



## BOISE STATE UNIVERSITY

University Policy 6140

# P-Card

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### **Effective Date**

June 2004

### **Last Revision Date**

November 2015

### **Responsible Party**

Chief Financial and Operating Officer and Vice President for Finance and Operations, (208) 426-1200

P-Card Administrator, (208) 426-1795

### **Scope and Audience**

This policy applies to all purchases made using University P-Cards.

### **Additional Authority**

- Idaho Code § 59-1026
  - University Policy 1020 (University Records, Archives, and Publications)
  - University Policy 6000 (Fiscal Misconduct)
  - University Policy 6240 (Meals and Refreshments)
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## **1. Policy Purpose**

To establish policy governing P-Card purchases made with University funds.

## 2. Policy Statement

- a. The Purchasing department delegates small dollar purchasing authority to departments via use of a Purchasing Card (P-Card). P-Cardholders (Cardholders) and departments are required to maintain the integrity of the P-Card program by understanding and adhering to the policy and procedures governing use of a P-Card. This includes attending training sessions sponsored by University Financial Services. Cardholders who do not comply with the policy and procedures may have their P-Card privileges temporarily or permanently revoked by their department or the University P-Card Administrator (P-Card Administrator).
- b. This policy provides the framework governing departmental P-Card use. Cardholders and departments should rely on the following references for details on account management:
  - Cardholders should refer to the Boise State University [P-Cardholder User Guide](#)
  - Departments should refer to the Boise State University [P-Card Approver Guide](#)

## 3. Responsibilities and Procedures

### 3.1 General Guidelines for P-Card Issuance

- a. Departments may request P-Cards for their employees as necessary for business.
  - Cardholders must be employees of Boise State University.
  - Temporary, student employees, or department (group) P-Card accounts may be established upon review and approval from the Purchasing Director.
- b. To submit a new application for a new account, submit a [P-Card request](#).
- c. Cardholders must review and sign a [Cardholder Certification and User Agreement](#) upon card issuance and with each subsequent account renewal.

#### 3.1.1 Limits

- a. P-Card accounts must have both a single transaction and a monthly limit.

- b. Based on the cardholder's purchasing needs, departments may specify limits up to the current university maximum for both single transactions and monthly limits.
- c. University maximum limits are determined by Purchasing and referenced on the current [P-Cardholder Application form](#).
- d. If warranted, the Purchasing Director may grant an exception to the limit maximum (single or monthly) on a P-Card.

### 3.2 Changes to Existing P-Card Accounts

Changes to P-Card accounts such as limit increases and decreases, merchant category unblocks, replacement due to damage or name changes, and account closures should be communicated by completing and forwarding the [P-Card Account Maintenance](#) form to the P-Card Administrator.

### 3.3 Cardholder Responsibilities (See [P-Cardholder User Guide](#) for detailed information)

- a. Cardholders are responsible for the security of the card and account number.
- b. Cardholders are required to review P-Card policy and procedures and have an understanding of what constitutes an authorized (or unauthorized) P-Card purchase.
- c. Cardholders are responsible for managing their own P-Card account, which includes reviewing and reconciling transactions and submitting required documentation in a timely manner.
- d. Cardholders must report lost or stolen cards immediately to the University's official bank), their department, and the P-Card Administrator (see [P-Card Contact Information](#)).

### 3.4 Account Closure

- a. Upon employee separation, transfer, or if a P-Card account is deemed no longer necessary, the terminating employee or the department issuing the account may request closure of a P-Card account by completing a [P-Card Account Maintenance form](#).
- b. Cardholders are responsible for providing all necessary P-Card documentation to their department before their departure date.
- c. Cardholders may be held personally liable for unsupported transactions, and the amount may be deducted from the Cardholder's paycheck or recovered through other means.

- d. Departments must notify the P-Card Administrator if a Cardholder is placed on an extended administrative or medical leave, or if a situation warrants immediate account suspension.

### 3.5 Authorized P-Card Purchases

P-Cards are intended for small dollar purchases of products and supplies needed during the course of business. Purchases against state contracts up to the single transaction limit on the account may be made from vendors willing to accept P-Card. Some common purchases include:

- Office and class supplies
- Advertising expenses (newspaper ads, other media)
- Books, subscriptions, work-related membership/organizational fees
- Meal and refreshment expenses in compliance with [University Policy 6240 \(Meals and Refreshments\)](#)
- Travel and field trip expenses as specified in the [P-Cardholder User Guide](#) Travel authorization approving business travel expenses is required before the payment of a travel-related expense
- Non-employee expenses for job candidate airfare and lodging

### 3.6 Unauthorized P-Card Purchases

Any purchase not approved by the department in advance, above account limits, or not allowed by University policy is considered unauthorized. Examples include:

- Alcoholic beverages
- Cash advances, salaries, and wages
- Computers, laptops, notebooks, and other personal computing devices
- Cellular phones and communication devices
- Fuel for personal vehicles

- Payment to, or on behalf of, Independent Contractors [IC] including lodging and airfare payment for IC (see University Policy 6150 - Independent Contractors for details).
- Personal expenses

### 3.6.1 Split Purchases

- a. Any action taken to bypass the limits set on the P-Card is prohibited.
- b. Vendors should not be asked to “split” a purchase. Deliberate splitting of purchases may result in suspension or revocation of a P-Card account.
- c. Use of the P-Card to “split” purchases to avoid the bid process will not be condoned and may result in revocation of the P-Card, and/or civil penalties.

### 3.6.2 Failure to Use Mandatory State Contracts

- a. State of Idaho contracts must be used for the purchase of goods and services if the needed items are available from a contract vendor. Cost cannot be a factor in choosing an off-contract vendor.
- b. View the [Statewide Contracts and Price Agreements](#) to determine the availability of goods and services needed.

Failure to comply with the above guidelines may result in cancellation of card privileges, reimbursement to the University, and/or other disciplinary actions.

### 3.7 Reconciliation of P-Card Transactions

- a. P-Card reconciliation is managed by departments utilizing the online application provided by the University’s official bank. (View the University [P-Card Approver Guide](#) for current procedure detail)
- b. P-Card transactions must be accurately identified and allocated to ensure data is ready for posting to university financial reports by the required due date. View the University [P-Card Due Dates](#) for current schedule. Departments may set an earlier due date for cardholder sign off if necessary.

- c. A cardholder statement (or spend report) signed by the cardholder, original receipts and supporting documentation must be maintained by the department and produced for auditors upon request.
- d. Failure to reconcile p-card transactions and/or failure to submit required documentation may result in the suspension or revocation of the P-Card.

### 3.7.1 Documentation

- a. Storage and safekeeping of receipts and P-Card documentation is the responsibility of the department. P-Card documentation must be maintained for a minimum of five years. See [University Policy 1020 \(University Records, Archives, and Publications\)](#) for more information.
- b. P-Card documentation includes:
  - Printed and signed cardholder statement (or card spend report) with original receipts
  - Meals & Refreshment forms and other required documentation when applicable
  - Any other documentation required by the cardholder's department and/or supporting the business purpose of the purchase
  - Authorization of expense form signed by manager

### 3.7.2 Disputed Charges

Cardholder must attempt to resolve discrepancies, quality, or service issues directly with the merchant. If the matter cannot be resolved directly with the merchant, contact the University P-Card Administrator for assistance.

### 3.7.3 Fraudulent or Unauthorized Transactions

Cardholders must report any unauthorized or unrecognizable transactions to the University P-Card Administrator or the university's official bank immediately upon discovery. (see [P-Card Contact Information](#)).

### 3.7.4 Returns, Damaged Goods, and Credits

The cardholder must contact the merchant to return goods purchased with a P-Card. Please refer to the [P-Cardholder User Guide](#) for more detailed information on returns.

### 3.8 Auditing

- a. Departments and cardholders are responsible for providing requested documentation to facilitate the auditing process.
- b. P-Card transactions will be sampled and audited on a monthly basis to confirm compliance with federal and state law, state policy, and Boise State University policy and procedure. Violations may result in deductions from employee paychecks for unauthorized, illegal, or undocumented purchases; suspension or revocation of card; and personnel action up to and including termination and/or criminal prosecution per [University Policy 6000 \(Fiscal Misconduct Policy\)](#) as appropriate based on the violation.

### 3.9 Exceptions

The Purchasing Director or designee may grant exceptions to the above policy if deemed necessary, and if the exception is in the best interests of Boise State University.

## 4. Forms

Cardholder User Agreement

<https://app.smartsheet.com/b/form/1dd579d5bf4244d29ecf4d3f3cd47d62>

P-Card Account Maintenance Form

<https://app.smartsheet.com/b/form/1dd579d5bf4244d29ecf4d3f3cd47d62>

P-Card Request

<https://app.smartsheet.com/b/form/1dd579d5bf4244d29ecf4d3f3cd47d62>

## 5. Related Information

P-Card Approver Guide

<https://www.boisestate.edu/vpfa-ufs-training/purchasing-goods-and-services/p-card/>

P-Card Contact Information

<https://www.boisestate.edu/vpfa-ufs-training/purchasing-goods-and-services/p-card/>

P-Cardholder User Guide

<https://www.boisestate.edu/vpfa-ufs-training/purchasing-goods-and-services/p-card/>

P-Card Due Dates

<https://docs.google.com/presentation/d/1NHBvytHTThiLVibz-UMw5-B-gBERLDesqYOD87cNKq0/edit?usp=sharing>

Statewide Contracts and Price Agreements

<https://www.boisestate.edu/vpfa-p2p/contracts-and-price-agreements/>

University Policy 1020 (University Records, Archives, and Publications)

<https://www.boisestate.edu/policy/governance-legal/university-records-archives-publications/>

University Policy 6000 (Fiscal Misconduct)

<https://www.boisestate.edu/policy/finance/policy-title-fiscal-misconduct/>

University Policy 6150 (Independent Contractors)

<https://www.boisestate.edu/policy/finance/policy-title-independent-contractors/>

University Policy 6240 (Meals and Refreshments)

<https://www.boisestate.edu/policy/finance/policy-title-meals-and-refreshments/>

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## Revision History

October 2007; May 2011; November 2015