



Procurement Card Manual

Finance & Accounting
Web site: <http://www.fa.ucf.edu/>

TABLE OF CONTENTS

1. PROGRAM OVERVIEW	1
1.1 Purpose.....	1
1.2 Program Benefits.....	1
1.3 Credit Card Company.....	1
2. PCARD CONTROLS.....	2
2.1 Responsibilities of PCard Administrator	2
2.2 Responsibilities of Deans, Directors, and Chairs (DDCs)	2
2.3 Department Internal Controls	2
2.4 Responsibilities of Cardholders.....	2
2.5 Responsibilities of Approvers	3
2.6 Card Credit Limits.....	3
2.7 Card Security.....	4
2.8 Lost, Stolen, or Misplaced Cards	4
2.9 Employment Change/Transfer/Termination	4
2.10 Type of funds to be used.....	4
3. PCARD POLICIES AND PROCEDURES	5
3.1 Who Should Have a PCard?	5
3.2 How to Apply for a Card	5
3.3 Personal Credit.....	5
3.4 Training	5
3.5 Departmental Authorization List (DAL).....	6
3.6 Purchasing from Minority Business Enterprises.....	6
3.7 Tax Identification Number	6
3.8 Where PCards Can Be Used	6
3.9 Procurement of Goods/Services	7
3.10 Required Documentation.....	8
3.11 Billing/Shipping/Statement Addresses	9

3.12	Declines by Merchants	9
3.13	Disputes	9
3.14	Returns for Credit	9
3.15	Splitting Purchases.....	10
3.16	Sales Tax Exemption	10
3.17	Approving and Disapproving Charges in Financials.....	10
3.18	Record Keeping.....	10
3.19	Prohibited Purchases	11
3.20	Audits	11
4.	PENALTIES	11
4.1	Cardholder and Department Penalties	11
5.	PCARD PROGRAM KEY CONTACTS.....	12
6.	<u>www.fa.ucf.edu</u> > <u>Accounts Payable</u> > <u>Procurement Card</u> > <u>Forms</u>)	
6.1	<u>Cardholder Agreement</u> (PDF - F&A Form 41-967)	
6.2	<u>Cardholder Profile/PCard Application</u> (PDF - F&A Form 41-968)	
6.3	<u>Cardholder Requirements for Full-Time OPS Employees</u> (PDF - F&A Form 41-969)	
6.4	<u>Departmental Authorization Security Access Ethics Certification</u> (PDF - F&A Form 41-566B)	
6.5	<u>PCard Statement Certification</u> (PDF - F&A Form 41-970)	
6.6	<u>Statement of Disputed Items</u> (PDF - F&A Form 41-971)	

1. PROGRAM OVERVIEW

1.1 Purpose

The University of Central Florida procurement card program is designed to provide a more efficient means of making routine small and large dollar purchases, which allows more control at the department level, defrays travel expenses, and streamlines the procurement cycle. Cardholders can use the UCF purchasing card to purchase allowable goods and services as long as departments follow all the required state and university regulations and guidelines. The purchasing card is also referred to as a procurement card or, more commonly, a PCard. This manual outlines the benefits of the PCard program; describes the responsibilities of cardholders, approvers and departments; and enumerates the rules of the program. Section 5 of the manual lists the PCard program key contacts at UCF.

1.2 Program Benefits

The PCard program provides the following benefits:

- Streamlines the processes for small dollar orders and payments. The cost of purchasing goods/services with a PCard is significantly less than purchasing items via a purchase order.
- Allows departmental personnel more time to perform other important tasks related to the university's educational mission.
- Expands the vendor base by enabling cardholders to buy in person from local vendors, by telephone, or online. Cardholders may also receive the lowest discounted price from vendors, since vendors will be paid quickly.
- Pays for certain travel expenses as well as purchases commodities. When used for travel, Bank of America provides additional travel insurance up to \$250,000 at no cost to the cardholder or UCF.
- Pays merchants within 24 to 72 hours, depending upon how fast they transmit the transaction to their servicing bank and how quickly the bank routes transactions to Visa. Since merchants will be paid promptly, they should be more inclined to accept cardholders' orders.

1.3 Credit Card Company

The university utilizes a VISA card and has selected Bank of America to provide the PCard management program (WORKS).

2. PCARD CONTROLS

2.1 Responsibilities of PCard Administrator

The UCF PCard administrator oversees the program, establishes rules, issues guidelines, provides reports and statistics, and assists cardholders with problem resolution.

2.2 Responsibilities of Deans, Directors, and Chairs (DDCs)

DDCs are responsible for overseeing the PCard program in their department, division, or college. They should make sure that cardholders are employees who can be trusted to spend department funds.

2.3 Department Internal Controls

Each department should establish internal controls sufficient to regulate its PCard activities. The responsibility for appropriate use of the card lies not only with the cardholder, but also with the approving department.

2.4 Responsibilities of Cardholders

Cardholders are responsible for:

- Following the UCF Purchasing Guidelines.
- Making purchases of goods or services for their departmental needs and providing documentation for each purchase.
- Participating in university WebCT PCard training for cardholders and signing a Cardholder Agreement and an Ethics and Purchasing Certification form to acknowledge the responsibilities associated with using a PCard.
- Ensuring the physical security of the PCard and protecting the account number.
- Requesting bids for charges exceeding the bid threshold and obtaining quotes for charges that exceed the quote threshold. For more information on bids and quotes, visit the Purchasing Web site (<http://www.purchasing.ucf.edu/>).
- Identifying disputed items and contacting the merchant directly to resolve disputes.
- Reviewing their monthly statements to ensure that all transactions listed are valid, providing receipts to their approvers, and making sure that their transactions are approved within ten business days.
- Immediately reporting lost/stolen or compromised cards to the PCard office, the cardholder's approving official, and Bank of America.

- Notifying the PCard office of charges that may be improper or fraudulent.
- Making sure that their monthly card statements are sent to the PCard office with all receipts attached according to the sequence of charges on the statements.

2.5 Responsibilities of Approvers

Approvers are responsible for:

- Participating in university WebCT training for approvers.
- Reviewing all cardholder transactions on a regular basis and reconciling the individual receipts to the online transactions in UCF Financials.
- Tracking disputed items to ensure proper credit is received.
- Approving only charges for which they have a receipt or other proof of purchase.
- Always obtaining a receipt or similar document from the cardholder.
- Notifying their cardholders, supervisors, and Finance & Account (F&A) of charges that do not appear to be legitimate.
- Making every effort to approve charges within 10 business days from the date that the charge is posted in UCF Financials.
- Faxing copies of invoices/receipts for non-travel charges that are \$1,000 or greater to F&A at 407-882-2245.

2.6 Card Credit Limits

A cardholder's monthly credit limit and single-transaction limits are electronically set up for each billing cycle. The monthly credit limit sets a restriction on the total amount of spending that can occur during the statement period. The single-purchase limit restricts the total amount of a single transaction. The single-transaction limit does not affect how much can be spent per day; it only affects how much can be spent per transaction.

DDCs can request card credit limits based on their departmental budget and needs. Every department should keep track of its credit balance, or call Bank of America at the number shown on the reverse side of the PCard to inquire on the remaining balance.

The university's PCard billing period runs from the first day of the month until the last day of the month. On the first business day of each month, a PCard holder's limit amounts will be restored to the full amount. When the last day of the month

falls on a weekend, the last business day will be the Friday before that weekend, and the credit limit will refresh the next day (Saturday).

2.7 Card Security

A UCF PCard should always be protected and kept in a secure location. **The only person authorized to use a UCF PCard is the cardholder whose name appears on the face of the card.** Under no circumstances may a cardholder allow or share with another individual or employee access to use his or her PCard. Since the PCard is a regular VISA card, it can be mistaken for a personal card. For this reason, it is recommended that the PCard be kept separate from any personal credit cards.

Misuse or abuse of the PCard could result in cancelation of PCard privileges, termination of employment, and possible criminal charges. PCards must be used strictly for university business.

2.8 Lost, Stolen, or Misplaced Cards

If a cardholder loses a PCard, or if it is stolen or misplaced, the cardholder should notify the PCard office (407-882-1039), the cardholder's approver, and Bank of America (1-888-449-2273) immediately. The cardholder must provide the receipts for valid transactions that were recently made (if any) on the PCard prior to reporting it lost or stolen.

The approver should closely monitor all transactions posted in UCF Financials and dispute charges that appear to be fraudulent. UCF will be liable for all charges incurred if a fraudulent transaction is not disputed within 60 days following the end of the billing cycle in which the disputed transaction occurred.

2.9 Employment Change/Transfer/Termination

The PCard administrator or PCard office must be notified by the cardholder or by the cardholder's department whenever the cardholder retires, resigns, transfers to another department, or assumes different duties that do not require using the PCard. The Dean, Director, or Chair must collect the card and the other documents or materials that the cardholder would ordinarily submit and send them and the destroyed card (cut in half) to the PCard office. Upon receiving the notification, the PCard administrator will cancel the PCard through Bank of America.

2.10 Type of funds to be used

PCard purchases may only be made with money from designated funding sources. Generally, these sources are Educational & General (E&G), Auxiliary, Sponsored Research, Contracts and Grants, Local and Concession.

3. PCARD POLICIES AND PROCEDURES

3.1 Who Should Have a PCard?

PCards may only be requested for A&P staff, faculty, USPS, and full-time OPS employees who travel and order/purchase commodities for their department. Deans, Directors, or Chairs must approve new PCard requests.

3.2 How to Apply for a Card

DDCs or Vice Presidents may request cards for employees in their college or division. Requests should be made by completing a Cardholder Profile, a Cardholder Agreement, and an Ethics and Purchasing Certification form, all located on the F&A Web site (www.fa.ucf.edu/forms/forms.cfm).

Obtain approval signatures and send the profile forms to the PCard administrator in F&A. There is no cost or charge assessed to any UCF department to participate in the PCard program.

3.3 Personal Credit

F&A neither evaluates nor considers an employee's personal credit when a request for a PCard is made. If an employee has excellent credit, or even if he or she had a personal bankruptcy, that fact will never come to light in the application or issuance process. The determination to have or not have a card is made entirely by the cardholder's Dean, Director, Chair, or Vice President.

3.4 Training

Future cardholders must complete and pass Chapter 1 of the UCF Purchasing Card Training course (FPO112). This self-paced, online training course contains rules and regulations for the use of the UCF PCard when procuring commodities and services. The passing score for this course is 80%.

Approvers are required to successfully complete both Chapters 1 and 2 of the UCF Purchasing Card Training course (FPO112) and pass the WebCT pre-requisite courses listed below with a score of 80% or higher:

- FNV110 – Financials Basic Navigation
- FCA110 – Chart of Accounts

PCard approvers can take the instructor-led course, FPO212 – Purchasing Card Workshop, for additional training.

3.5 Departmental Authorization List (DAL)

The cardholder's Dean, Director, or Chair; Responsible Fiscal Officer (RFO); or DLP Processor (who inputs DAL requests for a department or project into UCF Financials on behalf of the DDCs and RFO) must complete the following two sections under the Departmental Authorization > Employee Information section in UCF Financials for each PCard holder:

- **Employee Details tab** – The Employee Details tab fields must be completed with the required employee information for the cardholder, such as PID, telephone number, and location.
- **PCA Details tab** – The cardholder must be listed as an active cardholder under the PCA Details tab for his or her approver. The approver is responsible for reviewing and then approving or denying the PCard transactions made by the cardholders on this list.

3.6 Purchasing from Minority Business Enterprises

Cardholders should inquire if a vendor qualifies as a minority business enterprise, as defined by Section 288.703(2), Florida Statutes (www.leg.state.fl.us/statutes/). Generally, these vendors are small businesses that are at least 51 percent owned by minority persons who are members of an insular group that is of a particular racial, ethnic, or gender makeup or national origin and who control the management and daily operations of the business. UCF also encourages supplier diversity in purchases that promote competitive pricing, quality products, and customer service.

When planning a purchase from a minority business enterprise vendor, contact the Minority and Small Business Relations Coordinator (407-823-3514) in the [Purchasing Department](#). The Coordinator will make sure the vendor is registered in the system so the purchase can be tracked and reported to the State of Florida. The Coordinator can also advise if a vendor qualifies as a minority business enterprise and provide additional minority business enterprise outreach opportunities.

3.7 Tax Identification Number

The cardholder should ask a merchant if it has conducted business previously with UCF. If the merchant has not, the cardholder should request the merchant for its nine-digit tax identification number (TIN) (also known as FEID, EIN, or SSN) or ask it to complete a [W-9](#) form, Request for Taxpayer Identification and Certification (<http://www.irs.gov/pub/irs-pdf/fw9.pdf>).

3.8 Where PCards Can Be Used

The UCF PCard can be used at any business that accepts VISA. All purchases must be made in accordance with established university rules and regulations. Generally, PCards may be used in person at a merchant's location, by telephone, and on online.

3.9 Procurement of Goods/Services

All purchases made with a PCard must be for expenses associated with official university business.

- **Back orders** – Sometimes a merchant will not be able to fill an order immediately and will need to place an item or items on back order. Cardholders should ask the merchant to charge the PCard only for the items that are initially shipped. The merchant should not charge for the back-ordered items until it ships them.
- **Bids from merchants** - Cardholders must obtain formal competitive bids from merchants for goods or services that exceed \$50,000. Bids must be processed through the Purchasing Department. Bid and quote guidelines are listed on the Purchasing Department's Web site (<http://www.purchasing.ucf.edu/>).
- **Cell phones** – UCF Policy 4-009, Cellular Telephone Acquisition and Use (<http://www.hr.ucf.edu/web/payroll/index.shtml>), discusses UCF cell phone use.
- **Contracts** - Cardholders should ask merchants if they have a contract with the State of Florida to receive the merchant's contract price for the items to be purchased. Cardholders may obtain contract information from the UCF Purchasing Department Web site (<http://www.purchasing.ucf.edu/>).
- **Foreign expenditures** - PCards are genuine VISA cards and may be used wherever VISA cards are accepted. If a department needs to buy commodities from a foreign merchant or if a faculty/staff member will travel to a foreign country, PCards may be used for the expenditures. Travelers should always remember to obtain receipts for goods, services, or travel expenditures while in foreign countries and provide the receipts to their departmental PCard approver when they return.
- **Rent** - Cardholders may use PCards to pay for certain rental charges such as truck rental to move departmental furniture or to rent meeting room space on a one-time basis.
- **Recurring expenses** - PCards may not currently be used to replace blanket purchase orders for recurring expenditures such as a lease, rent, maintenance, or to replenish supplies and parts.
- **Travel** – PCards may be used to register for conferences, purchase airline tickets, and rent cars. To have an Avis Wizard number assigned to a UCF PCard, e-mail the request to TRAVELFA@mail.ucf.edu. Furnish only the full name of the PCard holder; do not give the PCard number.

- **Memberships** – University-approved memberships will normally be institutional memberships with one or more designated representative(s). However, individual memberships may be approved at the appropriate department head's discretion.
- **Tagable (OCO) purchases** - Tagable assets (defined as equipment, fixtures, and other tangible, non-consumable/non-expendable property items that are valued at \$1,000 or greater and have a life expectancy of one year or more) may be purchased with a PCard. This policy is contingent upon the timely and correct approval of PCard transactions. To capitalize these assets, departments should assign assets the appropriate Profile ID and account code on the originating requisition in UCF Financials.

PCards are a convenience and expedite the acquisition process. However, guidelines must be followed to protect the university's assets and to provide documentation for review purposes. For the business process to follow for approving tagable-item transactions, go to <http://www.fa.ucf.edu> and click the Guidelines link near the top of the page. Then, click the Procurement Card link and select BPCW-PC-109, Approving Tagable (OCO) Procurement Card Transactions.

- **Know with Whom You Do Business** - The Office of Foreign Assets Control (OFAC) <http://www.treas.gov/offices/enforcement/ofac/> administers and enforces economic sanctions programs primarily against countries and groups of individuals, such as terrorists and narcotics traffickers. As part of its enforcement efforts, OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called "Specially Designated Nationals" or "SDNs." Their assets are blocked and U.S. persons are generally prohibited from dealing with them. For complete and updated SDN list, go to:

By country: <http://www.treas.gov/offices/enforcement/ofac/sdn/ctrylst.txt>

By nationals & blocked persons:

<http://www.treas.gov/offices/enforcement/ofac/sdn/sdnlist.txt>

If you check a name manually and there is a potential match, notify OFAC toll free hotline: at 1-800-540-6322 for verification. OFAC will compare if it is a true match or false match. If it's true match, no sale, purchase, remittance or other transaction may be made.

3.10 Required Documentation

A receipt or substitute documentation must support each purchase. It must include the vendor name, transaction amount, purchase date, and an itemized description of the item(s).

3.11 Billing/Shipping/Statement Addresses

The billing, shipping, and statement address is the cardholder's location address. This address is where the merchant ships/delivers the commodities and sends receipts. Bank of America sends statements directly to the cardholder's location address three business days after the end of each billing cycle.

Cardholders should review the statement, and if it is accurate, sign a PCard Statement Certification form (41-970) (available on the F&A Web site, www.fa.ucf.edu, under Forms > Procurement Card), and send the statement and form, along with the appropriate receipts, to F&A, Procurement Card Office, or e-mail the documents to PCardstatements@mail.ucf.edu so they can be scanned into ViewStar, the university's electronic filing system.

3.12 Declines by Merchants

If a PCard is declined at any point-of-sale, including an online purchase, the cardholder may contact Bank of America at the number shown on the reverse of the PCard; contact the PCard Administrator at 407-882-1039; or e-mail ocanon@mail.ucf.edu or pcardstatements@mail.ucf.edu to report the incident. Declines can usually be resolved within 24 hours. A cardholder can avoid most declines by keeping track of the remaining balances on his or her PCard.

3.13 Disputes

If a billing error is discovered when reviewing online computer entries, the cardholder should contact the merchant directly to resolve the dispute. If the dispute cannot be resolved with the merchant, the cardholder should complete a Statement of Disputed Items form (41-971) (available on the F&A Web site, www.fa.ucf.edu, under Forms > Procurement Card) and fax it to 407-882-2245. F&A must submit this form to Bank of America within 60 days following the end of the billing cycle in which the error occurred. Charges that have not been approved or disputed to Bank of America at the end of the 60-day dispute period allowed by the bank will be considered valid transactions and must be approved.

3.14 Returns for Credit

If a department finds the goods received are unsatisfactory, the cardholder should contact the merchant as soon as possible. Depending upon the circumstances, cardholders may want to return the merchandise or retain the goods and receive a partial credit. **Under no circumstances should a cardholder accept cash for returned goods.** Whatever the outcome, the banking/credit card system will charge the PCard for the original purchase. Therefore, cardholders should make sure that the merchant will credit the PCard in the manner and dollar amount that is agreed upon. Once the credit is uploaded into the cardholder's account in UCF Financials, the approver should approve the line item in the same manner as any

PCard transaction. The account code to be used in approving the credit must be the same as the original transaction.

3.15 Splitting Purchases

A cardholder should **never** ask a merchant to split a charge into two or more charges in order to accommodate the cardholder's card limits. If a charge exceeds the single-purchase limit on the PCard, the cardholder should contact the PCard administrator for assistance. Cardholders can jeopardize their PCard privileges by splitting charges.

3.16 Sales Tax Exemption

The university is tax exempt and should not pay Florida state sales tax. The cardholder is responsible for insuring that the state sales tax is not charged at the time of purchase. The university's tax exempt number, [85-8012703010C-9](http://www.purchasing.ucf.edu), is on the front of each PCard. Some suppliers may request a copy of the tax exempt form. This form is available on the Purchasing Web site ([http://www.purchasing.ucf.edu/](http://www.purchasing.ucf.edu)). Click the Forms link and then Tax Exemption Certificate.

Other local Florida sales and use taxes apply to PCard charges. These taxes include county taxes, hotel room taxes, etc. Sales and use taxes imposed by other states for goods or services consumed in those states, such as hotel charges, are legitimately chargeable to the PCard. All taxes imposed by foreign countries for goods or services are appropriately chargeable to the PCard.

3.17 Approving and Disapproving Charges in Financials

The [UCF Purchasing Card Training Guide](http://www.fa.ucf.edu) (available on the F&A Web site, www.fa.ucf.edu , under Accounts Payable > Procurement Card > Publications) contains procedures on how to approve and disapprove PCard transactions in UCF Financials.

3.18 Record Keeping

Departments must send all PCard statements, receipts, and a signed copy of the PCard Statement Certification form (41-970) to F&A to be scanned into the university's electronic DocView filing system (also known as ViewStar). Send the documents via intercampus mail or scan the documents and e-mail them to PCardstatements@mail.ucf.edu. All receipts should be attached so they will appear on the monthly statement, and all credit card numbers must be masked. Receipts that contain only the last 4 digits of the card number do not need to be masked.

For additional information on record retention, please go to UCF's Policies and Procedures Manual (<http://policies.ucf.edu/>) and select Policy 2-100.1, Florida Public Records Act-Scope and Compliance (PDF file).

3.19 Prohibited Purchases

For list of prohibited purchases, go to:

http://www.fa.ucf.edu/Procurement_Card/Publications/Publications.cfm and click the Examples of Prohibited Uses of Procurement Card link.

3.20 Audits

Departments should be prepared for periodic record reviews by University Audit, the State Auditor's Office, and/or by F&A.

4. **PENALTIES**

4.1 Cardholder and Department Penalties

Departments and cardholders are responsible and accountable for all purchases made with the PCard. Any employee who fails to use his or her PCard properly or abuses it may be subject to disciplinary action, up to and including dismissal. F&A may impose penalties for any of the following occurrences:

- If a transaction is not reviewed and approved in UCF Financials within ten days after it has been posted in the system. A suspension notice will be sent to the cardholder, and if the transaction is not approved after the notice is sent, then the PCard will be temporarily suspended. If problems continue after the card is reinstated, the card will be suspended indefinitely.
- If the monthly statement, along with the receipts and PCard Statement Certification form (41-970), is not submitted to the F&A PCard office.
- If the PCard is used for personal expenditures. Florida Administrative Codes prohibit personal expenditures from state funds, whether by PCard or other means of payment. Using a PCard for personal expenditures will jeopardize the cardholder's employment.

A PCard may be canceled permanently for repeated cardholder abuse and/or department abuse.

5. PCARD PROGRAM KEY CONTACTS

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