UNIVERSITY OF NORTH CAROLINA CHARLOTTE

Purchasing Card Manual

Guidance for faculty/staff regarding Purchasing Card usage for UNC-Charlotte business purposes.

Published by: Controller's Office, Financial Services

Effective: December 2010

Revised: March 18, 2024

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Introduction

Welcome to the UNC-Charlotte Purchasing Card Program

The purpose of the UNC-Charlotte Purchasing Card Program is to simplify procurement and payment processes for select low dollar, high volume business commodities and services. The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures such as purchase requisitions/orders, electronic check requests, employee & student direct pay requests, and expense reimbursements. The card is issued by Bank of America (BOA) and is widely accepted by vendors that support Visa card purchases. The program provides the following benefits to accountholders and the university:

Benefits to the Accountholder

- Eliminates the need to use personal funds and obtain reimbursements.
- Provides convenience, security, and flexibility to make small dollar purchases.
- Empowers accountholders with choices and immediate access to goods.
- Spend Control profile options available.

Benefits to UNC-Charlotte

- Significant cost savings in the purchase-to-pay cycle.
- Increased expense analysis power.
- Increased ability to provide value-added services.

Corporate Liability

UNC-Charlotte's purchasing card is a Visa credit card with corporate liability. Corporate liability is defined as follows:

- The university is liable for all charges made by university employees.
- The university is not held liable for charges made by a terminated employee once notice of termination is provided to BOA.
- The university is not liable for charges made with the purchasing card resulting from card theft or other fraudulent use by third parties not employed by the university.

This reference guide will provide you with the details of the program, including general information, card issuance, card processes, purchasing guidelines, and documentation requirements. It is important to read the following information carefully, as accountholders, reconcilers, approvers, and department heads are responsible for adhering to the established policies and procedures.

1 General Information

The purchasing card (p-card) is a corporate Visa credit card, issued to UNC-Charlotte through Bank of America (BOA). The card is to be used for UNC-Charlotte business transactions only. Personal use of the p-card by an employee and use of mobile wallet or cash advances is strictly prohibited.

A permanent, non-student employee with supervisor approval may acquire a p-card by completing the application and agreement and completing purchasing card training. The p-card is issued in the employee's name through BOA and the UNC-Charlotte Purchasing Card Administrator (PCA).

Personal Credit History: Although the p-card is issued in the employee's name, your personal credit history is not considered during the application process, and use of the p-card will not affect your personal credit history in the future.

Payment of Charges: Monthly purchasing card charges are paid to BOA by the university. University funds and expense accounts assigned by the Accountholder or Reconciler during the reconciliation process are charged monthly when the payment to the bank is generated. The purchasing card program provides the university with full dispute rights up to 60 days from purchase and corporate liability coverage for all purchases.

Card Usage

Your p-card can be used for most allowable UNC-Charlotte business expense with vendors that accept Visa credit cards. The card can be used to facilitate in-store purchases as well as purchases placed by phone, internet, fax, or mail. Personal use of the card is not allowed and will be considered as terms for card revocation as well as employee disciplinary action.

Charges to the card are limited as defined below. In addition, some vendors are blocked based on their Merchant Category Code (MCC). Transaction dollar limits and allowable merchant categories are established for each card account.

Spend Control Profiles: Accountholders may select the standard profile or hospitality profile when completing a New P-Card eForm or Edit P-Card eForm. The hospitality profile allows for the purchase of food and beverage not considered under employee and non-employee travel expenses. Each profile has a monthly limit of $35,000.

As of June 17, 2022, the following applies to **transaction limits**:
- Standard Profile transaction limit is $25,000
- Hospitality Profile transaction limit is $25,000

A temporary increase will be considered by the PCA in certain circumstances. The Accountholder should be aware that splitting transactions in order to remain within the transaction limit, daily limit, or monthly limit is prohibited.

Merchant Category Blocking: Merchant category blocking utilizes MCCs to limit purchases from specific vendors. If a particular merchant category is blocked (e.g., jewelry stores) and a purchase is attempted, the purchase will be declined. Management has made an effort to ensure that vendors used during the normal course of business are not restricted.

If your card is declined by a vendor that provides allowable business purchases, please contact the PCA to assist with the purchase.

Card Security

As a p-card user and an "Information Custodian," as defined in University Policy 311, *Information Security*, you are responsible for ensuring the quality of and control over University data associated with your issued p-card and other University data in your custody. All payment (debit and credit) card numbers - including those of University p-cards - and associated accountholder data is considered "Confidential Data" as defined in University Policy 311 and must be safeguarded in the manner prescribed by Payment Card Industry Data Security Standards (PCI DSS). As an Accountholder you assume personal responsibility for the protection and proper use of your card. Follow the points below to assure card security.

Definitions:
Cardholder Data (CHD) or Accountholder Data includes any of the following (together or separately):
- Primary Account Number (PAN),
- Accountholder Name,

- Service Code, and
- Expiration Date.

Sensitive Authentication Data is security related information used to authenticate accountholders and/or authorize payment card transactions and includes (but is not limited to):
- Card validation codes/values (three- or four-digit card verification codes printed on the front of the card or the signature panel often referred to as security codes; includes CVV2, CVC2, CID, CAV2 data)
- Full magnetic-stripe data (also called full track, track, track 1, and track 2 data),
- Primary Identification Numbers (PINs) and PIN blocks.

Access

- ■ A p-card can only be used by the person to whom the card has been issued. Never lend your card to another person or use another employee's p-card.

- ■ All handling of data (for retention, storage, or destruction) must be carried out by authorized employees only. Access to CHD must be restricted to the minimum number of people possible and only to those whose jobs require such access.

- ■ If your purchasing card is lost or stolen, promptly follow the instructions under "Lost or Stolen Card."

- ■ If your employment changes or terminates, complete and submit the Close P-Card form prior to your last day of employment.

Transmission

All transmission of payment card data must be secure and limited to analog (not network) connected devices. **Card data is NEVER to be sent via e-mail.** Purchases can be made via fax if the card number is not included on the fax or if the data is sent via a **secure analog** fax machine.

Thus, for security purposes, the order of preference for transmitting p-card information is as follows (each method of submission should only be used if the more preferred methods are not available):
1) Submit in person (face-to-face) or via a secure online payment site (see "Purchases by Internet")

2) Submit via phone to authorized vendor
3) Submit via secure, analog fax
   a. If possible, call the vendor with your p-card number instead of including it on the actual fax (you may indicate on the form to "Call for credit card number" and include your phone number).
   b. If card data *must* be sent by fax, the guidance provided in the "Purchases by Fax" section of this manual must be adhered to.

Storage

- Always keep the card in a secure place, just as one would a personal credit card. Treat the card like cash.

- *No* Sensitive Authentication Data may be stored in writing, on any personal device or network, or on a UNC-Charlotte device or network, even if encrypted.

- CHD may only be stored *only if:* 1) there is a legitimate business need, and 2) an exception has been granted by the University's Information and Technology Services unit (ITS) and signed by both the ITS Chief Information Security Officer and Vice Chancellor for Business Affairs (VCBA) or designee(s).

- General policy is to prohibit storage of any CHD. However, for University owned and issued cards, due to business requirements, full PANS may need to be retained by you, the accountholder, or the business manager. In these situations, the PANs should be stored physically only in accordance with the guidelines below. CHD should not be stored electronically.

  If CHD needs to be physically retained:
  - The data must be stored in a physically secure location, i.e., in locked areas with limited access and accessible only by those employees whose job requires such access.
  - Destruction of any physical records containing the PAN must be verified when the p-card is surrendered.
  - To dispose of hardcopy materials containing CHD, the materials must be cross-cut shredded, incinerated, or pulped so that CHD cannot be reconstructed.

- In accordance with University Policy 605.3, *Retention, Disposition, and Security of University Records*, any paper or electronic data

created in association with a payment card transaction which gives more than the last 4 digits of the PAN of the accountholder must be destroyed after two years if no litigation, claim, audit, or other official action involving the records has been initiated.

- Maintain receipts in a safe place until they are submitted to the Reconciler or Approver as documentation.

Disclosure

You must not sell, purchase, provide, disclose, or exchange any information concerning a University accountholder account or any other transaction information without proper approval and authorization.

Breach Notification

Any suspected breach or fraudulent or criminal activity involving payment card data must be reported to ITS Security (SecurityIncident-group@uncc.edu) and the eCommerce Department immediately in accordance with the University Policy 311.5, *Personal Information Security Breach Notification Procedures*.

Roles and Responsibilities

University employees and management play key roles to support the purchasing card program. A summary of roles and responsibilities follow.

Accountholder

- Ensures compliant use of the p-card according to university policies, purchasing guidelines, the Purchasing Card Manual, and the Travel Manual. By using a university p-card, you are consenting to wage garnishment or other university collection methods in the event that your p-card purchases are not for business purposes and/or do not meet State or university policy requirements.

- Maintains the p-card in a secure location at all times.

- Never allows anyone else use of the p-card assigned to you.

- Ensures spending limits and allotted operating budget are not exceeded on any transaction.

- Ensures transactions are not split to circumvent spending limits or university guidelines.

- Ensures NC Sales and Use Tax is not charged on purchases.

- Ensures a Travel Authorization is fully approved before paying for travel expenses.

- Obtains a valid receipt for each purchase which includes the vendor's name, date of purchase, item description, and total amount of purchase.

- Provides clarity to an item description or business purpose that is not self-explanatory.

- Ensures all purchases with a hospitality spend control profile are compliant with University Policies 601.8, Appropriate Use of University Funds; 706, Alcoholic Beverages; and 709, Food Service Policy.

- Submits original receipts and supporting documentation, if applicable to the Reconciler.

- Ensures gift/award/prize purchases are compliant with University Policy 602.11, Gifts, Awards, & Prizes, and submits UP 602.11, Appendix B – Reportable Gifts, Awards, & Prizes Form, as applicable.

- Assists the Reconciler with resolution of billing discrepancies, disputes, and credits.

- Contacts BOA and the Purchasing Card Administrator immediately if your card has been lost or stolen.

Reconciler

The department can decide that an accountholder will also serve as the Reconciler for a specific purchasing card. This decision can be made for each individual card. This allows the program to best meet the department's needs.

- Receives and Uploads to *Works*™ original receipts from the Accountholder.

- Compares receipts with the electronic transactions recorded in *Works*™, the purchasing card transaction management system.

- Reviews and approves each transaction in *Works*™ and ensures that the:
  o Item purchased, amount charged, and the vendor name match the receipt
  o NC Sales and Use Tax is not included
  o Description of the expense is clear
  o Business purpose of the expense is clear
  o Correct organization, fund, and account code are used

- Resolves discrepancies with the Accountholder when necessary.

- Ensures proper tax reporting as appropriate according to University Policy 602.11, Gifts, Awards, and Prizes.

Approver

- Ensures that the p-card is used in compliance with university purchasing guidelines, the Purchasing Card Manual, and the Travel Manual.

- Reviews transactions in *Works*™ to verify that purchases have been, documented, charged to the correct fund(s) and account(s) and ensures corrections are processed through *Works*™.

- Ensures the Accountholder has not exceeded the spending limits or fund budget on any transaction.

- Reviews that the Accountholder has not split any transactions to circumvent spending limits or the university guidelines.

- Reviews that the receipt is uploaded and complete in *Works*™.

- Approves transactions in *Works*™

- Ensures transaction review and signoff is complete by the 15th of the month, or first business day following weekend or holiday.

- Ensures a [Close P-card eForm](#) has been prepared and submitted if an employee transfers to another department, has terminated employment, or if card use is not in compliance with this policy and supporting procedures.

Department Head

- Provides fiscal oversight and management of business operations within his or her department.

- Selects department employees for participation in the UNC-Charlotte Purchasing Card Program based upon business need and the ability to fulfill program requirements.

- Accounts for the use of the purchasing card in his or her department, taking appropriate action with departmental staff when required.

- Ensures FLSA-subject staff members are performing p-card activities during regular work hours or with the advance approval of their supervisor if overtime is required to complete tasks.

Purchasing Card Administrator (PCA)

- Provides program management and oversight.

- Develops and delivers effective training for users.

- Ensures program compliance and quality assurance.

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How to Obtain a Card

Department heads and business managers will identify faculty and staff with a business need for p-cards. Upon approval, submit a New P-card eForm obtained from the Purchasing Card Program page on the Controller's Office website.

Card Changes – Employee Name Change, Organization and Fund Code Changes, and Approver Change

The Purchasing Card Administrator maintains accountholder applications, agreements, and change documents. To report a legal name change, change organization and fund codes assigned to the card, change spend control profiles or change the Reconciler or Approver, complete an Edit P-card eForm located on the Purchasing Card Program page on the Controller's Office website.

Card Renewal

P-cards are issued with a three (3) year expiration date and are subsequently renewed every two (2) years. Renewal cards will be mailed from the bank to the university and distributed by the Cashier's Office to the Accountholder. You should receive your new card approximately thirty (30) days before the expiration date. To avoid denial of charges, accountholders will need to ensure that all vendors who maintain your card number on file are aware of the new expiration date.

Accountholder Employment Changes

If you leave the university, transfer to a new department, or no longer use your card in the performance of daily job duties, your p-card must be cancelled immediately. Complete and submit the Close P-card eForm following the instructions provided on the form.

If you transfer to a different department and your new position requires the use of a p-card, submit a New P-card eForm listing your new department information. Because you were issued a card in the past, additional training will not be required.

Regardless of the type of employment change, the card remains the property of UNC-Charlotte and must be surrendered immediately upon request for

any reason by an authorized person (such as the department head or the PCA).

Card Inactivity

On an annual basis, the PCA will provide departmental business officers with a list of cards that have been inactive for the entire fiscal year for their review. If a card is inactive for two consecutive years, the PCA will recommend that the card be cancelled to the business officer during the annual review. The business officer should review the inactive card for possible cancellation and communicate with the PCA the business reason for the card remaining active.

Lost or Stolen Card

If you believe you have lost your card or that it has been stolen, immediately report the problem to BOA at 1-877-451-4602. Customer assistance is available 24 hours a day. Immediately after reporting to BOA, notify your PCA of the event. It is extremely important to act promptly in the event of a lost or stolen card to avoid company liability for fraudulent transactions.

You will no longer be able to use the account number after notifying the bank. BOA will automatically reissue a new card. The PCA will notify you as soon as the new card is received. A card that is subsequently found after being reported lost should be deposited into a campus ProShred box or destroyed and disposed of.

General Purchasing Guidelines

The p-card represents UNC-Charlotte's trust in you as a responsible employee who will safeguard and protect university assets. As an accountholder, you assume the responsibility for proper use of your card. Card purchasing does not change or alter current purchasing policies and departmental approval processes. Your card serves only as an optional method of payment.

Vendor Selection

Your p-card can be utilized with any vendor who accepts Visa as a payment source, with the following exceptions:

▸ The vendor is a UNC-Charlotte or state employee (see University Policy 603.2).

▸ The vendor is an immediate family member of any employee of the university (see University Policy 603.2).

▸ The vendor is listed on the North Carolina Department of Administration's Debarred Vendors list.

Allowable and Non-Allowable Card Purchases

The UNC-Charlotte purchasing card is intended for operating supplies and services and other low-cost purchases needed during the course of business.

Travel Expenses: The p-card allows for an improved approval and prepayment process for items such as conferences, airline tickets, and hotel room reservations. Upon departmental and special fund approval (e.g., from Grants and Contracts Administration or Treasury Services) of the Travel Authorization form, the traveler may prepay eligible travel expenses using the p-card. Additional approval may be required during budget restrictions. When using the p-card for travel expenses, follow the guidelines and processes identified in the Travel Manual available at the Travel area of the Disbursements department.

The UNC-Charlotte Purchasing Card Reference Guide is available on the university purchasing card website.

Split Transactions

A split transaction occurs when you split a purchase to stay within the dollar limits of your card (per transaction, day, or month), or to avoid bid processes. Splitting transactions is strictly prohibited. Care should be taken by the Accountholder to avoid split transactions, both in fact and appearance.

Examples of split transactions are noted below. If you are uncertain as to if a transaction would be considered "split," contact the PCA.

- Accountholder purchases similar or complementing items that cost a total of $30,000. The sale is divided into separate transactions of $16,800 and $13,200. This is considered a split transaction to avoid exceeding the transaction limit and is not allowable.

- Accountholder purchases an item on Monday which costs $30,000 and pays the vendor $25,000. The remaining $5,000 is paid on Friday. The $30,000 purchase has been divided into two transactions. This is considered a split transaction to avoid exceeding the transaction limit and is not allowable.

- Two accountholders within the same department use their cards to purchase an item or complementing items that cost $30,000. Two transactions occur (one on each card) for the purchase. This is considered a split transaction to avoid exceeding the transaction limit and is not allowable.

Sales Tax Exemption

The university is a tax-exempt entity and is not required to pay North Carolina sales and use tax on goods (see Certificate of Exemption on the Tax Office website).

When dealing with vendors, the accountholder should make them aware of the exemption by providing the tax-exempt number printed on the p-card or a hard copy of the Certificate of Exemption.

Verify that the invoice does not include a charge for NC Sales and Use Tax. If it does, provide the vendor with the tax-exempt number again and ask for a credit to be issued. All sales tax paid to a vendor will be charged to the default organization and fund listed on your card application.

4   How to Make a Card Purchase

This section addresses the application of the general procurement guidelines to purchasing card transactions.

Card Purchase Steps

To make a card purchase, follow the steps below. If in doubt about any part of the process, contact your Approver or PCA for clarification.

1. Follow the internal procedures of your department to determine if a purchase is required and authorized.

2. Determine if the price quoted is the best price you can obtain.

3. Tell the vendor you are making the purchase on behalf of UNC-Charlotte and that we are exempt from NC Sales and Use Tax. Provide the NC Sales and Use Tax exemption number located on your p-card and ensure tax is not included on the invoice.

4. Provide payment with your p-card.

5. Obtain an itemized receipt (must list item description, quantity, price, and total purchase) from the vendor.

6. If goods are to be delivered, provide the vendor your name, department, phone number, and complete delivery instructions. It is recommended that purchases be shipped directly to your campus address whenever possible. Purchases should never be shipped to a home address. If Receiving & Stores is used as the delivery point, please use the following address:

   > UNC-Charlotte Receiving & Stores Warehouse (Building 93)
   > 9647 Poplar Ln
   > Charlotte, North Carolina 28223

7. When goods are delivered, retain and match the packing slip to the original itemized receipt (the documents will be mandatory in the reconciliation process).

Purchases by Internet

Online purchases must be made with vendors who use a secure browser session. To confirm that a secure site has been accessed, look for "https" (denoting a secure site) in the web address. A closed lock usually appears to the right of the web address or at the bottom right-hand side of the screen when you are asked to enter your card number.

If a secure browser site is not readily apparent to you, do not utilize the internet to make the purchase as the security of your card could be jeopardized.

Website Receipts

Websites that present an online receipt, which reflects the items purchased and cost with a company logo or name, will serve as proper documentation. Simply print the on-screen document.

Websites that reflect the billing amount only will serve as proper documentation by printing the email confirmation or order acknowledgement.

Websites that do not present an online receipt can still be utilized. The customer should print screens that reflect the items being purchased and the amount, and then ensure the email confirmation or order acknowledgement is attached.

Missing Receipts

Complete a Missing Receipt Affidavit (found on the Financial Services Forms website) for expenses over $25. For missing receipts for expenses equal to or less than $25, the accountholder/reconciler must indicate what expense was incurred, business purpose, and why the receipt for the expense is missing. A Missing Receipt Affidavit is not necessary.

Purchases by Fax

Only submit payments via **secure**, **analog** fax if the vendor will not allow payment via any other method (See "Card Security > Transmission").

- The fax must be from a **secured** location. This means:
    - The fax must be located in a room with limited access, i.e., limited only to those individuals that have a business need for access and have completed the requirements for payment card handling (see Requirements for Payment Card Processing at the eCommerce website for full requirements).

- ▸ You must remember not to leave any documents with card numbers or data in or around the fax machine.
- ■ The fax must be made only on an **analog** fax device. This means:
  - ▸ The fax machine must be connected to an analog, or phone, line. Analog fax machines are typically those that are single-purpose fax machines, not those that are computer-integrated, such as all-in-one printers that allow you to scan, copy, fax, and print from one machine and are connected to the Internet. You can check to see if your fax machine is on an analog or digital line by checking the connection line. If the device is connected via a telephone cord, the connection is analog. If the device is connected via an Ethernet cable, the connection is digital and must not be used.
- ■ Photocopies:
  - ▸ Do not send photocopies of the p-card itself or any photo identification cards unless the vendor absolutely requires it.
  - ▸ Note that, per NC G.S. 20-30(6), color photocopies of drivers licenses are not allowed to be made.
- ■ Disposing of card data:
  - ▸ Only the portion of the fax authorization form that does *not* include card data can be retained (see Figure 1), along with a copy of the fax transmission confirmation page. If the full card number, or PAN (the 16-digit card number), was contained on the original fax, the number must be removed from your copy of the document and crosscut shredded. Blackening out the PAN is not sufficient to constitute removal.
  - ▸ Note that copies of faxes that include card data in any format (on an authorization form or as a copy of the card itself) should be crosscut shredded and disposed of immediately and should not be stored even temporarily, e.g., for Travel Authorizations. The fax confirmation page should serve as evidence that the payment method has been submitted.
- ■ To avoid duplicating an order, do not mail a copy of a faxed order to the vendor. If the vendor requires the original, be sure to clearly mark it "Confirmation of Fax Order, Do Not Duplicate."

Figure 1: Example of Credit Card Authorization Form

CREDIT CARD AUTHORIZATION FORM

NAME OF GUEST(S)_____

CONFIRMATION #: _____

DATE OF ARRIVAL:_____

DATE OF DEPARTURE:_____

*PLEASE CHOOSE ONE OF THE FOLLOWING

CHARGES TO BE BILLED TO CARD:

ROOM & TAX ONLY_____   ALL CHARGES_____

OTHER (please specify)_____

*Prepayment option, please choose one:

Please charge this card upon receiving this form: _____

Please charge this card upon guest arrival: _____

This top half may be retained

CARD NUMBER:_____

EXP. DATE:_____

NAME ON CARD:_____

AUTHORIZED SIGNATURE_____

CONTACT TELEPHONE: _____

This bottom half must be crosscut shredded

Purchases by Email

A purchase by email is not an approved purchasing method at UNC-Charlotte. For security purposes, p-card numbers should never be sent via email to a vendor or anyone else.

Return of Goods Purchased

Items purchased with the p-card will periodically need to be returned. When this occurs, a vendor usually offers a Return Materials Authorization (RMA) number and issues a credit invoice upon receipt of the goods. Make certain to document the RMA number and keep the credit invoice to use in the reconciliation process at the end of the billing cycle.

When receiving goods that you may need to return, consider the items below.

▸ Always retain boxes, containers, special packaging, and packing slips, until certain that you are going to keep the items. Items that are fragile or computer-related generally cannot be returned without the original packing materials.

▸ Read all enclosed documents carefully. Often a critical phone number and other instructions about how to return items are included.

▸ Contact the vendor and obtain a Returned Materials Authorization (RMA) number for the return.

▸ To facilitate the return of goods: (1) Follow vendor shipping instructions, if applicable; (2) Contact UNC-Charlotte's Receiving & Stores Department (704-687-2385) for pickup and shipping; or (3) Utilize UPS CampusShip™.

▸ In some cases you may encounter a restocking fee. The p-card may be used to pay this fee as long as it does not exceed any of the card limits.

5 Documentation and Reconciliation

Overview

Once the application process has been completed, accountholders, reconcilers, and approvers will be trained how to use the p-card, as well as *Works*™. *Works*™ allows users to review transactions electronically, edit fund and account allocations, upload receipts and include comments about transactions.

The BOA billing cycle ends on the seventh (7th) of each month. All transactions must be reconciled and approved within seven (7) days of the date the billing cycle ends or by the 15th of the month following the end of the billing cycle.

After the process completes, Accounts Payable will process one payment to BOA for all UNC-Charlotte accountholder accounts. Banner accounts are then updated to reflect p-card expenditures for the billing cycle. A detailed transaction report (YFPPCIN) is made available through e-Print which provides a breakdown of charges (purchase date, vendor name, accountholder, and item amount) for each Banner account.

Random transaction reviews will be conducted by Internal Audit to assure compliance with all program requirements.

On-Line Transaction Review

Transactions can be reviewed as soon as they are posted in *Works*™. Specific instructions to view, reconcile, enter comments about transactions, edit general ledger fund, account allocations and upload receipts can be found in the Purchasing Card (P-card) Reference Guide document by selecting the Quick Recon Guide tab.

Once the final review and approval dates have passed, the only method to reallocate a charge in Banner will be to process a journal entry. Timely and accurate approval is essential to avoid non-value added work after the cycle close date.

Disputed or Fraudulent Charges

If there is a discrepancy it is imperative that the issue is addressed immediately with the vendor and/or the PCA. Depending on the type of discrepancy, you will need to contact either the vendor or the PCA to resolve the disputed transaction.

If you believe the vendor has charged you incorrectly or there are problems with your order, you must first contact the vendor and try to resolve the error or problem. If you are able to resolve the matter directly with the vendor, and the error involved an overcharge, a credit adjustment should be requested.

If the vendor disagrees that an adjustment is necessary, immediately contact your PCA who will work with you and BOA to resolve the dispute. BOA will request complete details of the dispute in writing in order to research the item in question.

BOA must receive any charge dispute within sixty (60) days of the transaction date. UNC-Charlotte pays all charges as billed on each statement (regardless of a transaction being in dispute status). Once the dispute status has been declared by BOA, the bank will issue a credit until the dispute is resolved. Although BOA acts as the arbitrator in any dispute, you should never assume that a dispute would be resolved in your favor.

A fraudulent charge (e.g., a charge which was not initiated by you) must be reported immediately to your PCA. Prompt reporting of any such charge will help to prevent UNC-Charlotte from being held responsible.

Transaction Sweep and Payment Process

The PCA will be reviewing card transactions to ensure program integrity. When the billing cycle ends, the PCA will be monitoring approvals as they occur and will send reminders as needed. Once the final approval time has passed the PCA will close the transactions in *Works*™ and initiate payment.

Unapproved Transaction Sweep

To assure BOA is paid in a timely manner, all unapproved transactions will be swept into the payment process at the end of the approval period and charged to the department's default organization and fund.

The Accountholder, Reconciler and Approver will still be required to approve the transaction; however, they will no longer have the ability to edit the default allocation code before charges are posted to the general ledger. After the general ledger feed, charges can only be reallocated by processing a journal entry.

Accountholder Transaction Limits

Accountholder transaction limits are reduced by the dollar amount of the transactions that have not been approved in *Works*™. Thus, the accountholder's purchasing power is decreased until the approval process occurs. Limits are restored to the accountholder as approvals occur.

Delinquent approvals are considered a cause to suspend or revoke an accountholder's privileges.

6 General Ledger and Account Considerations

As the payment process occurs, transactions are downloaded from *Works*™ to Banner. Rather than each transaction being listed in detail, the total amount of charges for each fund/account combination is posted. To see the breakdown of charges, access the following report on ePrint: "Purchasing Card Detail Transaction Report" (YFPPCIN).

Banner Account Charges

Departments need to be aware that charges placed on the card in one billing cycle month will not appear in Banner until the following month.

In managing budget projections, consider charges in *Works*™ that have not posted in Banner. *Works*™ offers reporting capability to view transactions (in the current billing cycle) by fund and account number.

7 Special Notes

Internal Control

A separation of duties should be followed with the p-card (as with all other financial transactions). The person placing the order (Accountholder) cannot be the person who approves the order. This is the reason an accountholder and Approver have been assigned for each card. An Internal Control Self-Assessment questionnaire has been developed to help department heads assess the adequacy of their control environment (see Appendix I).

Grant and Contract Funds

The purchasing card is a purchasing tool. All grant and contract requirements to support cost allocation and document retention must be met for all p-card purchases against grant and contract funds.

The Principal Investigator (PI) of a grant or contract is responsible for assuring that all expenses paid from the grant or contract are allowable, allocable, and reasonable. The PI, with assistance from his or her research team and designated departmental support staff, ensures that all expenses are allowable per Grants and Contracts Administration procedures and federal guidelines, such as OMB Circular A-21 *Cost Principles for Educational Institutions*, if applicable. Sponsor regulations may provide additional restrictions.

Grants and Contracts Administration is responsible for providing detailed technical advice regarding sponsor regulations and business procedures pertaining specifically to sponsored programs.

Trust Funds

P-card purchases made using trust funds must comply with fund and donor restrictions.

Treasury Services is responsible for providing detailed technical advice on donor restrictions and requirements.

Compliance Assurance

In order to ensure compliance with the policies and procedures of the program, the actions listed in the below chart will be taken by Financial Services when infractions occur. Infractions are classified as Minor Infractions, Major Infractions, and Criminal Activity. General descriptions and discipline measure are listed below.

Minor Infractions	
- Late reconciliation of transactions - Missing or inadequate receipt - Other infractions deemed as minor by the Associate Vice Chancellor (AVC) for Finance.	
First Offense	Card is suspended when error is discovered and remains suspended until correction is received by Purchasing Card Administrator (PCA).
Second Offense	Department head must justify in writing how departmental function would be impaired if accountholder's privilege was revoked, as well as provide a list of actions taken to prevent future infractions from occurring. Card remains suspended until error is corrected and justification is approved by the AVC for Finance.
Third Offense	Card revoked. Accountholder blocked from new card for twelve (12) months.

Major Infractions

Purchases that result in major infractions are subject to State collection policies, which may include wage garnishment, interest and penalties, referral to the NC Attorney General's Office and third party collection agencies, and reporting to the State.

- Split transactions (to circumvent single transaction limit)
- Inappropriate purchases (to circumvent P-Card policy)
- Failure to comply with NC State Contract Terms (without acceptable explanation)
- Personal purchase that is made in error
- Other infractions deemed as major by the Associate Vice Chancellor (AVC) of Financial Services.

First Offense	Cards stay suspended until mistake is resolved and documentation and repayment of inappropriate purchases are received by Purchasing Card Administrator.
Second Offense	Department head must justify in writing how departmental function would be impaired if accountholder's privilege was revoked, as well as provide a list of actions taken to prevent future infractions from occurring. Card remains suspended until error is corrected and justification is approved by AVC of Financial Services.
Third Offense	Card is revoked. Accountholder is not eligible for future p-card use.

Criminal Activity

- Personal purchase that is intentional

If you intentionally make a personal purchase, a theft of state property has occurred. Immediate card revocation will occur. Your division head, Internal Audit, and Police and Public Safety will be notified. Appropriate disciplinary action will be taken. The accountholder will not be eligible for future p-card use.

Appendix I: Internal Control Self-Assessment for Department Heads

1. Are card limits periodically evaluated to ensure limits are appropriate?

2. Upon initial setup of a card, are reviews done to ensure limits are correct?

3. Have procurement cards for employees who are no longer employed in the department been closed?

4. Do procedures exist to ensure that cards are destroyed or disposed of on the date of employee termination or transfer from the department?

5. How many cards are within your department?

6. Is the individual whose name is shown on the card the only person allowed to use the card?

Transactions

1. Are procedures in place to ensure unallowable items are not purchased using the p-card?

2. Are detection measures adequate to identify split transactions that may occur?

3. Is the NC Sales and Use Tax exemption number utilized when a purchase occurs?
    a. How many invoices include charges whereby NC Sales and Use Tax was paid to the vendor?
    b. Are transactions reconciled by all accountholders in a timely manner?

4. Are invoices, cash register receipts, credit invoices, and packing slips available for each transaction with adequate documentation to denote the business purpose?

Segregation of Duties

1. Is the person making purchases different than the person who is approving the purchases?

2. Is the person performing the reconciliation different than the person who is purchasing and approving the purchases?

Appendix II: Purchasing Card Contact List

University Contacts

The Controller's Office, in the Financial Services department of the Business Affairs division of the university, is responsible for the day-to-day operations of the purchasing card program. The PCA and Purchasing Card Payment Specialist are available during work hours to assist campus employees with any questions regarding p-card policies and procedures.

Kelly Frazier Purchasing Card Administrator Phone: 704-687-5763 kfrazie3@charlotte.edu Gmail Chat at kfrazie3	Cathy Nichols Purchasing Card Payment Specialist Phone: 704-687-5857 canicho3@charlotte.edu Gmail Chat at canicho3

Bank of America (BOA)

To contact BOA, call the number on the back of your card. Any time BOA is contacted, you should also contact the PCA.

Process History:

Version	Approval Date	Approved by	Purpose
Original	12/8/10	Process Owner	Establish Process
Revision 1	9/6/11	Process Owner	To update language and edit allowable and non-allowable expenses.
Revision 2	2/27/12	Process Owner	Add information for FLSA-subject staff task, remove flight insurance from the non-allowable expense list and edit Mary Alice Boyd contact info to vacant.
Revision 3	8/28/12	Process Owner	Add information for card security, secure faxes; edit policy statement #s and links, FS form links/locations, RCM references, Tax Manager info
Revision 4	8/19/13	Process Owner	Updated Fax number and Non-Allowable list to include Choice Seating
Revision 5	12/11/13	Process Owner	Updated Non-Allowable list to exclude payment of monthly service plan costs associated with University-owned devices.
Revision 6	2/4/14	Process Owner	Updated to include hospitality profile implantation information for pilot group, clarification and formatting.
Revision 7	4/4/14	Process Owner	Updated Accountholder and Reconciler Roles and Responsibilities to add FBAE upload information.
Revision 8	2/27/15	Process Owner	Updated links for new website and contact information.
Revision 9	3/13/15	Process Owner	Removed obsolete reconciliation packet process.
Revision 10	4/13/15	Process Owner	Updated to clarify alcohol availability with Hospitality Profile.

Revision 11	5/5/15	Process Owner	Added link to University Policies 101.18 and 706. Updated Reconciler role regarding Gift, Award and Prize reporting. Allowable and Non-Allowable document updated with Gift Card and Certificate information.
Revision 12	2/4/16	Process Owner	Removed Allowable and Non-Allowable document, provided link to stand alone document.
Revision 13	5/23/16	Process Owner	Updated guidance regarding missing receipts.
Revision 14	6/29/16	Process Owner	Updated the spend profile limits.
Revision 15	4/23/18	Process Owner	Update to Roles and Responsibilities, Accountholder and Major Infractions sections, with information regarding collection of funds.
Revision 16	5/16/18	Process Owner	Review of document and update spend limits as provided by NC DOA 5/15/18.
Revision 17	10/15/18	Process Owner	Clarify requirements for missing receipts for expenses equal to or less than $25.
Revision 18	2/22/19	Process Owner	Updated links for reconciliation and allowable guidance.
Revision 19	7/10/19	Process Owner	To fix the broken link to the FBAE form.
Revision 20	9/6/19	Process Owner	Annual review and Mobile Wallet and Cash Advances prohibited.
Revision 21	9/24/20	Process Owner	Review document and update information for the forms changes.
Revision 22	8/19/21	Process Owner	Review document and update link for PCRG document, updated Bank of America's name and acronym.
Revision 23	6/23/22	Process Owner	Updated transaction limits, changed verbiage and fixed broken hyperlinks.
Revision 24	8/2/22	Process Owner	Remove reference and requirement for Employee Entertainment Expenditure Form (EEF).

Revision 25	1/8/24		Update inactive card review, title page, contact information, STL, and other general document clean ups
Revision 26	3/18/24		Update STL