



# **PCARD MANUAL**

**WEST VIRGINIA UNIVERSITY &  
WEST VIRGINIA UNIVERSITY RESEARCH CORP**



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## 1. INTRODUCTION

### 1.1. General

This manual contains the policies and procedures associated with West Virginia University's (WVU) and West Virginia University Research Corporation's (WVURC) procurement card (PCard) programs. Throughout this manual, these programs are jointly referred to as the University's "PCard Program."

Variations between the two programs are marked with the  icon.

### 1.2. Statutory Authority

The State of West Virginia PCard Program was created and implemented in 1996 by West Virginia Code, §12-3-10a, and is governed by Legislative Rule, 155 CSR 7. The State Auditor's Office, PCard Division serves as the Program Administrator for the State PCard Program.



WVURC's PCard Program is not covered by the statutory authorities above. The Treasurer of WVURC serves as the Program Administrator.

### 1.3. Scope

The PCard may be used to make payment for goods and designated services as permitted by PCard and Procurement Policies and Procedures.

### 1.4. Policy

The WVU PCard Program Manual is promulgated by the WVU PCard Policy, which can be found at: <http://financediv.wvu.edu/policies>.

It is the policy of the University that all Deans, Directors, Designees, Chief Business Officers (CBO), Expert Business Office (EBO) personnel, Departmental Card Coordinators (DCC), and cardholders must be knowledgeable of and follow all PCard policies and procedures and applicable procurement policies and procedures.

For procurement questions, the University's Procurement, Contracting and Payment Services Department (PCPS) may be contacted at 293-5711.

## 2. PROPER OVERSIGHT

### 2.1. Roles and Responsibilities

A community of people within the University share financial stewardship of the University's PCard program, even though they play different roles. Listed below are seven primary roles. Keep in mind that these are roles, not job descriptions, so an individual may function in more than one of these capacities.

- Agency PCard Coordinator
- PCPS PCard Administration
- Dean, Director or Designee
- College/Division PCard Administrator
- Departmental Card Coordinator (DCC)
- Supervisor
- Cardholder

### 2.1.1. Agency PCard Coordinator

A. WVU's Chief Financial Officer or their designee shall serve as WVU's Agency PCard Coordinator.



B. WVU Research Corporation's Treasurer or their designee shall serve as the WVURC's Agency PCard Coordinator.

C. The Agency PCard Coordinator's role is to provide leadership and oversight for the University's PCard Program, establish the policies and procedures which govern the Program, ensure the effectiveness of the Program in meeting established objectives, and seek improvements in operational processes.

D. Areas of responsibility include, but are not limited to the following:

i. Review the compliance of the Program with established University policies, procedures, and the requirements set forth herein.

ii. Report any serious instances of misuse, abuse, or fraud on a WVU PCard to the State Auditor's Office, PCard Division.



iii. Report any serious instances of misuse, abuse, or fraud on a WVURC PCard to WVURC's Treasurer.

iv. Require any employee who becomes aware of an instance of unlawful use, possible fraud, misappropriation, or mismanagement with the PCard to report such discovery immediately.

v. Approve internal control plans for all WVU Business Offices.

### 2.1.2. PCPS PCard Program Administration

A. The University's Procurement, Contracting and Payment Services Department (PCPS) is responsible for the administration of all University PCard Programs.

B. Areas of responsibility include, but are not limited to the following:

i. Administer cardholder enrollment, modifications, suspension, or cancellation.

- ii. Provide relevant PCard training to coordinators and cardholders.
- iii. Maintain cardholder information, applications, and maintenance forms in a secure manner.
- iv. Assist coordinators and cardholders in the resolution of disputes, unauthorized use claims, and/or lost or stolen PCards.
- v. Assess requests for exemptions to the current University PCard Program policies and procedures.
- vi. Coordinate and disseminate the PCard mapping schedules.
- vii. Develop a system for monitoring PCard activity for compliance and conduct periodic reviews of College/Division Business Offices to ensure compliance.
- viii. Determine instances of violations of the PCard policies and procedures and apply the appropriate disciplinary action.

### **2.1.3. Dean, Directors, or Designees**

The Dean, Director, or designee of each College/Division is responsible for ensuring that all employees with PCard responsibilities within their respective area comply with the established internal controls and relevant policies and procedures. The Dean, Director or Designees must be knowledgeable of all WVU PCard and Procurement policies and procedures.

### **2.1.4. College/Division Expert Business Office**

Within each Business Office, the Chief Business Officer or their designee serves as the College/Division PCard Administrator. The College/Division PCard Administrator must be knowledgeable of all WVU PCard and Procurement policies and procedures. The College/Division PCard Administrator's responsibilities include, but are not limited to:

#### **A. Policies and Procedures**

- i. Establish the internal PCard management and controls procedures within the College/Division and submit to PCPS PCard Administration for approval. Address any additional controls as recommended by PCPS PCard Administration or auditors.
- ii. Ensure a clear-cut segregation of duties exists with the delegation of authority for PCard usage. For example, the individual who authorizes a purchase is not the individual who reconciles the purchase.

- iii. Monitor and oversee the College/Division's PCard program to ensure that internal controls are in place to prevent misuse.
- iv. Ensure that the College/Division's cardholders follow all PCard policies and procedures.
- v. Disseminate updated PCard policies, procedures, or other general information to all DCC's within the College/Division.
- vi. Report any instance of misuse, abuse, or fraud to PCPS PCard Administration.

**B. Administrative**

- i. Review and approve all PCard applications for the College/Division prior to submission to PCPS PCard Administration. Verify the applicant's employee status and ensure the PCard limits are reasonable based on the applicant's duties and responsibilities.
- ii. Review PCard limits for their cardholders on an annual basis (at a minimum) to ensure that each limit is necessary and reasonable.
- iii. Assign an adequate number of DCC's in the College/Division to support the timely workflow processes relevant to PCard activity.
- iv. Notify PCPS PCard Administration of any changes in appointments of DCC's within the College or Division.

**C. Documentation and Reconciliation**

- i. Conduct independent reviews of all source documents, transactions, and receipts to ensure they are appropriate and that budgetary permission and/or supervising authorization are part of the approval process.
- ii. Ensure all designated DCC's have the documentation necessary to perform the PCard duties as assigned. For example, a copy of the itemized budget and budget narrative approved by the agency sponsor for a sponsored research grant or contract.
- iii. Assist DCC's if a cardholder is not responsive to requests for missing information or documentation for PCard transactions.

**2.1.5. Departmental Card Coordinator (DCC) Responsibilities**

The DCC's role is to ensure the integrity and accuracy of all PCard transactions within their assigned area of responsibility. The DCC must be knowledgeable of all PCard

and Procurement policies and procedures, as well as the College/Division's internal control procedures.



**Remember! The Supervisor/Approver cannot also be the DCC.**

Areas of responsibility include, but are not limited to the following:

**A. Policies and Procedures**

- i. Ensure that all cardholders under their assigned area of responsibility follow all PCard and Procurement policies and procedures.
- ii. Disseminate any updated PCard policies, procedures, and/or other general information to their assigned cardholders.
- iii. Notify the College/Division PCard Administrator and PCPS PCard Administration of any misuse, abuse, or fraud completed by their cardholders.

**B. Administrative**

- i. Complete the DCC Training prior to assuming DCC responsibilities and annually thereafter. A DCC who has not completed the annual refresher training within 30 days of their training deadline will have their authority within the PCard software revoked until training has been completed. For information on training, please visit:
  - <http://procurement.wvu.edu/payment-services/pcards>
- ii. Complete the DCC Agreement prior to assuming DCC responsibilities. This agreement can be found at:
  - <http://procurement.wvu.edu/payment-services/pcards>
- iii. Ensure proper completion and submission of applications, cardholder agreements, and maintenance requests.
- iv. Ensure that PCards are collected, cancelled and destroyed upon termination or separation from employment.
- v. Assist the cardholder in the submission of required forms for disputed and/or unauthorized transactions.

**C. Documentation and Reconciliation**



- i. Review transaction receipts and all required source documents and reconcile with the PCard software to ensure that each transaction is coded properly within the mapping deadline and that an appropriate business purpose is provided.
- ii. Ensure that each transaction is within the approved budget for the account charged based on the review of the account budget and/or sponsored research award/contract budget.
- iii. Organize and submit the monthly statements to cardholders each month; ensure that supervisor/approver authorization is provided for each charge.
- iv. Contact their College/Division PCard Administrator if a cardholder is not responsive to requests for missing information or documents.
- v. Maintain all PCard records in a secured location in accordance with WVU's Record Retention Policy.

#### **2.1.6. Supervisor/Approver Responsibilities**

The supervisor/approver's role is to ensure that each transaction is allowable, allocable, and reasonable to the award or account, adequate budget balance, and in compliance with WVU PCard and Procurement policies and procedures. This individual may be the cardholder's direct supervisor, budget controller, or Principal Investigator (PI) for sponsored awards.



**Remember! The Supervisor/Approver cannot also be the DCC.**

Areas of responsibility include, but are not limited to:

##### **A. Policies and Procedures**

- i. Ensure that all cardholders under their supervision follow all PCard and Procurement policies and procedures.
- ii. Notify the College/Division PCard Administrator and PCPS PCard Administration of any misuse, abuse, or fraud completed by their cardholders.

##### **B. Documentation and Reconciliation**

- i. Review, approve, and sign all monthly statements for cardholders under their approval; return all documents to the DCC for record retention.
- ii. Ensure that each transaction is within the approved budget for the account charged (based on the knowledge of the account budget

and/or sponsored research award/contract budget) and the purchase complies with all regulatory authorities for grant funded purchases.

### 2.1.7. Cardholder Responsibilities

The cardholder is responsible for any transaction charged to their PCard. Cardholders must be knowledgeable of all PCard and Procurement policies and procedures, as well as any relevant policies and procedures of any regulatory agencies from which he/she is making grant funded transactions.

Areas of responsibility include but are not limited to the following:

#### A. Policies and Procedures

Ensure that all transactions are in compliance with PCard and Procurement policies and procedures.

#### B. Administrative

- i. Ensure proper completion and submission of applications, cardholder agreements, and maintenance requests.
- ii. Complete training before a PCard can be issued and biennially thereafter.
- iii. Ensure security of their PCard and card information.
- iv. Notify the vendor that both WVU and WVURC are tax exempt for in-state vendors prior to placing order.

#### C. Documentation and Reconciliation

- i. Submit receipts and other required documentation to their DCC within **three (3) business days of the date the goods were received.**
- ii. Review and sign their monthly statements to ensure all transactions were for authorized business use and complies with all regulatory authorities for grant funded purchases; then forward the statement to their supervisor for approval.
- iii. Report any misuse, abuse, or fraud to their DCC.
- iv. Ensure that a business purpose is provided and documented for every transaction.
- v. Contact the vendor to resolve disputes and complete the required dispute process.

- vi. Contact the bank for unauthorized transactions on their PCard, complete the required unauthorized use affidavit.

## 2.2. Internal Controls and Segregation of Duties

Internal controls are the procedures put in place to provide reasonable assurance regarding the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

Each College/Division is required to design a sufficient internal controls structure to ensure compliance with PCard Policies and Procedures. Each College/Division is required to document their individual internal control procedures and to communicate those guidelines to its cardholders.



**Remember! A DCC cannot handle all aspects of the PCard process within their area. A DCC cannot review and approve their own charges or their immediate supervisor's charges.**

The WVU PCard Internal Controls Document must be completed upon request by the College/Division PCard Administrator and submitted to PCPS PCard Administration for approval. In those cases where it is determined that internal controls are not adequate, PCPS PCard Administration has the authority to request policy improvements and/or place card restrictions on the College/Division PCard program until such controls are established, documented and implemented.

## 3. HOW TO OBTAIN A PCARD

### 3.1. Who Can Request?

PCards are issued to WVU or WVU Research Corporation employees at the request of the College/Division PCard Administrator. Except upon written waiver by PCPS PCard Administration, a cardholder must be an employee of West Virginia University or the WVU Research Corporation. Any waiver request must be submitted by the College/Division PCard Administrator to PCPS PCard Administration at [pcardadministration@mail.wvu.edu](mailto:pcardadministration@mail.wvu.edu).

Before an employee's application for a PCard will be accepted, the employee must have successfully completed the following:

- **Cardholder Training and Quiz**
- **Cardholder Agreement**

### 3.2. Training



All cardholders are required to receive training prior to having access to a PCard or the PCard software. For State cardholders, two separate training sessions and quizzes are required. One

session being on the West Virginia’s Ethics Act. WVURC cardholders are required to complete the WVURC Cardholder Training and quiz provided by PCPS PCard Administration; however, if the WVURC cardholder has a State PCard, he/she does not need to take the WVURC training, as he/she has already taken the State training. For information on how to access this training, please visit:

- <http://procurement.wvu.edu/payment-services/pcards>



**Remember! DCC’s who are also cardholders must only complete the required DCC training. This includes both State and RC DCC’s.**

### 3.3. Cardholder Agreements

Upon completion of training, cardholders must complete a Cardholder Agreement. This agreement signifies that the applicant acknowledges that he or she has had adequate training, understands the PCard policies and procedures, and accepts responsibility for compliance.

### 3.4. Application Process

After completing the required training and cardholder agreement, an application must be completed. For instructions on how to complete the PCard application, please visit:

- <http://procurement.wvu.edu/payment-services/pcards>

This application also includes the cycle/monthly and single transaction limits, which are set based on the cardholder’s job responsibilities. The following limits in Table 1 require written justification and are subject to approval by PCPS PCard Administration:

<b>Table 1: PCard Credit Limits</b>	
<b>Limit</b>	<b>Dollar Threshold</b>
Cycle / Monthly	> \$25,000
Single Transaction	> \$5,000

PCPS PCard Administration shall conduct a utilization study of the University’s PCard credit limits on at least an annual basis to determine if each PCard requires its current limit. If the study concludes that a PCard has not been used for 6 months, the PCard may be lowered to \$1. If a PCard has been used, but clearly does not require its current limits, PCPS PCard Administration will work with the EBO to determine a new, more appropriate limit.

### 3.5. Card Activation

After the application has been processed, the PCard will be mailed directly to PCPS PCard Administration and will be ready for the DCC to pick up. Cardholders must sign the back of the PCard upon receipt. The cardholder is responsible for activation. Instructions for activation will be included with their new card.

### 3.6. Keeping the PCard Secure

The PCard must be kept in a secure location that only the cardholder has access to, with physical controls present to ensure the security of both the PCard and the PCard records. In addition, only the last six (6) digits of the card number should be included on any documentation.



**Remember! Listing your entire card number on any documentation, including emails, is prohibited.**

### 3.7. Card Delegation

Card delegation is the practice of allowing an individual other than the cardholder to have:

- A. Physical possession of the PCard to make payments to point of sale vendors;
- B. Access to the card number and expiration date to make payments via telephone, internet, or in person; or
- C. Access to receipts or invoices that display the card number and expiration date.

**Remember! Card delegation is strictly prohibited for both State and WVURC PCards.**



College/Division, PCard Administrators and DCC's are responsible for ensuring card delegation does not take place within their area, and must notify PCPS PCard Administration of any instances of card delegation.

## 4. HOW TO USE A PCARD

### 4.1. General

#### 4.1.1. Official Business Only

The PCard is for official University business only; personal charges are strictly prohibited.

#### 4.1.2. Must Comply with Procurement Rules

The PCard may be used for the payment of goods and services that are not prohibited for payment by PCard or Procurement policies. All current Procurement policies must be followed, regardless of the method of payment. Any questions concerning procurement rules, policies, or procedures should be referred to Procurement, Contracting and Payment Services at [pcps@mail.wvu.edu](mailto:pcps@mail.wvu.edu).

### 4.1.3. Must Determine Price to be Fair & Reasonable

For Each transaction, the cardholder must first determine that the price being charged is fair and reasonable.


### 4.1.4. Must Comply with Ethics Rules

All purchases made by WVU employees using a PCard must comply with the WV Ethics Act. You can view the Ethics Act at:

- <http://www.ethics.wv.gov/Pages/default.aspx>

## 4.2. Unallowable Purchases

There are specific items that cannot be purchased using the PCard unless a waiver is granted by PCPS PCard Administration prior to the purchase. They include, but are not limited to the purchases listed in Table 2.

Table 2: Unallowable Purchases	
Item	Includes
Alcohol	 An exception may be granted for designated individuals and/or events funded by WVURC (*).
Animals	Live Animals
Cash	Cash advances or cash credits
Catalog Items Available in Mountaineer Marketplace	Including, but not limited to: office supplies, computer supplies, lab supplies/equipment, MRO supplies, furniture, etc.
Construction	Also includes subcontracted construction that includes labor.
Employee Items	Flowers, cards, gift baskets, etc.
Fuel	For personal vehicles
Hazardous Materials	No additional information.
Invoices or Orders over \$5,000 (including association dues and payments to internal departments)	With the exception of travel expenses and dining services' resale items.
Meals & Personal Expenses	Including while on business travel: Room service, in-room movie expenses, and/or personal calls. See the WVU Travel Guidelines for travel information: <a href="http://procurement.wvu.edu/payment-services/travel">http://procurement.wvu.edu/payment-services/travel</a>

Purchase Order payments	Any good/service bought by Purchase Order. Invoices for items purchased through PO's must be processed through Mountaineer Marketplace.
Personal Items/Gifts	No additional information.
Radioactive Materials	No additional information.
Weapons, firearms, and ammunition	No additional information.

(\*). Exceptions must be secured from the WVURC Treasurer before charges are incurred.

### 4.3. Purchases that Require Additional Approvals

Certain purchases are permitted on the PCard, but require additional approvals and/or additional documentation, including the items in Table 3.

Table 3: Purchases Requiring Additional Approvals		
Purchase	Obtain Pre-Approval From	Notes
Agreements /Contracts	<ul style="list-style-type: none"> <li>Chief Procurement Officer (CPO)</li> </ul>	Purchases that require execution of an agreement
Gift or Debit Cards	<ul style="list-style-type: none"> <li>PCPS PCard Administration</li> </ul>	If grant-funded, all applicable rules & regulations must be followed. State funded requests must also be approved by the WV State Auditor's Office. For instructions on requesting approval, please visit: <a href="http://procurement.wvu.edu/payment-services/pcards">http://procurement.wvu.edu/payment-services/pcards</a>
Software	<ul style="list-style-type: none"> <li>ITS</li> </ul>	Approval can be obtained online at: <a href="http://it.wvu.edu/services/software">http://it.wvu.edu/services/software</a>

### 4.4. Ordering Using the PCard

The PCard should only be used to place orders via in person, phone, mail, fax, or secured internet site. If using 3<sup>rd</sup> party check out processors (i.e. PayPal), cardholders must ensure that that the transaction is an allowable purchase and complies with all PCard and Procurement policies and procedures. Supervisors and DCC's must also review for compliance (See Section 6).



**Remember! A "secured site" has a closed "lock" at the bottom of the screen.**

Certain vendors may charge a fee for paying via the PCard. This fee can only be a flat rate charge. Vendors may not charge a percentage of the purchase as a convenience fee.

Tax Exempt Status: WVU and the WVU Research Corporation are tax exempt and should not pay tax to in-state vendors. Cardholders should remind vendors of the tax-exempt status

**before** initiating a transaction. The words “Tax Exempt” and the WVU’s tax identification number are printed on the State PCard. The cardholder may be required to provide the vendor with a copy of the WVU or WVURC tax-exempt certificate upon request. Tax-exempt certificates can be found at: <http://taxservices.wvu.edu/home>.



**Remember! Citibank will not process disputes concerning tax. If a cardholder is charged with tax for an in-state vendor, he/she must contact the vendor to request a credit for the tax charged. If the vendor will not remove the tax, proof should be kept with the transaction documentation (i.e., email, log entry, written note).**

#### 4.5. Returns

Any returned goods must be credited to the PCard. Debit cards, gift cards or cash are not an acceptable method of receiving refunds for returned goods. Any deviation from this policy must be reported to PCPS PCard Administration at [PCardadministration@mail.wvu.edu](mailto:PCardadministration@mail.wvu.edu). To return a good, please contact the vendor.

#### 4.6. Disputing Charges

A disputed item may result from failure to receive goods, defective merchandise, incorrect amounts being charged, duplicate charges, or credits not yet received. The first step in the dispute process is for the cardholder to contact the vendor and attempt to resolve the problem. If the vendor is unwilling to resolve the issue, the dispute process will need to be completed within 60 calendar days of the statement date that contains the disputed item. For instructions on how to dispute a charge, please visit:

- <http://procurement.wvu.edu/payment-services/pcards>



**Remember! If you consistently have problems with a State PCard vendor, a PCard Vendor Complaint Form should be submitted to the State Auditor’s Office, PCard Division. The State Auditor’s Office will work with WVU and the vendor to seek a resolution. This form can be found at:**

- <https://www.wvsao.gov/PurchasingCard/StateGovernment/Forms.aspx>.



If you consistently have problems with a WVURC PCard vendor, please contact [PCardAdministration@mail.wvu.edu](mailto:PCardAdministration@mail.wvu.edu).

#### 4.7. Unauthorized Purchases

Transactions that appear fraudulent, meaning the cardholder did not place the order, should be reported to the bank immediately. For instructions on reporting these transactions, please visit:

- <http://procurement.wvu.edu/payment-services/pcards>



#### 4.8. Lost or Stolen Cards

To limit cardholder liability, cardholders must immediately report lost or stolen PCards to the bank and their DCC. DCC's must then report the activity to PCPS PCard Administration, and a maintenance form will need to be completed. To contact the bank, please dial: 1-800-790-7206 or 1-800-VISA911.

#### 4.9. Stringing

Stringing of payments is prohibited. Stringing is the intentional manipulation of the ordering, billing, or payment process in order to circumvent the transaction and/or bid limit. Stringing includes:

- Splitting an invoice exceeding the transaction and/or bid limit into more than one transaction
- Colluding with a vendor to split an order into separate invoices.

#### 4.10. Employee Recognition Purchases

The West Virginia Ethics Commission provides specific guidelines for procurement items for employee recognition or retirement. These guidelines can be found at:

- <http://www.ethics.wv.gov/Pages/forms.aspx>.

## 5. HOW TO MAKE CHANGES TO A PCARD

### 5.1. Changes to the PCard

All requests for modifications to a cardholder's account, such as those listed below, must be emailed to PCPS PCard Administration by the DCC or College/Division PCard Administrator to make modifications to a cardholders account.

- Cardholder Name
- Address
- Cycle or transaction limit
- Card cancellation



**Remember! All requests for single transaction limits above \$5,000 and cycle/monthly limits above \$25,000 require justification/ approval by the College/Division PCard Administrator. These requests are subject to approval by PCPS PCard Administration.**

## 5.2. Canceling a PCard

All PCards must be cancelled immediately upon termination or separation from employment. The DCC is responsible for ensuring that the PCard is destroyed and that a PCard maintenance request is completed and forwarded to PCPS PCard Administration.

# 6. TRANSACTION DOCUMENTATION & RECONCILIATION

## 6.1. Cardholder Responsibilities - General

Cardholders are responsible for the review, acknowledgement or dispute of all transactions that appear on their PCard statement. Documentation must be obtained for each transaction placed on the PCard and must be available upon request by PCPS PCard Administration.

## 6.2. Receipt Requirements

An itemized receipt must be provided by the Cardholder to his/her DCC for each transaction placed on the PCard. The receipt must be legible, itemized, and contain the vendor's name and location. A receipt description, which only states "Miscellaneous" or "Merchandise" or only includes a vendor's stock or item number, is not acceptable.

In the event that an acceptable form of receipt is not available, the cardholder must complete the PCard Receipt Exception Form and forward it to the DCC. This form can be found at:

- <http://procurement.wvu.edu/payment-services/pcards>



**Remember! Cardholders must submit their documentation to their DCC within three (3) business days of the date the goods are received or return from official travel.**

Documentation for each transaction must include:

- Itemized receipt signed by the cardholder and dated (goods received date)
- Definitive, appropriate business purpose
- Additional documentation required for certain purchases (travel authorization, hospitality form, gift card approval, etc.)



**Remember! If a cardholder does not provide the required documentation within three (3) business days of the initial request by the DCC, their PCard will be deactivated until acceptable documentation is received. This event will also trigger an escalation process where the cardholder's supervisor, Dean/Director, and Vice President will be notified of the cardholder's unresponsiveness.**

### **6.3. What is an “appropriate business purpose”?**

The business purpose should indicate why the expenses are reasonable, appropriate, and needed for University business, not simply what was purchased. For transactions funded by sponsored awards, the business purpose must be determined by reviewing the award’s purpose, terms, and conditions. For examples of appropriate and insufficient business purposes, please visit: <http://procurement.wvu.edu/payment-services/pcards>.

### **6.4. Review and Reconciliation**

#### **6.4.1. Review of Individual Transaction Receipts**

DCC’s must review the individual transaction receipts to ensure the following:

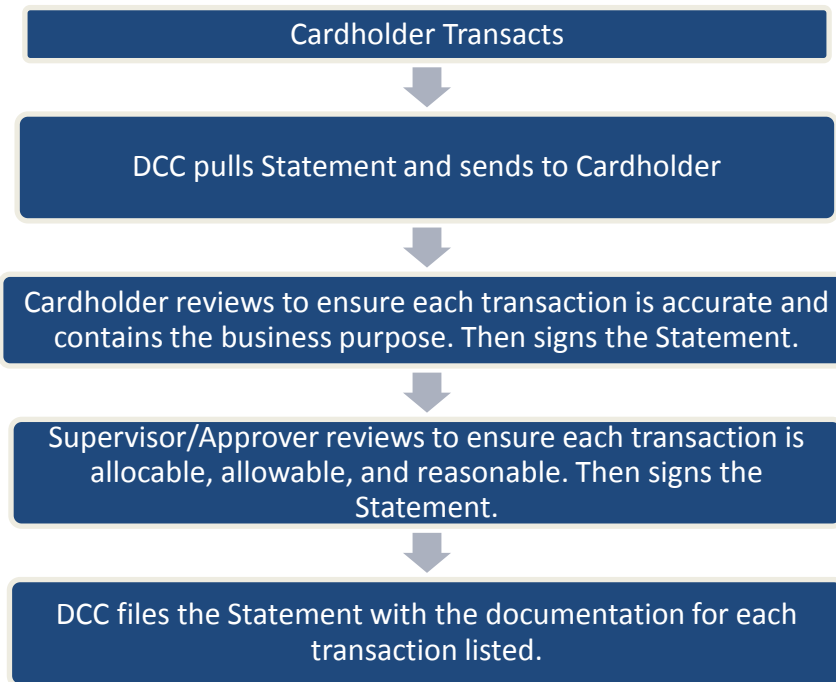
1. The receipt is itemized and legible
2. An appropriate business purpose is provided
3. The cardholder has signed and dated the documentation
4. The expense is allowable (See section 4.2)
5. Any additional required authorization is provided (See section 4.3)

After reviewing the documentation, the DCC must log into the PCard software to ensure that the proper accounting codes have been assigned to each transaction. This reconciliation must be completed in the software by the deadline provided by WVU PCPS PCard Administration.

#### **6.4.2. Monthly Statements**

Each month, cardholder statements are generated in the PCard software. In order to ensure that each charge is legitimate, accurate, and for official university business, the following process must be followed:

### Process for Monthly Statement Review



#### 6.5. Records Retention

The WVU Division of Finance Policy # 18 must be followed for the retention of all PCard receipts, applications, and additional documentation. This policy can be found at: <http://procurement.wvu.edu/manuals-procedures>.

No PCard records may be destroyed without prior approval notification from PCPS PCard Administration.



**Remember! This policy does not supersede any retention requirements imposed or required by any federal, state, or local granting/contract agency.**

## 7. TRANSACTION REVIEWS

#### 7.1. General

*West Virginia Code*, §12-3-10b, states: “It is unlawful for any person to use a state PCard, issued in accordance with the provisions of section ten-a of this article, to make any purchase of goods or services in a manner which is contrary to the provisions of section ten-a of this article or the rules promulgated pursuant to that section. Any person who violates the provisions of this section is guilty of a felony and, upon conviction thereof, shall be confined in the penitentiary not less than one nor more than five years, or fined no more than five thousand dollars, or both fined and imprisoned.”



**Remember! The DCC and/or College/Division PCard Administrator must notify PCPS PCard Administration of any fraud, misuse, or abuse. This notification must include any documentation supporting the claim.**

The PCard is a privilege, not a right, and action will be taken for fraud, misuse or abuse of the PCard. Supervisors are encouraged to consider these instances when taking corrective disciplinary action.

## **7.2. Card Misuse, Abuse, and Fraud**

### **7.2.1. Card Misuse and Abuse**

Misuse/Abuse is the improper, unlawful or incorrect use, compromise or misapplication of the PCard. Examples include, but are not limited to:

- i. Failure to maintain security protecting your PCard and/or card information.
- ii. Paying for items for which the PCard is not authorized.
- iii. Using the PCard to violate Procurement policies and procedures. This includes using the PCard to purchase/pay for items that should have been processed through Mountaineer Marketplace.
- iv. Purchase of authorized goods or services, at terms (e.g. price, quantity) that are excessive.
- v. Failure to provide required documentation upon request by PCPS PCard Administration.
- vi. Card Delegation.
- vii. Failure to obtain required authorization prior to purchase.

### **7.2.2. Fraud**

Fraud is a deception deliberately practiced in order to secure unfair or unlawful gain. Intentional use of the PCard to make purchases for personal use or for another individual is fraudulent and is prohibited.

Individuals using the PCard to knowingly pay for items intended for personal use will be subject to disciplinary action up to and including termination and prosecution under state law, and may be subject to civil action by the credit card company for personal liability.

## **7.3. Reviews completed by PCPS PCard Administration**

PCPS PCard Administration performs reviews of all WVU PCard transactions on a regular basis. Program evaluations and random compliance inspections of PCard transactions will be conducted by PCPS PCard Administration to ensure compliance with all PCard Policies and Procedures. Transaction receipts, reconciliation documentation, and related support documentation must be provided upon request. Failure to provide all required documentation is a violation of PCard policy and may result in the cancellation or restriction of the cardholder's PCard privileges.

Any serious finding or potential criminal violation of PCard policies and procedures must be reported promptly to PCPS PCard Administration or WVU Internal Audit. WVU is required to notify the State Auditor's Office, PCard Division of any serious findings or potential criminal violations on the State PCard.



PCPS PCard Administration is required to promptly notify the Treasurer for the WVU Research Corporation of any serious findings or potential criminal violations on the WVURC PCard.

**7.4. Failure to Follow PCard Policies and Procedures**

**7.4.1. Cardholders**

Cardholders failing to properly follow the PCard Policies and Procedures will be subject to action up to and including revocation or limitation of PCard privileges, a period of probation, and/or mandatory PCard training, as well as any corrective disciplinary action that may be taken by the Supervisor and/or department.

Misuse of the PCard will be handled promptly and uniformly for all cardholders. A point system has been established to assess violations. Table 4 lists each type of violation and the points assigned.

<b>Table 4: PCARD VIOLATION POINTS SYSTEM</b>	
<b>Violation</b>	<b>Point Value</b>
Authorizations Not Received	30
Business Purpose Not Provided	10
Card Delegation	150
Personal Purchase (Intentional)	150
Personal Purchase (Accidental)	50
Purchasing Violations	150
Receipt Not Provided or Submitted On Time	
1 <sup>ST</sup> Notice	0

2 <sup>nd</sup> Notice	10
3 <sup>rd</sup> Notice	30
4 <sup>th</sup> Notice	PCard Suspended
Unallowable Purchases (see Table 2)	75
Security Violations	50
Stringing of Purchases	150

The number of points assigned to each cardholder will remain on file within PCPS PCard Administration. Table 5 explains the action that will be taken once the cardholder has reached specific point totals. Please note: the total points per cardholder includes all points assigned to the cardholder over a rolling three (3) year period.

If card privileges are revoked, PCPS PCard Administration, at its sole discretion, may elect to reinstate the privileges after additional training or other corrective measures have been completed, depending on the severity of the violations. Remember: PCPS PCard Administration reserves the right to suspend a cardholder’s PCard privileges at any time if it is deemed to be appropriate, pending the completion of any investigation, or if the severity of the violation warrants such action.

<b>TABLE 5: CORRECTIVE / DISCIPLINARY ACTIONS</b>		
<b>Total Points (3 Year Total)</b>	<b>Actions (Taken By PCPS PCard Administration)</b>	<b>Parties Involved</b>
50	<ul style="list-style-type: none"> <li>• Corrective Notice by Email</li> </ul>	<ul style="list-style-type: none"> <li>• Cardholder</li> <li>• DCC</li> </ul>
100	<ul style="list-style-type: none"> <li>• Formal Memo</li> <li>• Mandatory Retraining</li> <li>• Counseling by PCPS PCard Administration</li> </ul>	<ul style="list-style-type: none"> <li>• Cardholder</li> <li>• DCC</li> <li>• Supervisor</li> <li>• PI (for sponsored awards)</li> </ul>
150	<ul style="list-style-type: none"> <li>• Formal Memo</li> <li>• Card Cancellation</li> </ul>	<ul style="list-style-type: none"> <li>• Cardholder</li> <li>• DCC</li> <li>• Supervisor</li> <li>• Dean/Director</li> <li>• PI (for sponsored awards)</li> </ul>

#### **7.4.2. DCCs**

Any DCC that fails to complete their responsibilities listed in Section 2.1.5 will be subject to disciplinary action up to and including mandatory retraining, meeting with PCPS PCard Administration, and/or revocation of privileges in the PCard software.

#### **7.4.3. Supervisors**

Any Supervisor/PI that approves/signs off on a transaction that violates policies and procedures will be reported to the Dean, Director, or Designee.

{End of document}

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Executed on December 1, 2013 by:

Daniel A. Durbin

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Daniel A. Durbin  
Senior Associate Vice President for Finance

Brenda Mowen

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Brenda Mowen  
Director, Procurement, Contracting & Payment Services



## GLOSSARY OF TERMS

### A

**Agency PCard Coordinator** - The individual designated to administer University PCard Programs.

**Allocable** - Cost has been incurred solely to support or advance the work of a specific sponsored research award or account.

**Allowable** - Cost must conform to any limitations or exclusions set forth in the sponsored agreement.

**Appropriate Business Purpose** – The specific business need for the goods or services purchased. This explanation should be brief, yet also detailed enough that an external party could determine how this purchase related to University business.

**Auditor's Office** – West Virginia State Auditor's Office.

### C

**Cancelation** – PCard is permanently closed with the bank provider.

**Card Delegation** - The practice of allowing an individual other than the cardholder whose name appears on the front of the PCard to have access to the PCard or PCard number to initiate or complete a transaction.

**Card Limit** - The maximum amount of credit assigned to an individual card. The maximum dollar amount provided for a specific PCard that can be accumulated during one single month/cycle.

**Cardholder** - Individual responsible for and named on a PCard.

**CBO** – Chief Business Officer.

**Chief Financial Officer** - The chief financial executive of the University or equivalent.

**College/Division PCard Administrator** – Chief Business Officer of the particular College or Division or his/her designee.

**CPO** – Chief Procurement Officer.

**Cycle** – Billing period provided by the bank. Typically one month in duration.

### D

**DCC** – Departmental Card Coordinator.

**Disputed Item** - Any transaction that results in a disagreement between the vendor and cardholder about a charge, such as incorrect products received, credit needed, incorrect pricing, etc.

**E**

**Electronic Signature** – Means an electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. (See WV Code 39A-1-2(8)).

**EBO** – Expert Business Office.

**F**

**Fraud** - Any transaction, intentionally made, that was not authorized by the cardholder.

**G**

**Goods** - Materials, supplies, commodities, equipment, and any other articles or items used by or furnished to a Spending Unit.

**H**

**Hospitality** - Food, nonalcoholic beverages, and related expenses for the reception of guests by a Spending Unit for a specific event or function relating to conducting WVU Business as defined in the Hospitality Services Policy WVU-PS-7.

**I**

**Individual Statement** - A listing of transactions available monthly to the cardholder indicating all activity on an individual card.

**O**

**Official State Use** - Payments made by a cardholder on behalf of the State as permitted by law and policies and procedures.

**P**

**PCard (Procurement Card)** - A credit card issued in the name of an individual employee of West Virginia University or West Virginia University Research Corporation for official business use.

**PCPS** – The Procurement, Contracting and Payment Services Department.

**Principal Investigator (PI)** - the person who takes direct responsibility for completion of a funded project, directing the research and reporting directly to the funding agency.

## R

**Reasonable** - Cost must be able to withstand public scrutiny.

**Receipt** - An itemized document indicating the price per item and the total amount charged in a transaction.

**Reconciliation** – The process of matching individual transaction receipts and monthly cardholder statements to ensure that each transaction is accounted for and accurate. This also includes ensuring the funding information attached to each transaction is accurate.

## S

**Stringing** - The intentional manipulation of the ordering, billing, or payment process in order to circumvent a cardholder's transaction limit.

**Supervisor** – The cardholder's supervisor.

## T

**Transaction** - One swipe of the PCard or one charge against it for a designated purchase.

**Transaction Limit** - The maximum dollar amount available to a cardholder for a single transaction.

**Travel Expenses** - An employee's individual expenses generated while engaged in job related activities away from the employee's regular place of employment.

## U

**Unauthorized Purchase** - A charge that was not completed by the cardholder and appears to be fraudulent.

**University** - for this Manual, "University" means West Virginia University and West Virginia University Research Corporation.

**Utilization Review** – The process of reviewing the actual usage of each individual PCard to determine if the current card limits are appropriate and/or required.

## V

**Vendor** - The supplier of goods or services to West Virginia University or West Virginia University Research Corporation.

**Violation** – The act of breaking the PCard and/or Procurement policies and procedures.

**W**

**WVU** – West Virginia University.

**WVU PCard Administrator** – The unit within Procurement, Contracting and Payment Services responsible for the day to day administration of the University PCard Program.

**WVURC** – West Virginia University Research Corporation.

**XYZ**

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