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1.0 Overview of the Purchasing Card (P-Card) Program

1.1 Purpose of the card

The North Carolina Central University (NCCU) procurement card (P-Card) is essentially a standard Visa card in which the credit liability rests with the University instead of the individual cardholder. The P-Card is issued to a NCCU employee empowering this person to purchase goods and services not available on state contract. This program has been established to allow rapid purchase of low dollar goods and services while simultaneously reducing paperwork and handling costs associated with the small purchase process.

Under no circumstance may this Visa card be used for personal purchases. All expenditures must follow University Purchasing Policies and Rules and be within the allotted budget limits with funds in place before expenditures are made.

1.2 Benefits and Costs

1.2a Cardholder

Benefits
- It is easier to make purchases. The Visa card is accepted virtually anywhere, and it eliminates delays associated with asking a vendor to accept small purchase orders.
- There is less "front end" effort since purchase orders are not being generated.
- Materials may be acquired faster.
- Complete transaction reporting is provided on a regular basis.
- Vendor information is easier to research and locate.

Costs
- There is currently no fee associated with obtaining a P-Card.

1.2b University

Benefits
- There are fewer computer entries and paperwork processing is minimal.
- Reduces the need for standing orders and petty cash funds
- Provides increased security of purchases by restricting inappropriate Merchant Category Codes (MCC).
- Vendor does not have to wait on University payment process.
- The University experiences savings through lower processing costs.

Costs
- The University provides ongoing audits of purchases ensuring compliance to the P-Card program and state and university policies.

1.2c Merchant

Benefits
- Vendor payment is received quicker than the requisition process.
- P-Card process reduces invoicing and the vendor’s accounts receivables.
Costs
- Every transaction made using the P-Card carries a fee that the vendor authorizes to pay the card-issuing bank.

2.0 Contact Information

2.1 The Bank
The University has an agreement with Bank of America for Visa card services. Each P-Card has a number, on the back of the card, that should be called if you have any difficulty using the card.

- **Disputed Charges:** see section 5
- **Lost, stolen card or suspected fraud:** Call Bank of America at (800) 822-5985 to cancel your card and report the fraud.

2.2 NCCU Purchasing
The Purchasing Department is responsible for administering the P-Card program including training, support, and assistance to cardholders and reconcilers. Compliance audits of all transactions, audits of monthly P-Card packets, will be conducted regularly and P-Card policies and procedures will be enforced by the P-Card Program Administrator.

Please visit the Purchasing Department webpage for contact information: [https://legacy.nccu.edu/purchasing/contact-us.cfm](https://legacy.nccu.edu/purchasing/contact-us.cfm)

3.0 P-Card Policies and Procedures
P-Card purchases must follow federal, state and University guidelines including the use of state term contracts when available.

3.1 Roles and Responsibilities
1. Cardholders
2. Reconcilers (if applicable, some departments may elect to have the Cardholder and or the Approver fulfill the duties of a reconciler)
3. Approvers

**Cardholders** are responsible for all charges made to their P-Card. The P-Card is to be used only by the named cardholder and cannot be given to another person at any time. A cardholder can purchase items for other employees within their department if applicable. The cardholder is responsible for:

- Obtaining budget approval prior to each use of the P-Card.
- Placing orders that comply with all limits and guidelines.
- Safeguarding the card and reporting any lost or stolen cards to the bank immediately.
- Ensuring receipt of goods.
- Obtaining **original** receipts for every purchase and uploading them in Works or
submitting them to their P-Card Reconciler within 48 hours of making the purchase.
• Reviewing and signing off on transactions using the Bank of America Works system.
• Handling all disputes with vendors and bank.
• Uploading all information relative to the P-Card transaction in Works or Providing the information to the P-Card Reconciler in a timely manner (48 hours in most cases).
• Taking steps necessary to obtain tax exempt status when making purchases.

A P-Card Reconciler (and Backup) responsibilities include:
• Uploading receipts provided by the Cardholder into Bank of America WORKS.
• Assigning the appropriate fund/account combination for each purchase.
• Ensuring timely P-Card transaction reconciliation.
• Verifying that transactions post correctly in Banner.
• Submitting documentation and information as requested by the P-Card Administer.
• Notifying the P-Card Administer of the following:
  o Changes to cardholder employment within the department, including temporary leave or permanently separating from the department or University
  o Unauthorized use of the P-Card by a cardholder
  o Lost or stolen P-Cards
  o Suspected fraudulent charges
  o Disputed bank transactions.
• Returning unused or canceled P-Cards to the Purchasing Department.

Approvers (Cardholder’s Supervisor) oversee the management of the P-Card program within their department and assigns new cardholders and/or Reconcilers. Additional responsibilities include:
• Overseeing the appropriate use of assigned P-Cards.
• Ensuring sufficient funds for purchases.
• Designating permissible funding sources.
• Identifying P-Card Reconciler backup (if necessary).
• Ensuring P-Card Reconciler and Cardholder responsibilities are met.
• Notifying Purchasing Department if the assigned P-Card Reconciler leaves their position, and determining another Reconciler.
• Reviewing and approving P-Card transactions in Works. The four A’s should be followed:
  ▪ Acceptable purchases
  ▪ Accounted for correctly
  ▪ All documentation (receipts)
  ▪ Appropriate policies are followed

Any non-compliance concerns must be addressed by contacting one or more of the following:
• Cardholder’s Director/Supervisor or Dean
• The Purchasing Director and/or P-Card Administrator
• P-Card Compliance Office
• State Auditor Fraud Hotline (800) 730-TIPS
  ▪ Anonymous contacts are respected

A P-Card Reconciler backup is empowered to act as a proxy for a P-Card Reconciler. A Reconciler backup can perform reconciliation duties and otherwise act as the Reconciler in the Bank of America WORKS system. Departments are strongly urged to establish a backup Reconciler or have the cardholder or approver able to fulfill these duties if needed. A backup can be any NCCU employee with a Banner username and password and does not need be in the same department as the primary Reconciler.

In summary:
The department head (or his/her designee) acts as first budgetary authority or “approver”, and individuals within an organizational unit are designated as cardholders and reconcilers. The departmental “reconciler” must organize, document, and report all charges made with a P-Card by cardholders. The duties to complete P-Card reconciliations must be assigned prior to issuing P-Cards.

3.2 Steps to obtaining a P-Card
The P-Card is available to University employees and can be used to purchase standard goods and commodities. Travel expenses should not be charged to the P-Card. The steps for obtaining a P-Card are as follows:

1. Complete the appropriate application, based on your role. Complete the P-Card User Application and obtain the appropriate authorizing signatures.
2. Forward the completed/signed form to the Purchasing Department.
3. The P-Card Request form is processed and a card is issued by the bank.
4. The card is sent to the Purchasing within two weeks.
5. The cardholder is contacted to schedule required training. Cards are distributed after training has been completed and an agreement form is signed.

3.3 Keeping your card secure
It is the cardholders’ responsibility to keep their card number safe and their card secure at all times. If your card is lost or stolen, or you have fraudulent activity on your card, you must immediately contact Bank of America at (800) 822-5985. The bank will cancel your card and issue you a new one. You must then notify your P-Card Reconciler of the fraudulent charges, as they must be reconciled as with any other charge. Additionally, notify the P-Card Administrator of the card’s cancellation so that it can be updated in our system.

If you have misplaced your P-Card and it’s not considered lost or stolen, you may contact the P-Card Administrator to request that your card be temporarily suspended pending its being found. Once found, you must call the P-Card Administrator to have it reinstated; or if it remains lost, request that it be cancelled. In the event that the P-Card is subsequently
found, cut the card in half and return it to the P-Card Administrator via interoffice mail.

3.4 Limitations of transaction amounts

The following limits are the default limits. If you prefer different limits, you must put a request in writing (email is acceptable) to the P-Card Administrator.

- **Single purchase transaction limit:** is the maximum amount you are able to charge on a p-card for any one transaction. The default limit is set at $2,000. The maximum permanent transaction limit is $5,000. Limits above $5,000 require state approval on a case by case basis. Approval may require 1-3 business days.

- **Total purchase limit:** is the total balance of your non-reconciled transactions. Once your supervisor has signed off on a transaction that amount will be added back to your purchase limit. The default limit is set at $5,000.

Splitting a purchase into two or more transactions to circumvent the transaction limit is considered willful misuse of the P-Card and will result in the appropriate disciplinary action (see section 7.1). When making a deposit or a down payment for an item or an event, the total cost of the transaction (both the deposit and the balance) is considered for the limit.

3.5 Services

The P-Card may be used to obtain allowable services only if the vendor or individual is operating as a business entity. The cardholder is responsible for verifying the tax status (type of business entity) of the vendor and indicating this information on their receipt. If the vendor is NOT incorporated business entity, the regular purchase requisition process must be used, and a Vendor Set-Up Form and a W-9 form must be provided to the University. The University P-Card should not be used to make payments to an individual not registered as a business.

3.6 Limitations of purchases

All vendors accepting VISA cards are registered with the bank under a self-proclaimed Merchant Category Code (MCC) identifying their type of business, i.e. music stores, medical services, florist, ABC stores, restaurants, office supplies, etc. The University has blocked categories deemed inappropriate for NCCU use, such as airlines, entertainment, restaurants, ABC stores, off-track betting, etc. If your card is declined, it is often because of a blocked MCC code. If this happens, contact the P-Card Administrator to request to have the P-Card opened temporarily to allow the purchase (if acceptable).

If declined at a vendor’s location (in a physical store), check the following before calling the P-Card Administrator:

- Single or monthly transaction limits have not been exceeded
- Does the P-Card profile disallow such transactions (e.g., attempting to purchase travel on a card authorized for the purchase of goods only)
If declined at a remote location (online, phone, or fax), in addition to the above, check the following items before calling the Purchasing Administrator:

- The billing address and telephone number
- The card number, expiration date, and security code

In all cases, if all these items are correct, and the purchase is legitimate and allowed, contact the P-Card Administrator to confirm that the decline is because of an MCC, and request that the card be opened temporarily to allow the purchase. The purchase can generally be made within 15 minutes after contacting the P-Card Administrator. Longer wait times may be experienced because of the bank’s system or peak banking hours. The P-Card Administrator is only able to open a card to allow a purchase that has been declined due to an MCC issue. A P-Card cannot be opened to allow a transaction that exceeds the single, daily, or monthly limits.

3.7 Updating cardholder information

Changes to personal data (address, telephone, fax, etc.) may be emailed to the P-Card Administrator so that this information can be updated in Bank of America’s Works website. Cardholders who change departments must cancel the P-Card issued by the prior department and request a new card (if applicable) for the new department.

3.8 NC State Division of Purchase & Contract

P-Card cardholders must abide by all purchasing policies and are required to purchase from NC State Term Contract vendors whenever available. Prior to making a purchase, view the current NC State Term Contracts at NC Department of Administration Purchase and Contract Home Page. If you are unsure whether the item you are purchasing is covered under a State contract, call the NCCU Purchasing Department to speak with your purchasing agent.

No business may be conducted with vendors on the State and/or Federal barred and debarred lists using a P-Card, or any other method of purchase. The barred vendor lists may be accessed at the following website:

- [http://www.doa.state.nc.us/PandC/actions.asp](http://www.doa.state.nc.us/PandC/actions.asp) (North Carolina)

3.9 Automatic renewal of the P-Card

P-Cards are issued with a three-year expiration date. When the renewal date arrives, a new P-Card will be issued and the cardholder will be required to return their old card and sign for the new one. Cardholders are not required to renew their P-Card, but must return their old card to the Purchasing to be destroyed. It is the cardholder’s responsibility to update the expiration date with vendors who have their card number on file. At the time of their cards’ expiration, cardholders will be required to take a refresher training course or quiz online. The Purchasing will contact cardholders with more information.

3.10 Rescinding/Cancelling P-Cards

An issued P-Card will be cancelled upon a cardholder’s termination of employment or
transfer to another department. P-Cards can be rescinded or cancelled due to P-Card inactivity, departmental request, P-Card offenses, or voluntary surrender.

If a P-Card is to be cancelled by the department, it is the cardholder and/or Reconciler’s responsibility to contact the Purchasing by telephone or email, and to take the appropriate steps to cancel a P-Card (See 3.10a).

If a cardholder is transferring to another department the existing P-Card cannot be used. Follow the procedures for obtaining a new P-Card for the new department, if necessary.

At the time of a P-Card’s cancellation, all pending transactions using that P-Card number must be cancelled, or another card number must be provided to the vendor. P-Cards that were used to reserve a purchase or to place an order that was backordered may not remain active after a cardholder has left their department or the University. If a card is not cancelled and purchases are made on a card issued to a terminated employee, the matter will be referred to the P-Card Administrator for disciplinary procedures.

3.10a Steps to cancelling a P-Card
The department must email the P-Card Administrator to immediately cancel a P-Card. The cancelled P-Card must be shredded and disposed of or returned to the Purchasing Department for shredding.

3.11 Suspending P-Cards due to temporary leave
A P-Card issued to an employee who is temporarily taking leave from the University, paid or unpaid, must be temporarily suspended and the card should be physically stored in a secure location. Temporary leave includes:

- Personal leave
- Medical leave
- Maternity leave
- Family leave

An employee on leave from the University is no longer empowered to make purchases on the behalf of the University pending their return to employment. Their card must be placed in time-out until their return. The department must notify the Purchasing of an employee’s leave and request the card’s suspension. The P-Card Administrator will reinstate the card upon being informed of the employee’s return.

If a card is not suspended and purchases are made while the employee is on leave, the matter will be referred to the P-Card Administrator Office for disciplinary procedures.

3.12 Inactive accounts
To protect the security of the program, all cardholders whose card has not been used for six (6) months will be contacted via email with a deadline date to respond with a valid reason why their P-Card should not be rescinded or cancelled. The P-Card Administrator may cancel all inactive P-Cards for which a response has not been made by the cardholder.
4.0 How to Use the P-Card

Purchasing with the P-Card does not change the rules and regulations required by the University or by your internal departmental procedures. All NCCU, state and federal purchasing guidelines must be followed. **THE P-CARD IS MERELY ANOTHER MEANS OF PAYMENT.**

4.1 Billing address

All NCCU P-Cards share the same billing address and phone number. This information must be given when placing an order online, over the phone, or by fax, whenever the vendor needs to verify the billing information for a card.

The address is:

NCCU Purchasing Department  
1801 Fayetteville St.  
Durham, NC 27707  
(919) 530-6329

4.2 Sales tax exemption

As an agency of the State of North Carolina NCCU is granted state sales tax exemption status. The University’s tax ID number is 400046. It is the cardholder’s responsibility to inform vendors of tax exempt status before making purchases and to provide them with a tax exempt letter or certificate (Form E-595E) if necessary. This letter and a copy of the Form E-595E are posted on the P-Card website. Certain vendors, such as Wal-Mart, may not recognize the tax ID number listed above and issue their own tax ID numbers.

Purchases made locally, over the telephone, online, or through a catalog, are NC state sales tax exempt. NCCU may not be exempt from sales tax in some states outside of North Carolina, or from certain local taxes. Refer to the tax exempt letter for further details.

If NC state sales tax is charged on a purchase, it is the cardholder’s responsibility to contact the vendor and have the tax credited back to the P-Card. Credit must be issued back to the P-Card and cannot be issued in the form of a check, cash, or store credit. Write down who you talked to, when, and the outcome of the conversation and include it in the Bank of America WORKS Documentation. If this does not occur and transactions are reconciled with sales tax included, the department may receive critical notes when audited. Card holders that are repeatedly charged for sales tax may be subject to disciplinary action.

Repeatedly patronizing a vendor who does not recognize sales tax exemption will result in loss of card privileges.

4.3 Accountability

Anyone who enters into and/or authorizes a P-Card transaction is accountable for such, and should act in a prudent manner, exercising good judgment as to the specific action and
source of funding.

The cardholder is also responsible for determining the legitimacy of the purchase and the selection of the vendor. If you have any questions about the legitimacy of a vendor or individual, contact the Purchasing Department and DO NOT PROVIDE YOUR CARD NUMBER until you’re convinced the vendor is legitimate. The cardholder is the only person authorized to make purchases using the card. Giving your card or card number to another person or using someone else’s card may result in disciplinary action including but not limited to revocation of P-Card privileges and/or termination of employment.

The department head or other authorized person(s) are responsible and held accountable for the financial activity and fiscal integrity of their departments.

4.4 Use of funds

Use of funds for P-Card purchases should be in accordance with the NCCU Spending Guidelines. Special attention should also be paid to purchasing policies concerning purchases made for personal use or purchases from state employees.

If the purchase can be viewed as questionable, please note the reason for the purchase in the appropriate Bank of America WORKS comments box. Periodically, purchases are reviewed to make sure the four A’s are being followed:

- Acceptable purchase – Is the purchase acceptable under University guidelines.
- Accounted for correctly – Is the correct account code being used.
- All documentation – Are all receipts, justifications and documents attached.
- Appropriate Policies Followed – Are state contracts being avoided?

4.5 Purchases from Grant funds

Purchases from grants funds must strictly adhere to 2 CFR 200, and any other agency guidelines. These guidelines may restrict the purchase of specific items. Individual granting agencies may also be more restrictive and may not allow certain purchases. It is the cardholder’s responsibility to be aware of the rules and guidelines applicable to each fund. Funds must be available before charges can be made, if allowed. The cardholder must make sure that purchases are received and charged prior to the expiration of a grant. The cardholder may be held liable if funds are not available. Failure to follow these guidelines is grounds for cancellation of the P-Card. For more information, contact the NCCU Office of Sponsored Research and Programs.

4.6 Receipts

The cardholder is responsible for obtaining itemized receipts with pricing for a monthly reconciliation process. The receipt must contain the vendor’s name, date of purchase, description for all items, unit prices, shipping and sales tax if applicable, and a total, and must be legible. Packing lists can be used as a receipt only if all these requirements are met. Original receipts are given to your Departmental P-Card Reconciler on a regular basis to be used to reconcile the cardholder’s charges. Receipts are uploaded into the WORKS system.
4.7 Travel Related Purchases Not Allowed

There are several policies to consider when paying for travel-related items so travel expenses are generally not purchased with a P-Card. Cardholders should familiarize themselves with the NCCU Travel Office policies and procedures which must be adhered to when making travel purchases regardless of the means of payment and make appropriate arrangements through the NCCU Travel Office.

4.8 Food and Entertainment

The purchase of food using the P-Card is generally not allowed and may only be purchased using the P-Card for a limited category of events. Moreover, there are additional rules regarding the purchase of food which may apply and must be observed. The Cardholder must document that transactions comply with all relevant rules or regulations.

- Under certain circumstances the purchase of “fast food” is allowable (see below).
- Catering is allowed for off-campus events only. When catering an event on-campus, the use of NCCU Dining Services vendor is required.

Social and entertainment events for employees are not allowed to be paid using P-Card. Social events for students may be allowed under the guidelines in section 4.9.

4.9 Students

There may be exceptions to certain provisions of sections 4.7 and 4.8 when meals or entertainment are being procured for NCCU students and student events. Recreational activities for students, such as a trip to an amusement park or museum, may be permitted on P-Card at the P-Card Administrator’s discretion. In all cases of potential exceptions for students, the P-Card Administrator must be contacted in advance of the event to obtain approval for the purchase. A P-Card may need to be opened to allow the purchase to go through (section 3.6).

4.10 Purchase guidelines

- Follow the proper internal procedures set up specific to your department for determining that a purchase is required and authorized.
- Determine whether the P-Card is the most appropriate tool to use for the purchase. Generally, the P-Card is used for small purchases and consider:
  - Is the MCC category acceptable for P-Card use?
  - Is the item available on state contract?
  - Is the item under $5,000?
- Determine that the total amount of the purchase including shipping, handling, postage, freight, insurance, etc., does not exceed any of the limits. If a limit is exceeded, the bank will automatically refuse the transaction and the vendor will reject the purchase. Increases to your transaction limit, up to $5,000 per transaction, can be obtained with supervisor approval. Increases above $5,000 require state approval. Please allow 1-3 business days for this approval.
- Determine that the price quoted is the best you can obtain. Be sure to request an
educational discount.

- On ALL purchases, inform the vendor that NCCU is NC state sales tax exempt before making the purchase. Our sales tax exemption number is 400046. If the purchase was made in person, verify that no sales tax was charged before leaving the business.
- Make sure to give the correct billing address for your P-Card (section 4.1). Failure to give the correct billing address may result in purchase declines.
- Items should be shipped to:
  
  NCCU Central Receiving  
  625 George St.  
  YOUR NAME, YOUR DEPT (abbreviate if necessary)  
  Durham, NC 27707.

Please be sure to include Your name and dept. in the address.

- Obtain a receipt at the time of purchase. Make sure the receipt is itemized and contains all vendor information. Verify that you were not charged sales tax. If ordering online make sure you are obtaining an itemized receipt and not just a confirmation that your P-Card has been charged an amount. All original receipts and other paperwork must be uploaded and/or forwarded to your Departmental Reconciler within 48 hours so that the reconciliation process can be done in a timely manner.

### 4.11 Purchasing methods

**PHONE** – Follow any applicable steps from the above instructions.

- Record the name of the person taking your order.
- Request that a receipt be faxed or e-mailed to you immediately showing all items as stated above in the Receipts section.

**IN-PERSON** – The Cardholder is responsible for the appropriateness of all purchases. Use of the card in store should be done by the Cardholder.

- Make sure to obtained an itemized receipt as described in section 4.6.
- Request an itemized receipt if one is not initially provided.
- Make sure you have not been charged sales tax.
- It is acceptable to immediately take a picture of your receipt after purchase as backup documentation.

**ONLINE** - Follow applicable steps from the above instructions.

Make sure the vendor’s site is secured before entering your P-Card card number. The URL should begin with https:// - you will see a lock symbol in your address bar.

- Your online receipt or order confirmation can serve as your receipt, provided that it meets the requirements in section 4.6. Be sure to print this for your records or retain a digital copy
- Do not use a personal account for NCCU-related purchases. Contact the P-Card Administrator to set up a dedicated business account for any purchases made for NCCU.
4.12 Returns, damaged goods, credits

Items purchased with the P-Card may need to be returned. A few tips to make the process easier:

- Expect a credit to show up in your WORKS reconciliation for the returned item. If the credit does not show up in one to two weeks contact the store.
- You may not always receive a receipt for your returns or refunds. In this case, add a comment to the reconciliation explaining the return.
- Always retain boxes, containers, special packaging, packing slips, etc., until you are certain that you are going to keep the items. Some items, such as software or fragile pieces, cannot be returned without the original packing materials.
- If applicable, read all enclosed instructions carefully. Often a critical phone number and other instructions are included on the packing slip and/or receipt. These instructions will indicate how the items should be returned.
- The P-Card may be used to pay a restocking fee for a returned item.
- The credit in WORKS should be processed like a regular transaction including account information to credit. This will allow the credit to be transferred to Banner.

4.13 Missing receipts and Missing Receipt Form

Adequate receipts are required for all P-Card purchases. Credits, international transaction fees, and erroneous charges seldom have receipts and must have approval for transactions with missing receipts from the P-Card Administrator. In the Bank of America WORKS “Mark Receipt Status” comment box insert notes concerning a missing receipt.

If you do not have a receipt for a legitimate P-Card purchase, you must:

- Contact the vendor to request a receipt. Write down who you talked to, when, and the outcome of the conversation. The P-Card Departmental Reconciler will include this information when entering the order for the purchase into Bank of America WORKS.
- If purchased online, sign-in and see if you are able to view status of order and retrieve a receipt.
- As a last resort, contact the P-Card Administrator or you will be subject to the appropriate disciplinary action outlined in Section 7: Compliance.
- University, state and federal auditors review transactions to make sure they are following proper protocol. Departments that do not follow standard procedures (failure to provide a receipt) often receive critical audit notes as this can be looked upon as a lack of internal control.

5.0 Disputed Transactions and Fraudulent Charges

5.1 Disputed transactions

Purchases appearing on the monthly statement from the bank may be disputed up to sixty (60) days from the end date of the statement.

If a charge is not recognized by the cardholder, the first step is to contact the vendor for information regarding the charge. Contacting the vendor saves time and usually solves
most issues. Make a record of the person with whom you spoke, as well as the date and time of your conversation.

If you have a dispute and are unable to obtain satisfaction from the vendor please notify Bank of America’s Dispute Team at (855) 521-1795. You will be required to describe the problem and all of the efforts you have made in attempting to resolve it. Transactions may also be disputed in the WORKS platform.

The bank may also require that you complete the on-line dispute form located on the Bank of America WORKS website. They can research the discrepancy and credit will be issued if, in fact, the charge is not valid. Research by the bank usually takes 3-4 weeks. Notify your P-Card Departmental Reconciler and the P-Card Administrator of all disputed transactions. Disputed transactions must be reconciled by the deadline date, regardless of whether a credit has been issued. If it is an erroneous charge, approval of the transaction from the P-Card Administrator must be provided in lieu of the receipt. Cardholders are not subject to disciplinary actions for disputed erroneous charges.

A copy of the dispute form should be kept on file in the department.

5.2 Fraudulent charges

Fraudulent charges must be reported to the Bank of America immediately at 888-451-4602. The bank will cancel the card, issue a new one, and follow up on the fraudulent transactions. The bank will also send you a fraud affidavit that must be completed and sent back to the bank in order for a credit to be issued. Contact your P-Card Departmental Reconciler to advise that your card has been compromised and that you have taken the appropriate action to cancel the card and receive credit. Notify the P-Card Administrator of the fraudulent transaction and request that the card be cancelled in Bank of America WORKS. A new card will be sent to the P-Card Administrator and usually arrives within 3-4 business days.

The P-Card Departmental Reconciler must still reconcile these charges by the deadline date, regardless of whether a credit has been issued. The subsequent credits will be handled the same way.

6.0 P-Card Reconciliation

Reconciliation of a cardholder’s purchases is the final step in the P-Card process. It is also one of the most important steps because this is where the cardholder provides itemization and pricing of all items purchased, as well as documentation, including receipts and explanation of charges when necessary.

6.1 Enter information into works

Either the cardholder or reconciler should upload receipts and enter all pertinent information into WORKS.

When entering purchases into WORKS, Cardholders and/or P-Card Departmental Reconcilers are responsible for monitoring all charges for improper purchases, inclusion of sales tax, and proper Banner fund/account information.
6.2 The 5 W’s

Transactions in WORKS should provide the 5 W’s as described below:

Ex.: Office Supplies – “Supplies” for the item description is ok, but not enough. It should also include:

<table>
<thead>
<tr>
<th><strong>WHO</strong>: Who were the supplies for</th>
<th><strong>WHO</strong>: Jane Doe, Department Director</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WHAT</strong>: Describe the item(s)</td>
<td><strong>WHAT</strong>: Flash Drives</td>
</tr>
<tr>
<td><strong>WHEN</strong>: When were they delivered</td>
<td><strong>WHEN</strong>: May 1</td>
</tr>
<tr>
<td><strong>WHERE</strong>: Where were they delivered</td>
<td><strong>WHERE</strong>: Your office address</td>
</tr>
<tr>
<td><strong>WHY</strong>: Why is the item needed</td>
<td><strong>WHY</strong>: Serve as computer backup</td>
</tr>
</tbody>
</table>

Any situation that occurs where the purpose of the purchase is not immediately apparent the comment field should be used to provide justification. A good rule of thumb is that all purchases should “serve a public purpose” if that purpose is not immediately clear add a comment explaining the business reason for the purchase.

6.3 Reconciliation process

Bank transactions are loaded into WORKS daily. Departmental Reconcilers must check WORKS for transactions requiring reconciliation on a regular basis. Reconcilers will match receipts provided by Cardholders with bank transactions and submit those reconciled transactions to the Departmental Approver for final sign-off. Reconcilers are strongly encouraged to reconcile their department’s transactions at least once a week for security and organizational purposes. Billing statement periods run from the 26th of one month to the 25th of the next month. The reconciliation deadline is the 10th of the next month, or the next business day if the 10th falls on a weekend or holiday. For example, for the statement period from January 26th to February 25th, the reconciliation deadline is March 10th.

After the reconciliation process has been completed for a transaction it will be batched and processed into Banner to show up as an expense in the departmental account. Routine processing of P-Card transactions will provide more accurate and up-to-date account balance information for departments.

**Cardholder Reconciliation Process**: The Cardholder must do the following:

- Verify that no sales tax has been charged on purchases. If tax is included, a credit must be sought and the information regarding who was contacted and the outcome (whether or not a credit will be issued and if so, when) must be included as a note in the P-Card transaction.
- Upload receipts into WORKS or submit receipts with all pertinent information to the P-Card Departmental Reconciler within 48 hours of the transaction.

**P-Card Reconciliation Process**: The Departmental Reconciler must make sure that the following requirements are met:

- All receipts meet the requirements as outlined in section 4.6 Receipts.
- Sales tax has not been charged on any purchase or that appropriate measures have
been taken to retrieve a sales tax credit.

- All purchases are entered into WORKS using information provided by cardholders.
- All transactions must be reconciled in WORKS by the 10\textsuperscript{th} of the month. Failure to do so may result in disciplinary action.
- Verify that all transactions submitted via WORKS have posted correctly to the proper university fund.

**Departmental Approver Reconciliation Process:** This position must make sure that the four A’s are being followed:

- Acceptable purchases – Does the purchase serve a “public purpose”?
- Accounted for correctly – Is the correct account code being used?
- All documentation (receipts) – No sales tax charged and a receipt attached?
- Appropriate policies are followed – Size of transaction and allowable for department? No split transactions.

The transaction should be approved in WORKS once the review is complete.

**6.4 Billing Statement**

The billing cycle for the Bank of America P-Card runs from the 26\textsuperscript{th} of one month to the 25\textsuperscript{th} of the following month.

**6.5 Online Bank Statements**

Transaction listings are available online at: [https://payment2.works.com/works/](https://payment2.works.com/works/)

**7.0 Compliance**

The delegation of authority to purchase goods using the P-Card is a privilege that automatically ceases upon separation from the University or upon reassignment to another department.

The P-Card Administrator reserves the right to revoke and cancel any P-Card(s) for failure to comply with the policies and procedures of the program. The P-Card Administrator periodically reviews departmental P-Card purchases for propriety. These compliance reviews are meant to ensure purchases are made in accordance with State, University and P-Card policies; help departments prepare for an audit; increase awareness of the P-Card program among current and potential users; and implement process improvements where needed.

In addition to periodic reviews for compliance, the P-Card Administrator notifies the Cardholder and Departmental Reconciler of the established disciplinary action for all identified P-Card offenses and infractions. Other infractions not already outlined or multiple infractions found in a single audit will be handled on a case-by-case basis by the P-Card Administrator. In cases where infractions cause a card to be suspended, a Cardholder may be required to undergo a refresher training course before their card will be reinstated. Disciplinary action is taken against the offending cardholder, except in the case where a Departmental Reconciler’s duty has not been performed properly and/or when all cards for a Departmental Reconciler are affected.

<table>
<thead>
<tr>
<th>P-Card Offense/Infraction</th>
<th>Disciplinary Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fraudulent Use:</td>
<td>All offenses:</td>
</tr>
<tr>
<td></td>
<td>- Incident is Reported to Campus Police for Investigation</td>
</tr>
</tbody>
</table>
### Incident is Reported to Cardholder and Supervisor(s)
- Cardholder’s P-Card is Cancelled
- Internal Audit is Notified to Review

### Unallowable Use:

<table>
<thead>
<tr>
<th>Offense Level</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>First offense</td>
<td>Written Warning or 2 Week Suspension (depends on the nature of the infraction)†</td>
</tr>
<tr>
<td>Second offense</td>
<td>2 Week Suspension</td>
</tr>
<tr>
<td>Third offense</td>
<td>Month (30 day) Suspension</td>
</tr>
<tr>
<td>Fourth offense</td>
<td>Cardholder’s P-Card Cancelled</td>
</tr>
</tbody>
</table>

### Missing Receipts

**Lack of receipt often receives critical notes in departmental audits.**

*(P-Card Administrator may decide to forgo receipt in rare cases when justified)*

<table>
<thead>
<tr>
<th>Offense Level</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>First warning</td>
<td>Written Warning</td>
</tr>
<tr>
<td>Second offense</td>
<td>2 Week Suspension</td>
</tr>
<tr>
<td>Third offense</td>
<td>Month (30 day) Suspension</td>
</tr>
<tr>
<td>Fourth offense</td>
<td>Cardholder’s P-Card Cancelled</td>
</tr>
</tbody>
</table>

### Accidental Misuse††:

<table>
<thead>
<tr>
<th>Offense Level</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>First offense</td>
<td>Written Warning or 2 Week Suspension (depends on the nature of the infraction)†</td>
</tr>
<tr>
<td>Second offense</td>
<td>2 Week Suspension</td>
</tr>
<tr>
<td>Third offense</td>
<td>Month (30 day) Suspension</td>
</tr>
<tr>
<td>Fourth offense</td>
<td>Cardholder’s P-Card Cancelled</td>
</tr>
</tbody>
</table>

### Non-reconciliation

**Excused offenses:**

<table>
<thead>
<tr>
<th>Offense Level</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>No action taken</td>
<td></td>
</tr>
</tbody>
</table>

**Unexcused offenses:**

<table>
<thead>
<tr>
<th>Offense Level</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>First offense</td>
<td>Cardholders P-Card will be turned off until reconciliation is complete.</td>
</tr>
<tr>
<td>Second offense</td>
<td>Cardholders P-Card will be turned off for 30 days after</td>
</tr>
</tbody>
</table>
| the month will face described consequences | reconciliation is complete.  
**Third offense:**  
- P-Card is suspended for 90 days, repeated offenses will result in loss of P-Card privileges. |
| Incomplete Receipts: | **First offense:**  
- Written Warning  
**Second offense:**  
- 2 Week Suspension  
**Third offense:**  
- Month (30 day) Suspension |
| Sales Tax Issues | **First offense:**  
- E-mail reminder  
**Second offense:**  
- Written Warning  
**Third offense:**  
- 30 day Suspension  
Repeated offenses will result in loss of card privileges |
| Exceeding or Splitting Transactions to Circumvent Single Transaction Limit | **First offense:**  
- 2 Week Suspension  
**Second offense:**  
- Month (30 day) Suspension  
**Third offense:**  
- Cardholder’s P-Card Cancelled  
Repeated offense:  
- Loss of P-Card Usage |
| Inappropriate Use of Funding Source: | All offenses:  
- E-mail to Reconciler giving 2 weeks to provide Journal Voucher document number for change  
**If proof is not provided in 2 weeks:**  
- Suspension of Cardholder’s P-Card until Journal Voucher document number is provided  
**If proof is not provided within 30 days of 2nd notification:**  
- Permanent cancellation of Cardholder’s P-Card |

Appendix A  
Appropriate and Inappropriate Use of P-Card
### Standard Goods/Commodities Only:

<table>
<thead>
<tr>
<th>Allowable Items</th>
<th>Unallowable Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Regular Orders (in person, phone, fax, online)</td>
<td>• Hotels</td>
</tr>
<tr>
<td>• State Contract Orders</td>
<td>• Gasoline (other than for rental car)</td>
</tr>
<tr>
<td>• Service Orders (incorporated vendors only)</td>
<td>• Taxi</td>
</tr>
<tr>
<td>• Advertising</td>
<td>• Airlines</td>
</tr>
<tr>
<td>• Off-campus Catering Vendors</td>
<td>• Parking</td>
</tr>
<tr>
<td>• Fast Food (see sections 4.8)</td>
<td>• Other travel-related purchases</td>
</tr>
<tr>
<td>• Groceries (see sections 4.8)</td>
<td>• Restaurants (casual or fine dining)</td>
</tr>
<tr>
<td>• Computer peripherals ($1,000 or less)</td>
<td>• Tuition Payments</td>
</tr>
<tr>
<td>• Licenses</td>
<td>• Legal Fees/Services</td>
</tr>
<tr>
<td>• Lease/Rental Order</td>
<td>• Medical Fees/Services</td>
</tr>
<tr>
<td>• Memberships</td>
<td>• Postage (not for a specific mailing)*</td>
</tr>
<tr>
<td>• Recruiting Services</td>
<td>• Cash Advances</td>
</tr>
<tr>
<td>• Subscriptions and Magazines</td>
<td>• Personal/Unapproved/Unofficial Purchases</td>
</tr>
<tr>
<td>• Shipping &amp; Handling</td>
<td>• Commitments for greater than one fiscal year</td>
</tr>
<tr>
<td>• State/Federal Surplus and Purchases from State Agencies</td>
<td>• Transactions that Exceed or Circumvent Spending Limits</td>
</tr>
<tr>
<td>• Utilities (cell phones, pagers, cable, etc.)</td>
<td>• Charitable contributions</td>
</tr>
<tr>
<td>• Postage (off campus, for a specific mailing)*</td>
<td>• Insurance</td>
</tr>
<tr>
<td>• NCCU Bookstore Purchases</td>
<td>• Moving expenses</td>
</tr>
<tr>
<td>• Office Supplies</td>
<td>• Alcohol or tobacco products</td>
</tr>
<tr>
<td>• Miscellaneous Supplies</td>
<td>• Gift certificates and cards (non-grant)</td>
</tr>
<tr>
<td>• Classroom Supplies</td>
<td>• Software &amp; distribution licenses (may be allowed after IT approval)</td>
</tr>
<tr>
<td>• Repair Parts</td>
<td>• Hazardous materials (radioactive materials, cylinder gases)</td>
</tr>
<tr>
<td></td>
<td>• Printing costs</td>
</tr>
<tr>
<td></td>
<td>• Pawn shop purchases</td>
</tr>
</tbody>
</table>
7.01 Certificate of Tax Exemption

**E-595E**

**Streamlined Sales and Use Tax Agreement Certificate of Exemption**

This is a multi-state form. Not all states allow all exemptions listed on this form. Purchasers are responsible for knowing if they qualify to claim exemption from tax in the state that would otherwise be due tax on this sale. The seller may be required to provide this exemption certificate (or data elements required on the form) to a state that would otherwise be due tax on this sale.

The purchaser will be held liable for any tax and interest, and possibly civil and criminal penalties imposed by the member state, if the purchaser is not eligible to claim this exemption. A seller may not accept a certificate of exemption for an entity-based exemption on a sale made at a location operated by the seller within the designated state if the state does not allow such an entity-based exemption.

1. [ ] Check if you are attaching the Multistate Supplemental form.
   
   NC
   
   If not, enter the two-letter postal abbreviation for the state under whose laws you are claiming exemption.

2. [ ] Check if this certificate is for a single purchase and enter the related invoice/purchase order # ____________________

3. Please print

   **Name of purchaser**

   NORTH CAROLINA CENTRAL UNIVERSITY

   Business address: 1801 FAYETTEVILLE ST. City: DURHAM State: NC Zip code: 27707

   Purchase tax ID number: 400046 NC Country of issue: USA

   If no tax ID number, enter one of the following:

   PEIN:  

   Driver’s license number/state issued ID number: 

   State of issue:  

   Foreign official number:  

   Name of seller from whom you are purchasing, leasing, or renting:

4. **Type of business.** Check the number that describes your business.

   01 Accommodation and food services
   02 Agricultural, forestry, fishing, and hunting
   03 Construction
   04 Finance and insurance
   05 Information, publishing, and communications
   06 Manufacturing
   07 Mining
   08 Real estate
   09 Rental and leasing
   10 Retail trade
   11 Transportation and warehousing
   12 Utilities
   13 Wholesale trade
   14 Business services
   15 Professional services
   16 Education and health-care services
   17 Nonprofit organization
   18 Government
   19 Not a business
   20 Other: (explain)

5. **Reason for exemption.** Check the letter that identifies the reason for the exemption.

   A Federal government (department)
   B State government (name) NC
   C Tribal government (name)
   D Foreign diplomat
   E Resale
   F Agricultural production #
   G Industrial production/manufacturing #
   H Agricultural production #
   I Direct mail #
   J Direct mail #
   K Direct mail #
   L Other (explain)

6. **Sign here.** I declare that the information on this certificate is correct and complete to the best of my knowledge and belief.

   Signature of authorized purchaser:  

   PRINT NAME HERE: JAMES TANZOSCH

   TITLE: DIR-PURCH

   DATE: 04-09-20

   PHONE NUMBER: 919-530-5063

   EMAIL ADDRESS: JTANZOSCH@NCCU.EDU