



2017 P-Card Updates

Effective
April 1, 2017

What:

- ...has changed?
 - Appropriate situations for P-Card use.
 - Initial application process.
 - Frequency of credit checks.
 - Preapproval process.
 - Reconciliation through Works.
 - Spending limit increases.
 - Training requirements – DOAS & UWG
- ...has stayed the same?
 - Compliance.
 - Approved and prohibited purchases (one exception).
 - Equal liability for cardholder and approvers.
 - Separation of duties.
 - Personal purchases prohibited.
 - Split purchases prohibited.
 - Violation policy.



Why:

- All updates to the University's P-Card program are due to revisions in the *Statewide Purchasing Card Policy*.
- The *Statewide Purchasing Card Policy* serves as the policy for the P-Card Program at the University of West Georgia.
- The University's plan cannot be more lenient than the state policy.



When:

- The changes to the *Statewide Purchasing Card Policy* go into effect on **April 1st, 2017.**
- All P-Card purchases on or after April 1st must be in compliance with the new policy.



Appropriate situations for P-Card use:

1. The P-Card may be used for preapproved planned, routine or non-urgent transactions within the cardholders established credit limits provided the transaction:
 - Is not prohibited by state law, DOAS policy, BOR policy or UWG's P-Card Plan.
 - Has been preapproved by two trained approvers.



Appropriate situations for P-Card use (cont):

2. Preapproval for a transaction under \$1,000 is not required provided at least one of the following criteria is met:
 - Unplanned: Not anticipated or known in advance.
 - Non-routine: Commonplace tasks or duties done irregularly or at sporadic intervals. Not monthly or standard recurring.
 - Urgent: Compelling or requiring immediate action or attention; imperative; affecting life/safety; pressing.

Comments explaining the nature of the situation that made the transaction exempt from preapproval must be included in the reconciliation.



Initial Application Process:

The process for a permanent, part-time or full-time, University employee in a position that requires the use of a p-card is:

- Complete UWG P-Card Justification Form and submit to Purchasing for approval.
- After Purchasing approves the Justification, complete and send the following forms to Purchasing:
 - P-Card Application
 - Must be approved at a minimum by:
 - Employee's supervisor
 - University P-Card Administrator
 - Vice President for Business and Finance (Purchasing will request this approval)
 - Ethical Statement of Values
 - Authorization Form for Consumer Reporting
- Once the application has received the three levels of approval listed above, the application will route to Human Resources where a credit check will be completed and the application will be approved or denied based on predefined criteria.



Frequency of Credit Checks:

The *Statewide Purchasing Card Policy* has been revised to require credit checks to be completed:

- Upon initial application
- At account renewal before the cardholder picks up the new P-Card.
 - The University's P-Card Administrator will notify the cardholder when the renewal credit check is required.
 - Human Resources will complete the credit check and approve or deny the renewal based on predefined criteria.



Preapproval Process:

- The *Statewide Purchasing Card Policy* requires that planned, routine or non-urgent transactions within the cardholders existing credit limits receive two levels of approval before purchase.
- The pre-approvals will be obtained through a Google Sheet to which each cardholder and approver will have access. Job Aids are provided on Purchasing's website for the completion of both the request and approval process.
- Both approvers must approve the request before the payment can be made.



Reconciliation through Works:

- Each cardholder is required to sign off on transaction in Bank of America's Works Payment Manager at least monthly. A job aid is provided on Purchasing's website with step-by-step instructions for this process.
- Failure to sign off on transactions at least monthly will result in violations and possible revocation of card privileges.



Spending Limit Increases:

The process for obtaining either an increase in either the established Single Transaction Limit or Cycle Limit is as follows:

- Cardholder must complete the P-Card Change Request form located on Purchasing's website.
- Supervisor must sign the Change Request and send to Purchasing.
- Purchasing must seek approval from OPB and DOAS before the increase will be granted.
- Provide as much detail as possible to increase the chance of OPB/DOAS approval.
- The P-Card Administrator will contact the cardholder and supervisor when OPB and DOAS respond to the increase request.
- Limits will revert to original limits after 5 days.



Training Requirements:

Every cardholder **and** approver must complete both UWG **and** DOAS training before the cardholder may make any purchase after April 1st. Training can be found:

- UWG training is available through CourseDen. This is a 20 question, multiple choice quiz.
- DOAS training is available through the Learning Management System at doas.exceedlms.com.
- Complete the Introduction to Purchasing Card Principles (6600W) and send a copy of your certificate of completion to Jeanna Lambert.
- DOAS will allow cardholders and approvers until May 15th, 2017 to complete the training. However, the p-card may not be used until both cardholder and approver have completed training.
- The P-Card Administrator will contact the Cardholder when all training has been completed and the card has been reactivated.



Some Things Never Change:

- **Compliance:** The University's P-Card Plan is governed and in compliance with the following:
 - State Law
 - The Statewide Purchasing Card Policy
 - Board of Regents Policy

The University's P-Card Plan can not be more lenient than any of the preceding.

- **Approved and prohibited purchases:** The only change to the list of approved and prohibited purchases is that **Promotional items** are now **prohibited** from being purchased by p-card. A list of allowable purchased can be found on Purchasing's website. The list is not all inclusive and when in doubt, the P-Card Administrator should be contacted.
- **Equal liability for cardholder and approvers:** Both cardholders and approvers are responsible for understanding and adhering to the guidelines established in the University's P-Card Plan and failure to do so may result in termination of card privileges, termination of employment and criminal prosecution.



Some Things Never Change (cont):

- **Separation of duties:** One of the fundamental internal controls for the P-Card Program is separation of duties. Neither the P-Card Administrator, Director, or Assistant Director may be a cardholder. Each cardholder is required to have a superior approve all P-Card transactions. Approvers may not be subordinates of the cardholder.
- **Personal purchases prohibited:** Any person who knowingly uses state funds for personal purchases under \$500 is guilty of a misdemeanor and guilty of a felony punishable by up to 20 years in prison for personal purchases in excess of \$500. Approving officials who knowingly, or through willful neglect, approve personal or fraudulent purchases are subject to the same disciplinary actions as those making the purchases.



Some Things Never Change (cont):

- **Split purchases prohibited:** Cardholders are prohibited from circumventing their single transaction limit by splitting a transaction between:
 - Two or more transactions on a single account.
 - Two or more transactions on multiple accounts.
 - Two or more transaction using the P-Card and a purchase order.

Intentionally split transactions will result in permanent revocation of card privileges.



Some Things Never Change (cont):

- **Violation policy:** Violation of the rules governing the use of P-Cards can be classified as minor or major. Examples of minor violations include but are not limited to:
 - Delinquent submission of monthly reconciliations.
 - Purchases made without obtaining the proper pre-approvals.
 - Failure to sign off on transactions in Works.
 - Purchasing outside of state contract.
 - Undocumented sales tax.

Cardholder who receive three minor violations during a fiscal year will have their card suspended for a month. Additional violations will be handled on a case by case basis.

Major violations include but are not limited to:

- Knowingly purchasing prohibited or unauthorized items.
- Splitting orders to avoid the single transaction limit.
- Allowing other to use the P-Card.
- Sharing passwords.
- Knowingly and intentionally making personal purchases.

Card privileges will be terminated permanently following the cardholder's first major violation.



Questions, Comments, Concerns:

Please contact Purchasing Services with any questions, comments, and concerns.

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