FLORIDA ATLANTIC UNIVERSITY

P-CARD USER GUIDELINES & MANUAL

Verify Procurement Card Transactions

Workday

FLORIDA ATLANTIC UNIVERSITY

PROCUREMENT DEPARTMENT

Contents

I. KEYWORDS & PHRASES 3

II. GENERAL 5

III. GUIDELINES 8

A. Card Issuance and Cancellation 8

B. Purchasing Card Limitations and Restrictions 9

C. Cash Advances / Gift Cards 9

D. Credit Card Security 9

E. Reconciliation of P-Card purchases: 10

F. The Payment Process 11

Fiscal Year End 12

G. Registrations & Memberships 13

Registrations 13

Organizational Memberships & Dues 13

IV. Procedures 14

1. Deans, Directors, and Department Heads 14

2. Cardholders 15

3. Cost Center Managers (or their Delegates) 16

V. Travel Guidelines 17

1. Unauthorized Purchases 17

2. Receipts 18

VI. SUMMARY 19

The procedures contained in this manual apply to all University employees who have been issued a FAU JPMC P-Card or who have direct or delegated responsibilities under the P-Card Verification Program in the Purchases App in Workday.

I. KEYWORDS & PHRASES

Approver (Workday Cost Center Manager, Financial Director, VP or Delegate)

A person delegated the responsibility of reviewing Cardholder transactions to ensure the appropriateness of activity and the timely processing of charges. Often the Approver will reside in the same department/area as the cardholder.

Administrator: Credit Card

The individual(s) in Financial Affairs Office who administers FAU credit card program and training. Additional responsibilities may also include paying purchase order-related invoices that are the result of fully approved requisitions in Workday.

Billing Cycle

The monthly billing period that ends on the last day of the month and begins the 15th day of the following month for bi-monthly payment or ends the last day of the month and begins the first day of the month for monthly billing.

Cardholder

A person designated by the Procurement organization Credit Card Administrator (pursuant to the Dean's, Director's, or Department Head's recommendation and approval) to be given a Credit Card to make purchases within preset limits, on behalf of FAU. A cardholder shall meet

the requirements as stated herein and have duties or responsibilities commensurate with the establishment of spending limits. A cardholder must be a FAU, W-2 employee.

Designee or Delegate

An official Designee in Workday who acts on behalf of either the Cardholder or Approver, but only where the expense reporting process is concerned. (Cardholders cannot delegate the use of their FAU credit card to others).

Cost Center Manager (CCM)

The FAU departmental individual with fiduciary responsibility for their budget and approval of spend authorizations, expense report and requisition transactions for appropriateness and adherence to university policy, TAG/Cost Center and Spend Category assignments.

Itemized Receipt

The details required to be obtained and attached to a Workday expense report or p-card verification transaction. Receipt to include:

- The item description
- The total cost includes item quantity, unit cost (when applicable).
- The Supplier name and address (when applicable)
- The date of purchase/good received (when applicable)
- Confirmation of payment

Note: Receipts are required for all transactions.

MCC

Merchant Category Code assigned to a merchant by VISA which identifies the primary goods or services provided by the merchant.

Monthly Limit

A maximum dollar value of charges that may be applied to a Cardholder's purchasing authority during a month. Limits may be expanded upon approval to accommodate larger invoices matching directly to a Workday pre-approved requisition/purchase order.

Transaction

A charge, credit, correction, or other activity that matches the itemized receipt and (where available) the approved requisition and purchase order in Workday, for a legitimate business purpose that is associated to any Cardholder or TAG/Cost Center account.

Single Transaction Limit

A dollar limit that may be applied to a Cardholder's purchasing authority on a per transaction basis.

Split Purchase Transaction

Two or more items purchased from a supplier on the same date or near the same period, and/or the purchase of a single item that exceeds the credit card limit.

II. GENERAL

P-cards for University approved expenses will be issued to individuals who are in a fiscally responsible line position and may only be used for official, University-related business purposes. Cards will only be issued to employees that require frequent use of this program. A FAU credit card is not intended for individuals that may use it once per year or may have an occasional purchase. To fulfill these requirements, employees may purchase items via Workday Supplier punchout catalogs, via Workday Requisition or be reimbursed for authorized travel expenses via direct deposit. Once issued, credit cards not used for a period of 12-months or more will be closed.

Temporary employees (OPS), students, visiting faculty or staff, convenience appointments, courtesy appointments, volunteers, or other non-compensated personnel are not allowed a credit card. Purchases must follow appropriate state laws and University rules and policies and must be made with reasonable judgment.

If there is a question about the official purpose of a purchase or if the use of the travel and expense credit card or p-card to make a purchase is questionable, contact the Card Admin at 561-297-3125 or 561-297-3087 or email pcard@fau.edu for clarification.

Credit cards are issued to individuals who complete certification training and may only be used by the individual whose name appears on the card. Cards are not issued to a department, university vehicle, function, or location.

The FAU P-Card Program was established, in part, to lessen the amount of paperwork and processing time currently needed for small dollar purchases. However, all transactions **must** be entered in Workday via a P-Card transaction verification in the Purchases app in Workday and **receipts and details are required for every transaction**.

State and University contract agreements should be used to purchase commodities unless the needed commodities are not available through state or University contracts.

Any employee who knowingly and willingly makes purchases or attempts to make purchases that violate state laws, University purchasing card policy, or procedures contained in this manual or assists another employee in such purchases, or fails to report a known violation, may be subject to disciplinary action in accordance with the cardholder agreement.

Contact Procurement at purchasing@fau.edu for non-routine or questionable purchases before the purchase is made.

All transactions conducted within the State of Florida are exempt from State Sales and Use tax. The University's tax exemption number for the credit program is listed on each p-Card. Federal or local taxes are not exempt.

Suppliers should not charge the credit card account until the merchandise is received by the cardholder or shipped by the merchant. Backorders may not be charged by the merchant in advance of shipping.

The merchant should ship the delivery receipt and the item purchased directly to the cardholder or designated departmental receiving point. Generally, there is no circumstances where it is appropriate to have items sent to the Cardholder's residence. If such circumstances should arise, contact the credit card Administrator in advance of the transaction and include documentation with the transaction detailing the requirement and approval. FAU is tax-exempt in Florida. No purchases should be made where items are shipped to a non-FL or non-FAU address. If special circumstances arise, follow same instructions as above.

The University's Office of Inspector General and/or Controller's Office will perform periodic post audit review of credit card activity.

P-Cards will be immediately canceled when the Credit Card Administrator in Procurement is notified that:

- Cardholder is terminated from FAU employment as directed from the Workday business process for termination.
- Cardholder no longer requires a Credit Card
- Cardholder reports the loss or theft of their Credit Card
- Cardholder misuses the Credit Card or the Termination of any grant, contract, or budget authority for which the card was issued exclusively.

III. GUIDELINES

A. Card Issuance and Cancellation

The Procurement organization is responsible for all card issuance and cancellation.

Cards are issued following this P-Card Manual that is approved by the President of the University.

All cardholders must attend certification training on the policies and procedures associated with the P-Card Program. They must be informed of all their P-Card transactions, verification records in Workday, fraud alerts notifications and other sources of information relevant to the program.

The Credit Card Administrator(s) in Procurement must be notified when a cardholder changes departments within the University or terminates employment with the University or when cardholder no longer requires a card. Employees that change departments must have their current card cancelled.

A new credit card request authorized by the new supervising department must be created in Workday – Create Request – Purchasing Card Request Form. This is required and cards may not be transferred with the employee to a new department. The issuance of a new card requires training certification.

P-Cards expire every three years, on the last day of the month embossed on the front of the card (expiration date). Renewal cards are automatically sent to the P-card Office within 1 to 3 weeks prior to the expiration date. The cardholder will be sent an e-mail notification listing the date and location to pick up his or her new card. FAU credit cards not used for a period of 12 months or more will be closed.

B. Purchasing Card Limitations and Restrictions

1. The P-Card is designated as a primarily goods and services credit card. Charges shall generally not exceed $5000; however, limits may be expanded upon with approval when the P-Card verification processed is used with the Workday approved requisition/ purchase order process. Individual cardholder controls are determined by the cardholder's control profile in PaymentNet. Cardholder controls are determined by Deans, Directors or Department Heads and approved by the P-Cards Administrator in Procurement. The P-Card Administrator in Procurement is responsible for establishing and maintaining cardholder controls.
2. P-Cards designated for use by the P-Card administrator in Procurement (designated as Payables credit cards) will process invoices of higher value directly associated with approved requisitions/purchase orders in Workday as per the approval of the business process related to the transaction and the approval of the Assistant VP/Director of Procurement.

C. Cash Advances / Gift Cards

Under no circumstances are cash advances allowed on the FAU P-card. For information regarding the purchase of gift cards, see @ https://www.fau.edu/procurement/files/gift-card-procedure.pdf

D. Credit Card Security

i. Use of the FAU credit card is limited to the University employee whose name appears on the face of the card. The credit card must not be loaned to another person under any circumstances. If a cardholder is absent for an extended period, their card should be cancelled. The department should seek to obtain another card for a different designated employee, either temporarily or permanently.

ii. Each cardholder is responsible for the security of their card. All precautions should be used to maintain confidentiality of all information relating to the card, such as the cardholder account number, expiration date, and CVV number (security code

on back). Cards not used for 12 months or more will be closed to minimize risk of fraudulent transactions.

iii. The P-Card account number should never be left in a conspicuous place, should never be included in an e-mail and should never be given to a student or co-worker. All cardholders must keep all information regarding the VISA P-Card secure and confidential.

iv. All P-card holders must set up their card for fraud alerts @ https://ccportal.jpmorgan.com/login and follow the directions to enroll their card in this important protection program.

E. Reconciliation of P-Card purchases:

All P-Card transactions must be reconciled through the **Purchases** module in Workday, ***Verify Procurement Card Transactions***. Verifications should be associated with an approved Workday purchase order to ensure financial and business purpose approval, in addition to approved commitment and obligation accounting. Purchases paid and verified with assigned PO's are pre-approved and obligated in the cost center budget. It is highly recommended that p-card verifications be used in conjunction with the requisition/ purchase order process. P-Card verifications not associated with a purchase order are unencumbered transactions. They will route for approval per the Workday business process assigned to the account information provided on the transaction and record in the budget as an actual.

For information on creating a Workday P-Card verification, please refer to the FAU Library within Workday or @ https://www.fau.edu/procurement/job-aids/

Required: The Cardholder's Supervisor, Cost Center Manager, Financial Director, and/or Vice President must review the p-card transaction verifications consider appropriateness of purchases, especially when said Supervisor is not acting as the cost center manager (Approver) in Workday. Internal control plans call for periodic audits of the program by FAU's Office of Inspector General. These audits may include, but are not limited to, the verification of proper scanned attachments (receipts), adherence to stated guidelines and the appropriateness of the purchase.

F. The Payment Process

The University is responsible for assigning people to authorize the approval of requisitions and p-card verifications via the Workday BP routing (business process). The approver (or his/her delegate) must be independent of the cardholder. The approver may be the individuals Supervisor, Cost Center Manager, Financial Director, and/or Vice President as indicated by the total value of the transaction and/or expense item.

P-Card verifications are received by the University daily and **must be reviewed/approved** on a timely basis and then are processed as follows:

- P-card verifications must be **fully approved** within **ten (10)** calendar days after the date of purchase. This 10 business-day period includes the creation of the p-card verification in Purchases application in Workday, the submission of a receipt, and all the associated and appropriate approvals completed. P-card verification with purchase order is a quick, easy and efficient, pre-approved process.

Note: The recommended timeframe to complete the lifecycle of the transaction is 5 business days for the Cardholder/Delegate to submit the p-card verification and 5 business days for the Cost Center Manager/others to secure all approvals. P-card verifications with purchase orders will only route to the card holders supervisor as all other approvals are secured in advance at the requisition level.

If the lifecycle of the process exceeds 10 calendar days, the card holder will be contacted to complete the transaction. If the transaction is still not expensed within 5 additional days after this notification, the Cardholder will receive a warning for the first offense. If there is a second warning issued, the P-Card holders credit limit may be reduced to $1.00. If the limit is reduced, the Cardholder may need to attend a second FAU credit card online training. Upon third offense, the Cardholder's FAU credit card may be revoked.

1. If a receipt is lost or the cardholder cannot obtain a receipt, a replacement receipt should be requested from the supplier. If unavailable, a justification/explanation memo or e-mail may be substituted on an exception basis. See template for a

replacement receipt form @ https://www.fau.edu/procurement/files/purchasingcard/replacmt.pdf

2. Disputed items - **Identify and contact the Supplier directly** to resolve the dispute and document all attempts for resolution. If the P-Card holder returns merchandise, credit should be issued to the cardholder's P-Card and a credit receipt obtained for the record.
3. Under no circumstances may a cardholder receive cash in lieu of credit. If the merchant refuses to resolve the dispute, the cardholder can contact the P-Card Administrator pcards@fau.edu or call the issuing bank directly for assistance if fraud is suspected. For cancelled orders, obtain a cancellation number and include it on the dispute form.
4. Suspected credit card fraud should be reported immediately to the card issuing bank. Call the number on the back of the credit card and the FAU P-Card administrator. The card will be immediately cancelled, and a new card will be issued. FAU credit cards are corporate liability; thus, no charges are the responsibility of the card holder and all charges to the University will be credited. The issuing bank may ask the card holder to sign an affidavit confirming the charges are fraudulent. All P-Card holders should enroll JPMC cardholder fraud alert @ https://ccportal.jpmorgan.com/login

Fiscal Year End

The annual P-Card year-end cutoff will occur on or about June 24th each fiscal year. This will ensure that expenditures for the current fiscal year are completed and expensed in the correct year. Transactions made after this date may ultimately be expensed in the following fiscal year. The exact date will be communicated annually in the year-end schedule provided by Financial Affairs. On a case-by-case basis, the P-Card Administrator(s) can evaluate circumstances, at their discretion, which would entitle the pcard holder to have the card limit maintained throughout the blackout period. Departments that do not meet the requirement of processing transactions appropriately by the fiscal year end may jeopardize its participation in the FAU P-Card Program.

G. Registrations & Memberships

Registrations and Organizational Memberships may be processed using a university issued P-Card. While this is the preferred method of payment, Procurement recommends the requisition/purchase order process to ensure commitment, accounting and approvals. Please ensure that these, and all other charges, are appropriate expenditures against the charged TAG/Cost Center and Spend Category, and that you have the proper departmental approval. Please note that travel accommodation and transportation are only permitted on TE credit cards that are approved for travel and processed on spend authorizations and expense reports, not p-card verifications.

Registrations

FAU P-Card holders may place registrations directly with the organization either in person, by phone, fax, Internet or by mailing the registration form. The Visa account number should be properly indicated on the form but never sent via e-mail.

- A copy of the registration form will serve as the receipt and should be included in P-card transaction verification. Each registration form should include the name of the conference, the date(s), the person(s) attending, conference location, and cost.
- A "Benefit to State" justification shall be written and included in the verification. This justification, along with the registration form, shall constitute a "receipt".
- Group registrations may be charged to a single card provided the individual participants are broken down by line and there is a name for each registration. Be sure to retain the benefit to state and registration form as your receipt.

Organizational Memberships & Dues

- Florida statutes require that public funds be used for dues to any association, group, or organization only when such membership is essential to the statutory duties and responsibilities of the state agency.

- Membership dues and/or renewal forms may then be placed directly with the organization in person, by phone, fax, internet or by mailing the appropriate payment form. **P-card numbers should never be e-mailed.** The membership form must indicate group, departmental or organizational membership unless an individual membership is available at a lower cost and is desired.
- The completed membership form and benefit to the state documents shall serve as receipt for the p-card verification.

IV. Procedures

1. Deans, Directors, and Department Heads

a. Recommend and approve all potential cardholders.
b. Ensure that potential cardholders are not assigned to approvers who are related to them.
c. Approve the Create Request Purchasing Card Request form in Workday.
d. Periodically review all p-card verifications for all departmental employees to ensure compliance with university and state guidelines and policy.
e. Ensure that employees who will be issued a P-Card or are delegated responsibilities under the Workday Procurement ERP system meet the requirements and have duties or responsibilities commensurate with the establishment of spending limits.
f. Immediately notify the P-Card Administrator of changes in a cardholder's status. Terminated employees must be reported immediately to the Credit Card Administrator so the card can be cancelled.
g. Ensure that cardholders who terminate employment or transfer stop using the credit card immediately and reconcile all outstanding credit card transactions by obtaining all required receipts and review with the appropriate Approver prior to the employee card holders' termination or transfer.
h. Remind cardholders of the importance of adhering to their authorized spending limits and not splitting purchases into multiple transactions to circumvent authorized spending limits.

i. See Florida State Expenditure Guide @ https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf

2. Cardholders

a. Complete and pass P-Card certification training online prior to receiving the card and upon each card renewal period.
b. No cardholder can buy, receive, approve, and reconcile the charges for their own card. Verifications must be preapproved, or route for approval.
c. Process the p-card verification in Workday by attaching itemized receipts, and/or link to a Workday purchase order, on a timely basis as indicated in this manual, not to exceed 10 business days for complete processing including approvals.
d. Verify each transaction separately unless charges are related to a single purchase order.
e. Follow appropriate state laws and university guidelines and use good judgment when making purchases. Abuse or misuse of this privilege subject's cardholder to disciplinary action.
f. Ensure the physical security of the P-Card and protect the account number. The credit card number must not be posted in the cardholder's work area. Under no circumstances will a cardholder allow another individual to use the card. Credit card number should never be written in an e-mail. If a credit card is lost or stolen, the cardholder must immediately notify the issuing bank at the number posted on the back of the card and the University Card Administrator via e-mail at pcard@fau.edu or by calling (561) 297-3087 or (561) 297-3125. Lost or stolen cards reported missing will be blocked and cancelled immediately. Sign-up for JPMC p-card fraud alert @ https://ccportal.jpmorgan.com/login
g. No cardholder may exceed the limits assigned to their FAU credit card by splitting charges or exceeding the allowed amount per supplier, per day. Card controls may be adjusted upon approval.

h. At time of purchase, request that State Sales and Use taxes not be charged to the P-Card is an approved, FAU method of convergence. Advise the merchant the sales tax exemption number on the front of the credit card. Notify the supplier of any sales tax charged in error and request a refund to the P-Card used.

3. Cost Center Managers (or their Delegates)

a. Complete the Create Request Purchasing Card Request form Workday with complete information for the employee authorized to receive a P-Card. Since 'Create Request' may be completed by the Cost Center Manager or their delegate, it is mandatory that the information for the TAG Cost Center Manager, Supervisor etc. is correct and complete including the FAU ID number(s).
b. Complete online training on the Workday requisition and Verify P-card transaction process.
c. Ensure that P-Card verifications are related to purchase orders and are well documented, appropriate, contain complete and itemized receipts and are charged to the proper TAG/Cost Center and Spend Category.
d. Track any disputed credit card items to ensure that the appropriate credit is received: notify cardholder if expected credit is not received.
e. Enter into Workday via the Create Request task, the Purchasing Modify Existing credit card form any request to change credit card limits on a temporary basis and document reason for modification. Since 'Create Request' to change limits may also be completed by the Cost Center Manager or their delegate, it is mandatory that the information for the TAG Cost Center Manager, Supervisor etc. is correct and complete including the FAU ID number(s). Failure to provide this information or providing incorrect or false information may result in the termination of FAU credit card privileges.
f. Notify the P-Card Program Administrator(s) when unusual or restricted transactions appear in Verify P-Card Transaction list in Workday
g. Immediately notify the Credit Card Administrator(s) of changes in the cardholder's status. Terminated employees must be reported immediately to the Credit Card Administrator so the card can be cancelled.

h. Instruct Cardholder to make reimbursement, including sales tax, for unauthorized purchases. Payment should be made through the FAU Marketplace by the Cardholder and documented as such @ https://epay.fau.edu/C20081_ustores/web/store_main.jsp?STOREID=116

V. Travel Guidelines

The FAU P-Card with JP Morgan Chase is primarily used for the purchase and payment of goods and services.

The Travel card (T &E Card) with Bank of America (BOA) is for authorized university travel expenses. For further information please see @ https://www.fau.edu/procurement/travel/

1. Unauthorized Purchases

The following general categories **may not** be purchased with the FAU P-Card. In the case of grant funds, please check with Contracts & Grants. Please note that this is not as all-inclusive listing of the unauthorized expenditures. Contact Procurement or pcard@fau.edu with questions or for additional information.

1. Personal items: including, but not limited to, congratulatory telegrams, items of a decorative nature, flowers as gifts, wall hangings, awards (donations, sponsorships, gift cards), entertainment, refreshments and alcoholic beverages, personal subscriptions, coffee pots, microwaves, refrigerators, stoves, etc.
2. Live animals (contact Lab Animal Resources in Research Compliance Office for details).
3. Controlled substances requiring a DEA license
4. Cash and Travelers checks
5. Purchases that involve signing an agreement, license, or contract (e.g., leases) - send documents to Procurement department for review and action.
6. Long-term rentals (1 year or longer).
7. Radioactive materials

8. Weapons or ammunition
9. Donations (FAUF exceptions may apply)
10. Fuel for a privately-owned vehicle or aircraft
11. Entertainment
12. Fines/Late fees/Penalties
13. Gifts or Gift Certificates
14. Interest/Finance Charges
15. Performers (without prior approval)
16. Transaction with foreign countries of concerns (including sites such as TEMU, Alibaba and e-Bay)
17. Tuition (FAUF exceptions may apply)
18. Printing & Promotional Items – please see info @ https://www.fau.edu/public-affairs/retail-and-licensing/need-to-purchase-promotional-items/ unless associated with an approved requisition/purchase order.

2. Receipts

All P-Card itemized receipts must be uploaded into Workday as an attachment to a p-card transaction in the Purchases module of Workday by either the Cardholder or their delegate. This is a required task in Workday ***Verify Procurement Card Transactions.***

Find related guidelines @

- https://www.fau.edu/procurement/files/purchasing-manual.pdf
- https://www.fau.edu/procurement/files/accounts-payable-manual.pdf
- https://www.fau.edu/procurement/files/purchasingcard/manual.pdf
- https://www.fau.edu/procurement/files/travel-expense-reference-guide-for-employees.pdf
- https://www.fau.edu/procurement/job-aids/
- https://www.fau.edu/procurement/files/sua-flyer.pdf

VI. SUMMARY

This University manual designates that the FAU P-Card with JPMC is a financial tool and an authorized university method of conveyance for the purchase of goods and services as described herein. It is an employee privilege and not a right. All transactions must be reconciled and verified in Workday on a timely basis as outlined in section F. Failure to do so will result in the termination of use of a FAU P-Card.

Employees granted permission to obtain a university P-Card must use it for business purposes only, and the use of personal credit cards for same is thereby prohibited. Failure to comply with these guidelines, university policies and FL State Statutes can result in termination of the credit card and disciplinary action.