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Policy

University Policy FIN-09.04-10/20

Policy Title: Procurement Card (PCard) Program Policy

Originator: Dr. Martha D. Saunders, President

Responsible Office: Finance and Administration

I. Policy/Purpose:

To set forth the University of West Florida policy regarding the proper use of the PCard, including restrictions, consequences for misuse, and the roles and responsibilities of Cardholders, Reviewers/Delegates, and Approvers.

II. Who Does this Govern and Who Needs to Know this Policy?

This policy governs all University of West Florida PCard Cardholders, Reviewers/Delegates and Approvers. The campus should be aware of and comply with this policy.

III. Policy Statement

A. UWF Purchasing Cards (PCards) are University-liability credit cards issued in the names of authorized, trained individuals (Cardholders) to purchase certain eligible goods and services in support of the University of West Florida. Only eligible direct University business expenses may be charged to the PCard; personal purchases are strictly prohibited. All PCard transactions must be supported by a detailed business purpose and by proof of purchase documentation. All transactions must be reviewed in the PCard Settlement system by a person other than the cardholder. Improper use of the PCard, including use of the PCard for personal purchases, may result in disciplinary action up to and including termination of employment.

B. PCard Program Overview

1. A procurement card (PCard) is a credit card issued by a financial institution to UWF to make direct purchases from vendors. The individual named on the card is authorized to make certain business purchases on behalf of UWF. PCard transactions do not require a purchase order, direct pay, or a reimbursement process.
2. UWF implemented a PCard program to provide a cost effective, convenient, and decentralized method for individuals whose jobs require them to make certain business-related purchases. UWF is liable to the financial institution issuing the PCards (the "Issuing Bank") for the charges and remits payment directly to the financial institution.

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3. A PCard purchase must be for business purposes only and in full compliance with all state, UWF and Issuing Bank regulations, policies, and procedures.

4. The Cardholder must assign sufficient documentary evidence to the appropriate expense report and must include a detailed business purpose. Such evidence must be provided in a form or terms easily understood by an internal or external reviewer.

5. The Cardholder is responsible for ensuring that any expense paid with the PCard is not otherwise submitted for reimbursement or used for any inappropriate purpose.

6. The Cardholder's failure to use the card in compliance with this policy and the PCard Reference Guide, depending upon the severity of the infraction, will subject the Cardholder to the consequences described in Section F of this PCard Policy.

7. The PCard is just one method offered by the university to make purchases. If Cardholders need to make multiple purchases from a vendor, they should consult Procurement & Contracts ("P&C") to determine the best procurement method for the purchase.

C. Eligibility

1. UWF faculty and staff (OPS exceptions are granted on a case-by-case basis) are eligible to apply for a PCard if their department head, chair, dean or vice president ("Supervisor") approves of such and the employee's duties require employee to make business related purchases.

2. Applicants-complete mandatory PCard online training sponsored by Procurement & Contracts (P&C) before a card will be issued to the Applicant.

3. Applicants must execute the appropriate application and agreement before a card will be issued.

4. PCard privileges may be suspended or terminated due to employment status changes.

D. Prohibited and Restricted Items Table

1. All Cardholders shall adhere to the following guidance:

(i) An expenditure of state funds must be authorized by law, and the expenditure must meet the intent and spirit of the law authorizing the payment. All applicable statutes and UWF regulations, policies and procedures apply not only to purchases made on the PCard, but to any purchases made using institutional funds. Each Cardholder must comply with the requirements provided in the University of West Florida PCard Program Reference Guide as amended from time to time. It should be noted that state funds cannot be expended for personal purchases of employees or others or to make unauthorized purchases, regardless of any intent to repay.

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2. The items listed in Prohibited and Restricted Items Table of the PCard Reference Guide are either prohibited purchases or may only be purchased after meeting special conditions. For purchases where special conditions apply, Cardholders must include the necessary written approval and documentation with the receipt for audit purposes.

E. Misuse of PCard/Program

UWF must safeguard its assets and protect its funds from misuse and fraud. All members of the UWF community involved in the use or administration of the PCard program have a responsibility to report known or suspected misuse of the PCard or the PCard program.

1. Controller's Office, P&C, or any individuals suspecting or having identified misuse of the PCard will report such to the appropriate Supervisor. Controller's Office and P&C will also notify Internal Audit and Management Consulting Services ("IAMC") to proceed with further investigation.
2. Alternately, if fraud is suspected at any time, the information and documentation will be forwarded immediately to IAMC for further investigation. Supervisors shall take no action to resolve any alleged misuse before consulting with IAMC. Upon completion of IAMC's investigation, IAMC will report its findings to the Supervisor, P&C-Director, PCard Auditor, Associate Vice President for Human Resources, General Counsel, and other supervisors as appropriate.
3. All parties will handle reports of and investigations of suspected misuse or fraud in a confidential manner until the University makes a final determination of final action.

F. Consequences of Misuse

The frequency of misuse and the intent behind such misuse will dictate the severity of consequences for each infraction. The department will provide documentation and information to support each infraction. Controller's Office, P&C, and/or IAMC will review the information and documentation and consult with the Office of Human Resources and the Office of the General Counsel to determine the appropriate consequence for each infraction.

1. Sporadic minor infractions or infractions found to be unintentional shall be noticed in writing by either IAMC or P&C to the Cardholder and the Supervisor. This notice is intended as preventative/corrective measure.
2. Cardholders will immediately reimburse UWF for all inappropriate charges. If the reimbursement is not made to the University within seven (7) calendar days, the University may deduct the amount from any monies due to the Cardholder, including Cardholder's salary. However, reimbursement by Cardholder will not prevent disciplinary action or criminal action if appropriate.
3. The PCard will be deactivated, and may be required to re-attend PCard training before the PCard may be reactivated.

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4. A pattern of misuse by the same Cardholder shall be referred to IAMC for investigation.

5. Depending on the severity of misuse, the following additional consequences may apply:

   (i) PCard limits will be reduced.
   (ii) PCard will be revoked;
   (iii) Cardholder's PCard Delegates and Approvers will be changed.
   (iv) Disciplinary action against the Cardholder and/or their Delegates and Approvers may occur. Disciplinary action may include employment termination;
   (v) Criminal prosecution.

G. PCard Limits

1. There are two separate limits within the PCard program that offer management of risk and exposure. These limits shall be established by the PCard Administrator based on the department's legitimate needs.

   (i) Single Transaction Limit is defined as each swipe of the PCard.

   (ii) Cycle Transaction Limit is defined as the total dollars spent in a 30-day billing period.

2. The Cardholder with their Supervisor's approval can make a written request for permanent increases to PCard limits by consulting with the PCard Administrator and providing written justification for the increase(s). The PCard Administrator will consult with the P&C Director to approve or deny the request. IAMC will perform a periodic review.

3. The PCard Administrator is the principal custodian of the records of transactional limits for all Cardholders.

H. Audits

1. All PCard transactions are subject to random and periodic review by both internal and external auditors.

2. Audits may be performed by the IAMC, UWF management, the Florida Auditor General's Office or any other external audit agency.

I. Tax Exemption

1. UWF as an educational institution, is exempt from paying sales and use taxes on most commodities and services.

2. All Cardholders are responsible for being proactive in avoiding the unnecessary payment of sales and use tax on all PCard transactions.

J. PCard Reference Guide

More detailed guidance and specific procedures under the authority of this Policy concerning the authorized use of the University PCard and program compliance are set forth in the PCard Reference Guide, which is published and maintained by P&C and made available via Confluence, as it is amended from time to time.

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Authority and Related Documents:

UWF/REG-6.0053 Authorities and Responsibilities of Board and University Procurement and Contracts Office.

APPROVED: DocuSigned by: Martha Saunders D54A387C376848D... **Date:** 11/02/2020

Dr. Martha D. Saunders, President

History:

AA-0 5.00-04/ 05 Procurement Card (P-Card) Program, adopted April 2005; amended by AA-05.01-07/09 Procurement Card (P-Card) Program Policy, adopted July 2009; revised and renumbered hereby October 2014; amended October 2020.