

# PCARD POLICY

## **Definitions:**

*PCard* – Procurement Card

*CPA* – ControlPayAdvanced is the card management web-based software used for monitoring transaction activity, reconciling statements and generating reports

*Cardholder* – Person whose name is on the PCard and is ultimately responsible for all transactions

*Proxy* – The person assigned the right and responsibility to manage card transactions for the Cardholder

*Purchasing Agent* – authorized staff that administers the PCard program

*Merchant* – Business or vendor

## **1. Purpose:**

This policy has been designed to establish the procedures to be used with the City of Bloomington's PCard program. This policy details the rules to reference regarding use/abuse of the PCard. This policy intends to accomplish the following:

- Establish appropriate internal controls over the PCard process to ensure PCards are only used for authorized purposes
- Ensure the City bears no legal liability from inappropriate use of PCards
- To provide a convenient source of funding for employees who must purchase for the City
- Verify payments for purchases are made on a timely basis to minimize finance charges and late fees from vendors and merchants

## **2. Background:**

The City has used various methods to accomplish the procurement of goods and services. Methods such as purchase orders, check requests and petty cash slips have proved to be costly, time consuming, and occasionally have not been accepted by vendors. To promote vendor acceptance and operational efficiency, the Finance Department initiated the PCard program. This program has a number of unique controls that ensure that the PCard can be used only for specific purposes and within specific dollar limits.

## **3. General Information:**

- The PCard is a tool for designated City employees to use when they make purchases for official business needs.
- Each PCard will bear the Cardholder's name. The PCard may only be used by the Cardholder. In case of fraud against a loaned PCard, the Cardholder will be ultimately responsible for the fraudulent charges. Therefore, lending your PCard to another person is a violation of the PCard policy. Please see the Purchasing

## PCARD POLICY

Manual regarding exceptions for travel, membership or other instances where a PCard may be used by people other than the Cardholder.

- Prior to receiving a PCard, every employee must sign a Cardholder Agreement that details their responsibilities regarding misuse of the PCard. Failure to comply with these procedures will result in revocation of the PCard and fraudulent misuse may result in disciplinary action leading up to and including termination of the Cardholder in accordance with the City's Progressive Discipline Policy.
- PCards must be returned to your **immediate supervisor, Director or HR** upon leaving the City's employment. **DO NOT** leave your PCard with any other department staff upon leaving the City's employment.

#### 4. Authorizations and spending limits:

Each PCard may have per transaction and/or monthly maximum spending limits. Additional restrictions exist on the type of purchase each employee can make on the PCard, based on the employee's needs as determined by the Director.

##### **A PCard is NOT:**

- A means to avoid appropriate procurement or payment procedures
- A card to access cash or credit (ATM).
- For items and services for personal, non-business use.
- For the procurement of contractual services including but not limited to sole proprietors, and unincorporated vendors due to the IRS 1099 reporting requirements.

The following list covers purchases for which PCard use is expressly prohibited:

- Alcoholic Beverages
- Capital Projects (excluding equipment)
- Cash Advances from financial institutions or ATM Machines
- Computer Hardware and Software (with the exception of the IS department)
- Legal Services
- Temporary Help
- Purchases exceeding \$10,000 without advance City Council or City Manager approval
- Telephone calls
- Negotiated Contract Payments (such as office supplies or other City-wide contracts)
- Personal purchases; CPA includes automated processes that require reconciliation to a City account code. No account codes exist for personal purchases, therefore personal purchases may not be made on the PCard. If you plan business travel and intend to have a non-employee accompany you, their travel expenses may not be made on your City-issued PCard. Additionally, non-employee meals or other incidentals may not be charged on the PCard for the

## PCARD POLICY

purpose of convenience. *Business* activities or meals with non-employees may be charged on the PCard when the City is obliged to pay for the incurred costs.

### 5. Responsibilities of Cardholders:

- The PCard must NOT be used for personal transactions.
- The PCard must NOT be loaned to others for purchases.
- Splitting of purchases into multiple parts in order to circumvent limits on the PCard is prohibited. Please have your Department Director contact the Purchasing Agent for credit limit adjustments (temporary or permanent).
- The Cardholder is responsible for all inappropriate charges and disciplinary action will be assessed in accordance with the City's Progressive Discipline policy.
- The City is a tax-exempt entity. Each Cardholder is responsible for obtaining a credit if sales tax was charged. For your convenience, the tax exempt number is printed on the front of the PCard. However, the tax exempt number does not "scan" like your account number, so you must let the merchant know that you are making a "tax exempt" purchase.
- **DEPARTMENT DIRECTORS:** Verify purchases are for City business. Sign the Cardholder's monthly transaction statement to verify that purchases were for City business purposes and receipts are accounted for. When this step has been completed, the transaction statement and accompanying receipts shall be forwarded to Finance. A PURCHASE ORDER OR REQUEST FOR PAYMENT IS NOT NECESSARY. If it is determined that a purchase is not appropriate, then the Cardholder must provide a credit voucher proving the items have been returned for credit or a personal check for the full amount of that purchase. The appropriate disciplinary action shall apply in accordance with the City's Progressive Discipline Policy.

### **Reporting Lost or Stolen PCards**

- Cardholders must notify the Bank ***and*** the Purchasing Agent immediately when a PCard is lost or stolen. Contact information for the bank is on the letter that accompanied the PCard. Please keep the letter from Commerce Bank in a safe place separate from your PCard.

### **CONTACT LISTING**

You can obtain the following information under the headings provided:

**Procurement:** 434-2330 or 434-2333

- New Cardholder request
- Change in credit line
- Change in parameters
- Cardholder account closures
- Policy and procedure changes
- Report lost or stolen card information
- Reconciliation questions/procedures

## PCARD POLICY

- General account information
- Account balance

### **Commerce Bank: 1-800-892-7104**

- Notification of disputed item
- Declined sales transaction
- Report lost or Stolen card
- Emergency replacement card

### ***Required Receipt Documentation:***

- Receipts must be obtained with all purchases, identifying the merchant, date and itemized list of all purchases.
- Receipts must be turned into Finance with a copy of the Cardholder monthly statement signed by the Director.
- Forward the monthly transaction statement and attached original receipts, to your department Director for review and signature of approval. Only signed and properly documented statements will be accepted in Finance.

The following are acceptable receipts:

- Credit Card Orders: charge slip with only the total does not qualify as an original receipt. A receipt needs to include an original record of what was purchased. Any exceptions must be documented.
- Pick Up Orders: Attach the detailed cash register receipt.
- Phone/Fax Orders: Original invoice or packing slip providing the packing slip shows what was purchased and pricing.
- Internet Orders: Print and attach a copy of the order screen or confirmation screen that shows what was purchased and the dollar amount.
- Registration Fees: Attach the registration form. The form must show who the registration is for, the date and location of the event, the registration amount and what is included in the registration fee.
- Documentation Not Available: If unable to obtain any type of documentation, please complete a "Missing Documentation" form, and obtain your Director's signature on the memo. This is the exception rather than the rule. The appropriate disciplinary action shall apply in accordance with the City's Progressive Discipline policy for individuals not obtaining adequate documentation.

### ***Returns, Credits or Disputed Items:***

- Returns: A credit should be issued for any item that the merchant has approved for return. The credit will appear on a subsequent statement. Any item purchased with the PCard that is returned must be returned for credit. Do not accept a refund in cash or check format. Please contact the Purchasing Agent if you are not successful in obtaining a credit from the merchant.

## PCARD POLICY

- The Cardholder is responsible for IMMEDIATE follow up with the merchant or bank on any erroneous charges, disputed items or returns. Disputed billings can result from failure to receive the goods charged, defective merchandise, incorrect amounts, duplicate charges or credit not processed. Delay in taking action may result in the City being responsible for payment of unresolved issues.
- If you have a problem with a purchased item or a billing resulting from use of the PCard, you should first try to reach a resolution with the merchant that provided the item.
- If a disputed charge cannot be resolved with the merchant, complete the "Cardholder Dispute Form" available on the CPA website. Complete the form and fax it to the provided number. The written dispute notice must be received by the bank within 30 days of the date of the bank statement.
- Credits: Request from the merchant that a credit be placed on the Cardholder's PCard account. Obtain a receipt for the credit as you would for any other purchase documentation. Credits must also be processed like any other transaction in CPA.

### **6. Responsibilities of the Finance Department:**

- Receive and review the City's combined billing statement.
- Review information submitted by the Cardholder. Match receipts with statement of account. All receipts will be compared to the Cardholder statement submitted by the Cardholder or proxy by a monthly random audit.
- Verify travel-related charges have been authorized.
- Ensure that monthly statements of accounts are reviewed on CPA by individual Cardholders or proxies for their records.
- Make payments on a timely basis to ensure the City does not accrue finance charges or late fees.
- If the Purchasing Agent cannot verify that a questionable purchase was necessary and for official use, the Purchasing Agent shall request that the purchase be reviewed by the Cardholder's Director or City Manager.
- Annual inventory of PCards: On an annual basis, the Purchasing Agent shall verify that each Cardholder is in physical possession of their assigned PCard.

#### Attachments:

Cardholder agreement for proper use of PCard

**Cardholder Agreement for Proper Use of the PCard**  
**EMPLOYEE AGREEMENT**

By using the PCard, I agree to comply with the following terms and conditions regarding my use of the PCard.

1. I understand that I am being entrusted with a valuable tool - a corporate Procurement Credit Card. I will be making financial commitments on behalf of the City of Bloomington. I will obtain the best value by obtaining quotes, planning purchases in advance when possible, and limiting emergency purchases.
2. I understand that the City of Bloomington is liable to Commerce Bank for all charges made on my PCard. Misuse or abuse of the PCard will result in revocation of the PCard in accordance with the City's Progressive Discipline Policy.
3. I agree to use the PCard for approved purchases only. Misuse or abuse of the P Card will result in revocation of the PCard in accordance with the City's Progressive Discipline Policy. Policy violations include, but are not limited to:
  - Purchasing items for personal use
  - Using the PCard for travel and entertainment expense without prior authorization
  - Use of the PCard to obtain a cash advance or cash in lieu of a credit to the card account
  - Failure to submit proper documentation with each monthly statement
  - Splitting a purchase or using another Cardholder's PCard to circumvent the purchasing limit of the PCard or the bid threshold
  - Using or attempting to use the PCard to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to the City
  - Not obtaining quotes or strict adherence to any procurement activity per the Purchasing Policy
4. If the PCard is lost or stolen, I agree to notify Commerce Bank and the Purchasing Agent immediately.
5. I have received a copy of the PCard policy and accept the terms and conditions of the policy and procedures for use of the PCard.

---

Employee Signature

Date

Employee ID Number

---

Department Director Signature

Procurement Signature

# PCARD PROCEDURES

## For Cardholders, Approvers, Proxies, and Liaisons

### **I. OVERVIEW**

- The City of Bloomington utilizes Procurement Cards (PCards) to increase efficiency and productivity and to reduce the expense in securing smaller items for use in fulfilling the City's on-going mission.
- The City's Purchasing Agent and Purchasing Assistant are designated as the PCard Program Administrators.
- Having a PCard account is a privilege and a responsibility for both the cardholder and the cardholder's supervisor.
- PCards are preferable to purchase orders for making purchases under \$10,000.00. All purchasing policy quote and bid threshold requirements apply to PCard purchases.
- The PCard is not intended to bypass appropriate purchasing procedures. Therefore, PCards are not normally used for purchases over \$10,000, since such purchases usually require competitive bidding.
- To facilitate the program, PCard liaisons are selected for each City Department Director. These individuals work with the City's PCard Program Administrator in administrating the program and in complying with the policy and procedures.

### **II. ISSUANCE & TERMINATION**

- Accounts will be set up for City employees upon receipt of a completed application signed by the applicant and the applicant's Department Director.
- Accounts will not be set up for non-City employees. (excludes Sister Cities treasurer and one board member)
- PCards will be issued when the cardholder completes a mandatory training session with the City's PCard Program Administrator, and signs a cardholder agreement with the City.
- PCards are issued for a specified time period as stamped on each card.
- A renewal card is issued upon expiration of an existing card, provided the expiring card is returned to the City's PCard Program Administrator. A new cardholder agreement form must be completed upon each renewal.
- If a new account is set up for an existing cardholder, a new cardholder agreement must be signed before the new card is issued.
- When a cardholder leaves the City's employment, the cardholder must return the PCard to their immediate supervisor. **Please review: HR determine this step and next 3 points**
- The cardholder's account will be closed if cardholder ends employment with the City or if cardholder's director notifies the City's PCard Program Administrator, in writing, that the card is no longer needed. The PCard

Program Administrator will secure cards from the supervisors of cardholders whose accounts are closed.

- It is the responsibility of the cardholder's supervisor to report to the PCard Program Administrator, the termination of an employee who has been issued a PCard.
- A cardholder's account may be closed for violation of the policy and procedures. Supervisors, directors, program administrators and the City Manager, including Deputies, may order the closing of an account. The cardholder and director shall be notified in writing by the Program Administrator that their account has been temporarily or permanently closed.

### III. USAGE

- PCards may only be used for authorized City purchases. Cardholders may not make personal purchases.
- ***Do not assume the City can be reimbursed!*** When a transaction is completed, it appears as a charge paid by the City even if a reimbursement is made. This is a program violation. Reimbursements to the City for unauthorized purchases will be coordinated through the cardholder's Department Director. Reimbursement must take place within three days of the transaction. Use of the City PCard for personal purchases, whether or not reimbursement is made, shall result in action outlined in the PCard policy.
- Purchases cannot be made which conflict with State or Local statutes on competitive bidding and purchasing. The purchasing quote requirements also apply to PCard purchases.
- PCards may be used to make purchases from vendors holding annual contracts with the City, provided the City receives the same contract pricing. The purchasing agent shall determine on a contract-by-contract basis if the PCard shall be used.
- PCards are intended for use by the actual cardholder. Card sharing, the practice of allowing one person to make a purchase with another person's card, is generally not allowed. In limited situations it is acceptable for a cardholder to request that an employee make a purchase on behalf of a member(s) of the same department, as long as the purchase is for the benefit of the cardholder or the cardholder's department. (Examples: Booking travel or paying for registration or membership for persons in the same department.) The actual cardholder must request and approve this usage.
- Original detailed transaction receipts must be obtained by the cardholder for each transaction made. For purchases made on the Internet, cardholders must submit the e-mail confirmation. All receipts must specify what was purchased, quantity, price and date/time of transaction.



- If the receipt only includes the total purchase amount, the cardholder shall attach a detailed invoice, packing slip, or other document with the detailed information.
- For business meals, not travel, the itemized ticket must be included along with the summary receipt that shows the meal cost, tip, etc.
- Receipts should be submitted to the cardholder's department liaison as transactions are being made and in no case later than the cut-off date for each billing cycle. Weekly transaction allocation is required for all departments; however, the department liaison can determine the best solution for obtaining receipts from cardholders.
- Cardholders failing to secure a receipt must complete a Missing Documentation form.
- The City does not pay sales tax. The City's tax ID number is located on each PCard but the number does not scan or appear automatically. The cardholder is responsible for checking the tax status **PRIOR** to completion of the purchase.
- If a charge for sales tax is discovered after the transaction has been completed, the cardholder must seek a credit back from the merchant and have the credit applied to the cardholder's account.
- When purchases are made by phone or fax, the cardholder should confirm the total cost including shipping and handling and request a receipt. All items purchased by telephone or Internet that require shipping, must be sent to a City of Bloomington address only. No shipments shall be delivered to the cardholder's home or other personal address.
- Internet Transactions: Cardholders shall confirm the security of proposed Internet order sites prior to the placement of orders. Use of PayPal and other secure methods is allowed but you must also have documentation from the seller, not just the payment venue.
- Conference, Training, and Travel Transactions: Cardholders shall confirm budget approval from the Department Director prior to using PCards for conference, training, or travel purposes. The cardholder must provide a copy of the completed registration form, as well as the itinerary and invoice for travel, with the statement.
- If a cardholder receives a travel advance for meals and incidentals, meals shall not be charged on the PCard. If a cardholder does not receive a travel advance, the employee shall receive reimbursement for out-of-pocket expenses.
- No gift cards may be purchased for any purpose for City employees (gift cards/gift certificates/cash gifts are considered as taxable income by the IRS). Gift cards that are purchased for any purpose for non-City employees on the PCard must have the prior approval of the cardholder's Department Director. Due to the administration of gift cards, they are not recommended as a preferred award. The Gift Card Documentation form and the merchant receipt are the only acceptable forms of documentation for purchases of gift cards. This documentation shall be attached to the

monthly PCard statement. In the event that the gift card is not awarded during the same billing cycle as the purchase of the card, the Gift Card documentation must be submitted to AP when it is completed.

- Receipts for meals/food and catering purchases must state applicable program that purchase supports. **Please review: The City Manager limits meals/food purchases both by frequency and dollar amount.** The name and affiliation of any non-employees or officers must be documented unless the food is purchased for an official reception or similar event where more than twenty people are expected to be in attendance.
- Dividing a larger transaction into smaller amounts to avoid the pre-set, single transaction limit, where applicable, is prohibited. Cardholders should seek approval to increase the transaction limit rather than allowing a series of transactions.
- When a credit is due for a returned purchase, the cardholder should present the merchant a receipt from the original transaction and request that credit be applied to the cardholder's account. In situations where a merchant is unable or unwilling to credit the PCard account, the cardholder receiving a store credit must give the credit to the cardholder's supervisor, who will make sure the credit is used for an authorized City purchase. In no case may a cardholder return an item for a cash refund.
- Disputed charges must be submitted on the Commerce Bank dispute form which is available on the ControlPay Advanced website (see Page 6 for web address). A copy of the Dispute Form must be forwarded to the cardholder's department liaison after notifying the bank. A copy of the Dispute Form must also be forwarded to the Program Administrator.
- To avoid any fees or penalties, disputed transactions shall be paid when the statement is submitted for payment. Commerce Bank will credit your account upon receipt of the Dispute Form.
- Cardholders' must attend a training review of PCard policies during renewal periods. Multiple sessions will be scheduled throughout the renewal year. Failure to attend will result in suspension of PCard privileges. If the City does not settle or win a dispute, Commerce Bank will reinstate the transaction onto the current statement.
- Department liaisons must attend an annual training review of PCard policies and procedures. The City's PCard Program Administrator will coordinate training with the liaisons.

#### **IV. SECURITY**

- Cardholders are responsible for their own cards and must maintain possession of them.
- A cardholder may not allow another employee to use his or her card.
- The City has selected certain merchant codes which will be blocked for normal transactions by City employees. To use one of the blocked codes for a transaction, the cardholder's Department Director or managing

director must notify the City's PCard Program Administrator requesting the override.

- Exceptions or overrides of transaction limits for an individual purchase must be approved by the cardholder's Department Director or managing director and the PCard Program Administrator.
- Temporary or permanent increases in transaction limits or in the type of merchants that a cardholder may use must have approval of the cardholders' director or managing director.
- It is the cardholder's responsibility to report a lost or stolen card to the bank and the PCard Program Administrator, who will deactivate the account and secure a new card and account for the affected employee. Repeated failure to prevent a card from being lost or stolen may result in the account being permanently deactivated.
- All transactions shall be approved electronically by the Program Administrator only after transactions have been reviewed and allocated by an authorized person in the cardholder's department.
- To insure segregation of duties as a method of control:
  1. The cardholder maintains custody of his or her PCard;
  2. The cardholder or Proxy allocates the proper budget accounting to each transaction;
  3. The Proxy or department liaison reconciles the statement, making sure the receipt amount matches the transaction on the statement and makes necessary allocations to the proper accounts;
  4. The cardholder's supervisor approves transactions by reviewing and signing the printed copy of the monthly statement, indicating that the charges are properly documented and within Financial and Purchasing policies;
  5. The Finance Department Accounts Payable pays the monthly statement and keeps the records.
- If a new or replacement card is not picked up within 30 days of receipt by the Program Administrator, the account will be deactivated.
- Cards that are not used for a six-month period will be deactivated, unless continued activation is requested in writing by the cardholders' Department Director.
- If a cardholder transfers from one department to another, the cardholder's account will be suspended until the employee's new director affirms the need for continued use of the card, and provides new accounting information.
- The Program Administrator will conduct random monthly audits of transactions and supporting documentation, and will report any negative findings to the Finance Director.
- **Please review:** Evidence of fraud or gross misuse will be reported to the Human Resource Director and the City Attorney.

## V. PAYMENT

- Be sure to check the "reviewed" box in ControlPayAdvanced once your allocation is complete.
- Cardholders and/or proxies must print a transaction report for the immediate supervisor to approve all transactions. The transaction report stays in the department and is not sent with the statement and receipts to the Finance Department. **Cardholders/Proxies cannot reconcile and approve their own or any other transactions!**
- Departments' liaisons are responsible for sending hard copies of cardholders' monthly statements to Accounts Payable by the tenth business day of the month following the close of the each billing cycle. Statements sent to Accounts Payable must be signed by the appropriate cardholder and Department Director. A receipt or proper documentation must be included for each transaction listed on the statement.
- Accounts Payable submits payment to the bank by the due date on the monthly statement. Notify the Program Administrator in the event that a cardholder is unavailable to comply with the reconciliation or payment requirements. All charges listed on the monthly statement are paid and all credits taken, including disputed transactions.

## VI. FORMS

The following forms are available at:

- A. **Purchasing Card Application** -- K: Forms/PCard/Purchasing Card Application
- B. **Purchasing Card Changes** -- K: Forms/PCard/Purchasing Card Changes
- C. **Missing Documentation Form** -- K: Forms/PCard/Missing Documentation Form
- D. **Gift Card Documentation** -- K: Forms/PCard/Gift Card Documentation
- E. **ControlPay Advanced Dispute Form** (located in Transaction Management)  
(<https://controlpayadvanced.com/expenseManager/transactions/CommerceDisputeForm.pdf>)
- F. **Office of Foreign Assets Control -- Overview of Sanctions**  
(<http://www.treas.gov/offices/enforcement/ofac/programs/terror/terror.pdf>)
- G. **Office of Foreign Assets Control -- Specially Designated Nationals and Blocked Persons**  
(<http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf>)

## VII. FREQUENTLY ASKED QUESTIONS

### Questions about specific items purchased with the PCard

#### When should I use the PCard and when should I not use the PCard?

The PCard shall be used for nearly all purchases that are made. Always use your card for purchases made at the point-of-sale. The point-of-sale may be the register, over the telephone, faxed orders or Internet. **Please do not give invoices to your department liaison for payment with a Banner PO if you paid with the PCard! Make certain to write on the invoice "Paid with PCard."**

There are circumstances when the PCard should not be used:

1. The vendor/merchant does not accept Visa credit cards.
2. The purchase will be split among other departments and you do not have accounting authority to allocate the split amounts.
3. The item(s) needs to be installed, tested, inspected, etc. before you pay for it. In this case, you will need to issue a Banner PO to place the order.
4. Equipment/vehicle repair, parts or supplies – contact Fleet Maintenance for clarification.
5. Most utilities, frequently-used vendors uniquely used by your own department, some City-wide vendors, etc. For example Calloway Golf; continue to place the orders and receive the statement and process a Banner PO. Call the purchasing office for assistance with determining when this will apply if you are not sure of the process to use.

#### What types of items are considered MRO (maint., repair & operation) equipment?

We recommend that you contact Fleet Management for direction with MRO for heavy equipment and vehicles; 434-2296 or 2996. Other MRO items such as paint, hardware, tools, lubricants, etc. are to be purchased with the PCard. Additionally, rental equipment/supplies are to be on the PCard – **however, leases are not.**

#### What items are available on contract?

The following websites are commonly used for purchasing. Contact the purchasing office for other City contract information.

[www.uscommunities.org](http://www.uscommunities.org)

<http://www.purchase.state.il.us/ipb/IPBhomep.nsf?Open>

Contractual services are not allowable transactions. If you want to hire a vendor to perform a service, do not pay for that service on the PCard. Proceed with the new vendor forms if necessary, W-9, and process by using a Banner purchase order.

#### Can I buy food or beverages on the PCard?

Per the City Travel Policy, daily meals related to travel are not to be charged on the card. Business meals, snacks, or groceries (for City use) may be purchased and must be accompanied by the detailed receipt. Business meals must be accompanied by a completed One Day or Partial Day Business and Travel Expense form with the

## FREQUENTLY ASKED QUESTIONS continued

names of all persons attending listed. No personal food or beverages may be purchased on the card.

### Can I use my PCard to buy stamps or payment for other postage/shipping?

The PCard can be used at any Federal Post Office to purchase stamps or postage for shipping via other sources. The Post Office does not accept Visa cards as payment for postage that is to be applied to a postage meter.

### Can I buy software or printer cartridges?

Not without prior approval from Information Services -- 434-2264. Please contact Information Services prior to making any computer related purchases. Software license renewals may be paid on the PCard after the appropriate approval has been given.

### Can I buy subscriptions or journals with the PCard?

Yes – but do not put the card number on a post card. It is preferred that you mail the subscription in a sealed envelope or pay online via a secure website. You must retain a copy of the subscription to submit with your monthly statement for documentation.

### Can I use the PCard to pay for memberships in professional organizations?

Yes, if the organization accepts credit card payments. You must make sure that the amount paid does not include a charitable or campaign contribution at all times, no matter what form of payment is used.

## Questions about PCard Procedures

### Who do I contact with questions about my statement or transaction reconciliation?

Kim Nicholson is the primary Program Administrator for the PCard. Contact Kim Nicholson at 434-2333 or [knicholson@cityblm.org](mailto:knicholson@cityblm.org).

### What do I do if a vendor charges sales tax?

The cardholder is responsible for obtaining a credit from the vendor for the amount of the tax. For your convenience the tax exemption number is located on the front of the card, but it does not scan into the credit card machine. You must inform the vendor that you are making a tax exempt purchase before the transaction takes place and check your receipt before leaving the vendor.

### What is the difference between Allocation and Reconciliation?

Allocation is simply assigning the account code, notes and the index-fund-orgn-prog to each transaction and is completed weekly. Reconciliation is the detail – confirm that the receipt matches the transaction on the statement and that all receipts and/or credits match the total amount on the statement and is done monthly. Statements

and receipts are due to AP ten business days after the end of the billing cycle. The business cycle ends every month on the first business day.

Can I complete my PCard Allocation whenever I want to?

Yes, as long as the allocation is done weekly **NO LATER THAN TUESDAY AT 5:00 PM.**

How should back-up documentation be filed after the statement reconciliation has been completed?

Itemized receipts, invoices, electronic printouts or other acceptable documentation should be attached to the statement. Small register receipts shall be taped to an 8.5 x 11 blank sheet of paper (as many that will fit each sheet, single-side). PLEASE NOTE: **DO NOT PUT TAPE OVER ANY PRINTING ON THE RECEIPTS. IT WILL REMOVE THE INK WITHIN A FEW DAYS, MAKING THE RECEIPT ILLEGIBLE.** The statements and receipts shall be submitted to Accounts Payable, only once per month – not weekly.

How do I handle a double charge for the same order?

Notify the merchant and have them issue a credit for the duplicate order. If you are not able to obtain a credit then proceed with completing a Dispute Form claim on the ControlPayAdvanced website. Send a copy of the form to the Program Administrator AND attach a copy to the statement that the dispute is on.

If a charge and its credit appear on my statement, do I need documentation from the merchant?

Yes, receipts and/or documentation are required for both the original purchase and the credit. Please note that the credit **must** be allocated to the same index and account that the original purchase was charged to.

Will my account remain open if I do not use my PCard?

A PCard account will be closed if there is no activity for 6 months. **Not the bank's role – this is the City's role and was enforced by Marcia.**

## Account code questions

What account codes should I use?

A complete listing of account codes is available in the Transaction Maintenance section on ControlPayAdvanced. If you do not have access to ControlPayAdvanced, see your department liaison about obtaining a listing of account codes and departmental codes that would apply to your purchasing authority.

How can I change the default accounting sequence associated with a PCard?

Complete a Purchasing Card Changes form and include the following information:

- Cardholder name and department name
- PCard account number
- Current default account sequence associated with the card

## FREQUENTLY ASKED QUESTIONS continued

- New default accounting sequence to be associated with the card

### Other Questions

#### What causes a vendor or merchant to be considered a “denied vendor” for PCard purposes?

In most circumstances, vendors are denied because their Merchant Category Code (MCC) falls outside of the range of values allowed on the PCard. For example, a vendor that provides computer parts and services may have a service related MCC. In this case the vendor would be considered a denied vendor because its MCC value is not allowed.

#### How will the vendor know where to deliver my items if there is no purchase order associated with the delivery?

The PCard billing address on every card is 109 East Olive Street, 61701. For shipping make sure you provide the vendor with the following information:

- Department name and address
- Departmental contact name and phone number
- Physical location
- Identify the item as a PCard purchase

#### Can I purchase from international vendors?

It is recommended that you make domestic purchases. If a vendor is not available domestically, international vendors are allowed. You will see an international exchange fee which is usually a nominal charge that is not included with your actual purchase. However, you must take precaution regarding the currency exchange rate, know the return/credit policy of the vendor in advance of making the purchase, and do not purchase from vendors that may participate in or support terrorist activity. For more information regarding doing business with blocked entities, please review the website of the United States Department of Treasury, Office of Foreign Assets Control. (See link to forms on Page 6)