

**WEST VIRGINIA STATE UNIVERSITY(WVSU)  
ADMINISTRATIVE PROCEDURES #004**



**TITLE: PURCHASING CARD (P-CARD) GUIDELINES**

**SECTION 1: INTRODUCTION**

**1.1 GENERAL**

The Chief Financial Officer (CFO) of the University is responsible for the administration and oversight of the purchasing card program, and the rules set forth based upon the regulations in the West Virginia State Auditor's Office Purchasing Card Policies and Procedures.

**1.2 AUTHORITY**

In accordance with [WVSAO-PCPP Section 2.0](#). The State Auditor's Office, P-Card Division serves as Program Administrator for the State P-Card program.

**1.3 SCOPE**

This P-Card manual contains the procedures applicable to the State of WV Purchasing Card Program for West Virginia State University(WVSU).

**1.4 EFFECTIVE DATE**

06/16/2023

**SECTION 2: DEFINITIONS**

2.1 Agency P-Card Coordinator - The individual designated to administer the University P-Card Program.

2.2 Agreement/Contract – A legal and binding instrument between the University and a vendor to provide goods or services. Vendor agreements/contracts require the CPO and/or VP of Business and Finance signature.

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

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

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

- 2.6 Cardholder - Individual responsible for and named on a P-Card.
- 2.7 Cardholder Agreement Form - A form signed by the cardholder that acknowledges that the cardholder has had adequate training, understands the P-Card Procedures, and accepts Responsibility for compliance with all procedures.
- 2.8 Cardholder Application Form - A form that initiates the P-Card issuance process.
- 2.9 Chief Financial Officer (CFO) - The chief financial executive of the University. At WVSU the CFO is the VP of Business and Finance.
- 2.10 CPO – At WVSU the Chief Procurement Officer is the Purchasing Director.
- 2.11 Cycle – Billing period provided by the bank. Typically, one month in duration.
- 2.12 Documentation – Proof of purchase made with the P-Card. The following are examples: itemized invoice, detailed cash register receipts, itemized and totaled packing slips, copies of restaurant orders, etc.
- 2.13 Fraud - Any transaction, intentionally made, that was not authorized by the cardholder.
- 2.14 Goods - Materials, supplies, commodities, equipment, and any other articles or items used by or furnished to a Spending Unit.
- 2.15 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 University Business as defined in the Hospitality Guidelines.
- 2.16 Individual Statement - A listing of transactions available monthly to the cardholder indicating all activity on an individual card.
- 2.17 P-Card (Purchasing Card) - A credit card issued in the name of an individual employee of West Virginia State University for official business use.
- 2.18 Receipt - An itemized document indicating the price per item and the total amount charged in a transaction.
- 2.19 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.
- 2.20 Stringing - The intentional manipulation of the ordering, billing, or payment process in order to circumvent a cardholder's transaction limit.
- 2.21 Supervisor – The cardholder's supervisor.
- 2.22 Transaction - One swipe of the P-Card or one charge against it for a designated purchase.
- 2.23 Transaction Limit - The maximum dollar amount available to a cardholder for a single transaction.

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

2.25 Vendor - The supplier of goods or services.

2.26 Violation – The act of breaking the P-Card and/or Purchasing procedures.

2.27 WVSU - West Virginia State University

### **SECTION 3: CARDHOLDER RESPONSIBILITIES**

3.1 Before a P-Card may be issued, all new cardholders are required to complete online general wvOASIS and ethics training specifically designed for new cardholders. All current cardholders must renew training every other year (biennially). In accordance with [PCPP Section 4.1](#). Cardholders are required to sign a certification of completion/cardholder agreement in accordance with [PCPP Section 4.3](#).

3.2 All new WVSU cardholders will receive mandatory internal training with the Fiscal Affairs office. A WVSU certification will be required as well to keep on file.

3.3 P-Card delegation is prohibited. P-Card delegation is the practice of allowing an individual other than the cardholder whose name appears on the front of the P-Card to have access to the P-Card or P-Card number to initiate or complete a transaction. P-Card delegation increases the risk of fraud and cardholder liability. Only the individual named on the P-Card is authorized to use it. In accordance with [PCPP 4.4](#).

P-Card delegation includes allowing an individual other than the cardholder to:

- 3.3.a Have physical possession of the P-Card to make payments to point of sale vendors;
- 3.3.b Have access to the P-Card number and expiration date to make payments via telephone, internet, or in person;
- 3.3.c Have access to receipts or invoices that display the P-Card number and expiration date.

3.4 The P-Card must be kept secure. The individual cardholder is accountable for every charge made by or authorized by the cardholder that appears on his or her P-Card. P-Cards should only be used on secured internet sites. A secured site's URL or web address line begins with "[https://](#)" and generally has a closed "lock" icon on the screen.

3.5 All cardholders are required to sign the back of their P-Card upon receipt. In accordance with [PCPP Section 4.5](#)

### **SECTION 4: CARDHOLDER INSTRUCTIONS FOR USE**

4.1 WVSU will follow the instructions for use set forth by [PCPP, Section 6.1 – 6.10](#). These items will be detailed in the cardholder training. Examples include the following but not limited to:

- 4.1a Business-Related Travel – [WVSU Fleet Procedure/Travel Procedure](#)

4.1b Tax Exempt Status – WVSU is a tax exempt organization and does not pay sales tax.

Please use the [sales tax exempt form](#) when making a purchase.

4.1c Hospitality – WVSU [Hospitality Procedure and Hospitality Form](#)

4.1d Convenience Fee –WVSU employees are not permitted to pay more than 4% credit card fees.

4.1.e Ethics & Vendors – [West Virginia Code §6B-1-1](#)

4.2 A request for preapproval for each transaction over \$500 threshold must be obtained with a signed Purchase Requisition form.

4.2a Emergency Exception – In accordance with [West Virginia Code §5A-3-15](#), state agency purchases may be necessary when unforeseen causes arise; however, **emergency purchases are not used for hardship resulting from neglect, poor planning, or lack of organization by the spending unit.** In case of a necessary emergency purchase for critical campus operations or safety, an email approval must be obtained by the CFO. Once the emergency situation has been resolved, the email must be attached to the Purchase Requisition Form and submitted.

4.2b The authority to adjust the approval threshold is held by the President/CFO and determined by the needs of the University.

Exclusions include Travel Authorization form which serves as a Purchase Authorization.

## **SECTION 5: TRANSACTION DOCUMENTATION AND RECONCILIATION**

5.1 Cardholders are responsible for reviewing and reconciling their P-Card transactions each month. There are no exceptions to this rule. There is zero tolerance for missing or inadequate documentation.

5.1.a The reconciliation must be completed within 5 business days of the card closing/statement date.

5.2 Receipts and Receiving

5.2.a Receipt/receiving report must be signed and attached to the wvOASIS reconciliation.

5.2.b Receiving report instructions can be found in [PCPP 7.1 Paragraph 2](#).

5.2.c If a receipt is lost, the cardholder should contact the vendor to obtain a duplicate receipt. After all attempts have failed, the cardholder must submit a [P-Card Itemized Invoice Exception Report](#).

5.3 Individual Statement and Log Sheet must be signed by the cardholder and supervisor. Packet of Statement, Log Sheet and receipts must be forwarded to the Fiscal Affairs office each month.

5.4 Report lost or stolen cards to the attention of the Fiscal Affairs office, and call – 1-800-344-5696 or 1-800-VISA911.

## **SECTION 6: RECORD RETENTION**

6.1 All reconciliation packets will be physically held by the Fiscal Affairs office for a period of 2 years from the end of the fiscal year.

## SECTION 7: FRAUD, MISUSE & ABUSE

7.1 [West Virginia Code, §12-3-10b](#), states:

“It is unlawful for any person to use a state P-Card, 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.”

Failure to comply with P-Card Policies and Procedures, rules, and law associated with the State P-Card Program may result in revocation or limitation of P-Card privileges, a period of probation, or mandatory P-Card training in addition to any other discipline deemed necessary or appropriate by the Spending Unit or State Auditor’s Office.

Instances of unlawful use, possible fraud, misappropriation, or mismanagement with the P-Card shall be reported immediately to the CFO of the Spending Unit. The CFO shall report all aforementioned instances to the State Auditor’s Office within 24 hours of his or her discovery. Internal P-Card investigations do not supersede this requirement. The P-Card is a responsibility and disciplinary action may be taken for fraud, misuse or abuse of the P-Card, including P-Card related penalties and criminal prosecution.

7.2 Failure to Follow Policies & Procedures:

Any unlawful actions are required to be reported to the CFO and the WVSAO’s office per [PCPP 2.2](#) requiring any member of a Spending Unit’s staff finding an instance of unlawful use, possible fraud, misappropriation, or mismanagement with the P-Card to report such discovery to the Chief Financial Officer immediately. The Chief Financial Officer shall report all aforementioned instances to the State Auditor’s Office at [P-Cardselfreport@wvsao.gov](mailto:P-Cardselfreport@wvsao.gov) within 24 hours of his or her discovery. Internal P-Card investigations do not supersede this requirement. Items of this nature will result in immediate revocation of P Card.

7.3 Violations

Misuse of the P-Card will be handled promptly and uniformly for all cardholders. A point system has been established to assess violations.

<b>Violation</b>	<b>Points</b>	<b>Section/Reference</b>
No Receipt/Receipt Not Itemized	10	Section 5.2
WV Sales Tax on Transaction	10	Section 4.1
Receipt not signed	10	Section 5.2.a
Missing/Incomplete Hospitality Form	10	Section 4.1.c Hospitality Guidelines
Commodity Not Selected	10	Internal P-Card Reconciliation training
Incorrect Funding Code Used	10	Internal P-Card Reconciliation training
CC Transaction Fee greater than 4%	10	Section 4.1d
Transaction Not Reconciled by Deadline	20	Section 5.1a

Missing/Incomplete Purchase Requisition Form	20	Section 4.2
Missing/Incomplete Log Sheet	30	Section 5.3
Missing/Not Signed Statement	30	Section 5.3
Personal Purchase, Self-Reported	30	Section 7.2
Use of Missing Receipt Form	30	Section 5.2.c
Restricted Item/Non Business Need	50	Internal P-Card Reconciliation training
Stringing	50	Section 2.20
P-Card Delegation	150	Section 3.3
Fraudulent Purchase	150	Section 7.1

7.3a P-Card Violations will be tracked by the Fiscal Affairs office on a monthly basis. During any 3 month rolling cycle if your P-Card violation points add up to 150 or more, action will be taken by the Fiscal Affairs office.

7.3b First offense, your P-Card limit will be taken down to \$1.00 limit for a 30-day period and you will be required to retake the standard P-Card training and recertify.

7.3c Second offense within a year period, your card will be taken down to a \$1.00 limit for a 90-day period and you will be required to retake the P-Card training and recertify as well as train one on one with the Fiscal Affairs office.

7.3d Third offense within a year period, your card will be taken down to a \$1.00 limit for a 1-year period, the respective Vice President will need to make recommendation to the CFO, and you will be required to retake the P-Card training and recertify as well as train one on one with the Fiscal Affairs office.

7.3e Upon violation of 7.3d, a second time, P-Card privileges will be indefinitely suspended. Record of this action will be placed in the Cardholder's HR file.

## **SECTION 8: EMERGENCY P-Cards**

8.1 In case of emergency, WVSU will follow [WVSAO-PCPP Section 11.0](#).

## **SECTION 9: LINKS TO FORMS**

9.1 Links to forms

- 9.1.a [Purchase Requisition Form](#)
- 9.1.b [P-Card Log Sheet](#)
- 9.1.c [P-Card Itemized Invoice Exception Report](#)
- 9.1.d [Tax Exempt Form](#)
- 9.1.e [Hospitality Guidelines](#)
- 9.1.f [Receiving Report](#)
- 9.1.g [Travel Authorization Form](#)

*Procedure History:*

*Cabinet Position and Department: Senior Vice President for Strategic Finance, Operations, and Chief Innovation Officer, Fiscal Affairs*

*Resources:*

<https://www.wvsao.gov/purchasingcard/>

<https://www.wvstateu.edu/about/administration/business-and-finance/purchasing-and-accounts-payable.aspx>

<https://code.wvlegislature.gov/6B-1-1/>

<https://code.wvlegislature.gov/5A-3-15/>

<http://www.wvlegislature.gov/wvcode/chapterentire.cfm?chap=12&art=3&section=10b>