconciliation process at the end of the billing cycle.

When receiving goods that you may need to return, consider the items below.

- Always retain boxes, containers, special packaging, and packing slips, until certain that you are going to keep the items. Items that are fragile or computer-related generally cannot be returned without the original packing materials.

- Read all enclosed documents carefully. Often a critical phone number and other instructions about how to return items are included.

- Contact the vendor and obtain a Returned Materials Authorization (RMA) number for the return.

- To facilitate the return of goods: (1) Follow vendor shipping instructions, if applicable; (2) Contact Fayetteville States University’s Central Receiving (910-672-1743) for pickup and shipping.

- In some cases you may encounter a restocking fee. The p-card may be used to pay this fee as long as it does not exceed any of the card limits.
Documentation and Reconciliation

Overview

Once the application process has been completed, accountholders, reconcilers, and approvers will be trained how to use the p-card, as well as Works™. Works™ allows users to review transactions electronically, edit fund and account allocations, upload receipts and include comments about transactions.

The BAML billing cycle ends on the seventh (5th) of each month. All transactions must be reconciled and approved within seven (7) days of the date the billing cycle ends or by the 19th of the month following the end of the billing cycle.

After the process completes, Accounts Payable will process one payment to BAML for all Fayetteville State University accountholder accounts. As of yet to Procurement Card Program is not connected with the Banner System.

On-Line Transaction Review

Transactions can be reviewed as soon as they are posted in Works™. Specific instructions to view, reconcile, enter comments about transactions, and edit general ledger fund, account allocations and upload receipts can be found in the Purchasing Card Manual.

Disputed or Fraudulent Charges

If there is a discrepancy it is imperative that the issue is addressed immediately with the vendor and/or the PCA. Depending on the type of discrepancy, you will need to contact either the vendor or the PCA to resolve the disputed transaction.

If you believe the vendor has charged you incorrectly or there are problems with your order, you must first contact the vendor and try to resolve the error or problem. If you are able to resolve the matter directly with the vendor, and the error involved an overcharge, a credit adjustment should be requested.

If the vendor disagrees that an adjustment is necessary, immediately contact your PCA who will work with you and BAML to resolve the dispute.
BAML will request complete details of the dispute in writing in order to research the item in question.

BAML must receive any charge dispute within sixty (60) days of the transaction date. Fayetteville State University pays all charges as billed on each statement (regardless of a transaction being in dispute status). Once the dispute status has been declared by BAML, the bank will issue a credit until the dispute is resolved. Although BAML acts as the arbitrator in any dispute, you should never assume that a dispute would be resolved in your favor.

A fraudulent charge (e.g., a charge which was not initiated by you) must be reported immediately to your PCA. Prompt reporting of any such charge will help to prevent Fayetteville State University from being held responsible.

**Transaction Sweep and Payment Process**

The PCA will be reviewing card transactions to ensure program integrity. When the billing cycle ends, the PCA will be monitoring approvals as they occur and will send reminders as needed. Once the final approval time has passed the PCA will close the transactions in Works™ and initiate payment.

**Unapproved Transaction Sweep**

To assure BAML is paid in a timely manner, all unapproved transactions will be swept into the payment process at the end of the approval period and charged to the departments default organization and fund.

The Accountholder, Reconciler and Approver will still be required to approve the transaction; however, they will no longer have the ability to edit the default allocation code before charges post to the general ledger. After the general ledger feed, charges can only be reallocated by processing a journal entry.

**Accountholder Transaction Limits**

Accountholder transaction limits are reduced by the dollar amount of the transactions that have not been approved in Works™. Thus, the accountholder’s purchasing power is decreased until the approval process occurs. Limits are restored to the accountholder as approvals occur.
Delinquent approvals are considered a cause to suspend or revoke an accountholder’s privileges.
General Ledger and Account Considerations

As the payment process occurs, transactions are downloaded from Works™ and to Banner if we were connected at this point we are not. And Rather than each transaction being listed in detail, the total amount of charges for each fund/account combination is posted. To see the breakdown of charges, access the following report on ePrint: “Purchasing Card Detail Transaction Report”.

Special Notes

Internal Control

A separation of duties should be followed with the p-card (as with all other financial transactions). The person placing the order (“accountholder”) cannot be the person who approves the order. This is the reason an accountholder and Approver have been assigned for each card. An Internal Control Self-Assessment questionnaire has been developed to help department heads assess the adequacy of their control environment (see Appendix I).

Compliance Assurance

In order to ensure compliance with the policies and procedures of the program, the actions listed in the below chart will be taken by Financial Services when infractions occur. Infractions are classified as Minor Infractions, Major Infractions, and Criminal Activity. General descriptions and discipline measure are listed below.

Minor Infractions

- Late reconciliation of statement
- Missing or inadequate receipt
- Other infractions deemed as minor by the Associate Vice Chancellor (AVC) for Business & Finance.
<table>
<thead>
<tr>
<th>Offense</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Offense</td>
<td>Card is suspended when error is discovered and remains suspended until correction is received by Purchasing Card Administrator (PCA). A Memo must be provide from the department head with an explanation.</td>
</tr>
<tr>
<td>Second Offense</td>
<td>Department head must justify in writing how departmental function would be impaired if accountholder’s privilege was revoked, as well as provide a list of actions taken to prevent future infractions from occurring in a Memo. Card remains suspended until error is corrected and justification is approved by the AVC for Finance.</td>
</tr>
<tr>
<td>Third Offense</td>
<td>Card revoked. Accountholder blocked from new card for 4 weeks.</td>
</tr>
</tbody>
</table>
## Major Infractions

- Split transactions (to circumvent single transaction limit)
- Inappropriate purchases
- Failure to comply with NC State Contract Terms (without acceptable explanation)
- Personal purchase that is made in error
- Other infractions deemed as major by the Associate Vice Chancellor (AVC) of Financial Services.

<table>
<thead>
<tr>
<th>First Offense</th>
<th>Cards stay suspended until mistake is resolved and documentation and repayment of inappropriate purchases are received by Purchasing Card Administrator.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second Offense</td>
<td>Department head must justify in writing how departmental function would be impaired if accountholder’s privilege was revoked, as well as provide a list of actions taken to prevent future infractions from occurring. Card remains suspended until error is corrected and justification is approved by AVC of Financial Services.</td>
</tr>
<tr>
<td>Third Offense</td>
<td>Card is revoked. Accountholder is not eligible for future p-card use.</td>
</tr>
</tbody>
</table>

## Criminal Activity

- Personal purchase that is intentional

If you intentionally make a personal purchase, a theft of state property has occurred. Immediate card revocation will occur. Your division head, Internal Audit, and Police and Public Safety will be notified. Appropriate disciplinary action will be taken. The accountholder will not be eligible for future p-card use.
Appendix I: Internal Control Self-Assessment for Department Heads

1. Are card limits periodically evaluated to ensure limits are appropriate?

2. Upon initial setup of a card, are reviews done to ensure limits are correct?

3. Have procurement cards for employees who are no longer employed in the department been closed?

4. Do procedures exist to ensure that cards are returned on the date of employee termination or transfer from the department?

5. How many cards are within your department?

6. Is the individual whose name is shown on the card the only person allowed to use the card?

Transactions

1. Are procedures in place to ensure unallowable items are not purchased using the p-card?

2. Are detection measures adequate to identify split transactions that may occur?

3. Is the NC Sales and Use Tax exemption number utilized when a purchase occurs?
   a. How many invoices include charges whereby NC Sales and Use Tax was paid to the vendor?
   b. Are transactions reconciled by all accountholders in a timely manner?

4. Are invoices, cash register receipts, credit invoices, and packing slips available for each transaction with adequate documentation to denote the business purpose?

Segregation of Duties

1. Is the person making purchases different than the person who is approving the purchases?

2. Is the person performing the reconciliation different than the person who is purchasing and approving the purchases?
Appendix II: Purchasing Card Contact List

University Contacts

The Controller’s Office, in the Financial Services department of the Business & Finance division of the university, is responsible for the day-to-day operations of the purchasing card program. The Purchasing Card Administrator and Director of Purchasing are available during work hours to assist campus employees with any questions regarding p-card policies and procedures.

Valerie Colorado  
Purchasing Card Administrator  
Phone: 910-672-1199  
vcolorad@uncfsu.edu

Willie Mae McIntyre  
Director of Purchasing  
Phone: 910-672-1086  
wmcintyre@uncfsu.edu

Bank of America Merrill Lynch (BAML)

To contact BAML, call the number on the back of your card. Any time BAML is contacted, you should also contact the PCA.