



PROCUREMENT CARD TRAINING



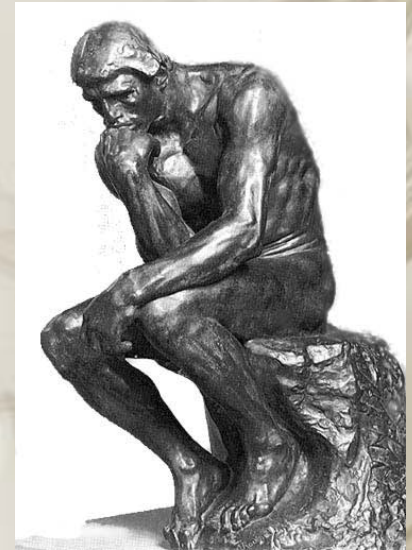
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Prairie View A&M Office of Financial Services



Outline

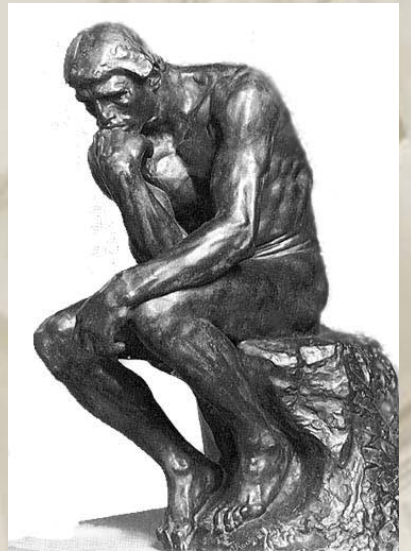
- What is the Pro Card?
- Pro Card vs. Purchase Order
- Advantages of the Pro Card
- Cardholder Responsibilities
- Single Transaction Limit
- Sales Tax





Outline con't

- Acceptable and Unacceptable Purchases
- Student Travel on Procard
- Default Account & Object Code 6251
- Billing Cycle
- Pro Card Reconciliation
- Cardholder Agreement
- Info.





What is the PRO CARD?

- Pro Cards are credit cards
- Used by the University to reduce purchasing costs
- University pay bank with single invoice, not multiple invoices to multiple vendors
- Vendors receive payment from the Card Company faster than they would through traditional PO/AP process.



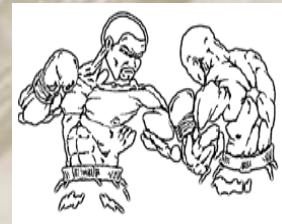
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Pro Card vs. Purchase Order



- Fast flexible purchasing method for processing limited dollar amounts.
- Establishes a more efficient, cost effective method for delegated purchases and payment.
- Will result in reduction of data entry of small orders, receiving, vouchers, and allows for prompt pay to vendors





Advantages of the Pro Card

- It is easier to make small purchases. (the MasterCard is accepted virtually anywhere.)
- The cardholder may make purchases as needed. (There are no delays associated with Processing a purchase order.)
- No Petty Cash / No Personal Cash / No requisitions
- There is less cost to the University. (Every transaction made using the purchasing card carries a fee that the vendor must pay to the credit card network.)



Cardholder Responsibilities

- The Procurement Card is not for personal use
- Intentional misuse and violations will result in termination of card account and actions may result in termination of employment
- Card is issued in cardholders name
- You may use the Pro-Card to make purchases within your delegated limits
- Use must not exceed the account budget.
- Reconciliation must be turned in by the 12th of each month.
- ProCard cannot be used for Employee Travel

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Cardholder Responsibilities

cont



- **The Pro Card Must be returned to the ProCard Administrator or the ProCard Specialist upon your leaving employment of the university or transferring to a different department.**



Single Transaction Limit

- **Transaction Limit is a \$2000.00 if your cycle limit is equal or greater.**
- **The University Bid limit is \$2000.00 and up.**
- **If an single transaction increase is needed the cardholder must contact the Procard Specialist with the reason of the increase.**
- **Vendors should not be allowed to split payments.**





Sales Tax

PVAMU is an agency of the State of Texas and is tax exempt.

- Tax exemption cards will be provide to cardholders
- Taxes must be disputed and credited



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Examples of Acceptable Purchases

- Supplies
- Subscriptions
 - Periodicals
- Minor Maintenance & Repair
 - Not Services
- Medical Supplies
- Employee Training-Registration
- Printing/Promotional
 - Logos must be approved
- Controlled Items
 - Printers
 - Digital Cameras
- Landscaping Supplies
- Business Meals
 - Local Funds Only
- Office Furnishing
- Participant Cost
- Student Travel
- Fuel & Lubricants
 - Local Funds Only



Unacceptable Purchases



- Salaries
- Employee Benefits
- Utilities
- Telecom Equipment
- Service
- Judgment
- Scholarship
- Employee Travel
- Contractual Maintenance & Repair
- Grants
- Housing for Guest Inst.
- Dorm charges (student)
- Rental & Leasing
- Construction



Student Travel on Pro Card

- Student Travel is an allowable charge on the ProCard
- Travel related expenses **for students** such as hotel, parking, food, rental cars to transport students, etc. can be paid using the ProCard
- For the student travel a list of students traveling, event they are attending representing the university, dates, etc should be included with all detailed receipts.



Student Travel con't

- Texas travel – you should not pay the hotel occupancy tax.
- Employees (non students) traveling with the students should pay for their own travel expenses (hotel, food etc).
 - employees should keep all their receipts for travel and seek a travel reimbursement when they return.



Default Account & Object code 6251



- *Procards have been set up with a default FAMIS account number and object code (6251).*
- *The procard default account number and object code 6251 will appear in SDOL as your procard transactions are posted.*



Default 6251 con't

- *Problem ProCard transactions will be posted to the ProCard's default account number and object code 6251. This would include:*
 1. sales tax
 2. credits for returns
 3. purchasing requiring extra documentation
 4. unreconciled items



Billing Cycle

- **Cycle ends the 5th, 6th or 7th depending on the day of week of the 5th that month**
- **SDOL reconcile is done prior to turning in receipts.**
- **Expense Reports and receipts due by the 12th of every month.**
- **Cardholders/Approvers must ensure all purchases are accurate before turn in.**
- **Forward receipts and expense report to Financial Services Office Attention Pro-Card Specialist.**



Pro Card Reconcile

- All cardholders are required to reconcile monthly transactions.
- Failure to reconcile accounts and turn in proper documentation to Pro Card Coordinator will result in card suspension until card is reconciled as well as Non Compliance actions
- Cardholders will verify adequate available funds in all designated accounts.
- Cardholders will ensure there is an itemized invoice/receipts



Pro Card Reconcile con't

- Documentation
 - All purchase vouchers that apply to purchase
 - Sales Receipts stapled to a sheet of paper
 - Credit Card Receipts/Slips
 - Other information or correspondence
 - Screen Prints are acceptable for internet orders



Pro Card Reconcile con't

- Items forwarded to the Pro Card Specialist:
 - Expense Report
 - All receipts/invoices and paperwork for each order
- Ensure invoices match transaction in SDOL.

Cardholder Agreement

PRAIRIE VIEW A&M UNIVERSITY CARDHOLDER PROCUREMENT CARD AGREEMENT

I, _____, hereby acknowledge receipt of a Prairie View A&M University MasterCard Procurement Card. As a cardholder, I agree to comply with the terms and conditions of this Agreement and the Procurement Card procedures.

I acknowledge that I have read and understand the terms and conditions of this Agreement and the Procurement Card procedures. I understand that Prairie View A&M University is liable to JPMorgan Chase and MasterCard for all Prairie View A&M University charges.

I agree to use this card for Prairie View A&M University approved purchases **only** and agree not to charge personal purchases. I understand that Prairie View A&M University will audit the use of this card and report any discrepancies.

I further understand that improper use of this card may result in disciplinary action, which may include termination of employment. I agree to repay Prairie View A&M University any amounts owed by me even if I am no longer employed by Prairie View A&M University.

I understand that the card is property of Prairie View A&M University. I further understand that Prairie View A&M University may terminate my right to use this card at any time for any reason. I agree to return the card to Prairie View A&M University immediately upon request or upon termination of employment.

Cardholder: _____

Card Identification # : _____

Signature: _____

Date: _____

Program
Coordinator: _____

Date: _____

Signature: _____

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Procurement Card Services



- **Procard Administrator**

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- **Procard Specialist**

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