The Purchasing Card program was designed to simplify small dollar purchasing needs. The information on this page will provide you with an understanding of the purchasing card program policy and guidelines. Topics are listed in alphabetical order.

1.1 General

1. The Purchasing Card (PCard) Program is offered to simplify the way in which some goods and selected services are purchased. The program is not intended to avoid or bypass appropriate purchasing or payment procedures and approval processes. All purchases made on a PCard must be for official business use only.

2. The PCard program was competitively bid and awarded by the Texas Comptroller of Public Accounts for the State of Texas, and the UNT System Business Service Center (BSC) ensures compliance with the terms and conditions of this state contract. The current contract was awarded to Citibank (Bank).

1.2 Key Roles

There are four key roles in the PCard Program:

- **Cardholder** – responsible for making purchases, maintaining required documentation and signatures, ensuring timely reporting of transactions in the online banking system.
- **Reconciler** – responsible for reviewing allocations made by Cardholder in online banking system to ensure transactions are coded properly and Dept ID/Proj ID information is correct.
- **Approvers** – responsible for authorizing the use of PCards in their department(s), ensuring that sufficient funds are available for purchases and ensuring that all guidelines for proper use of the PCard are followed. Have budget authority on deptids/projids for which approval is made.
- **PCard Program Coordinator** - charged with administering the PCard Program for all institutions within the UNT System, conducting periodic reviews on PCard transactions, and maintaining documentation for the PCard activities within the UNT System.

1.3 Application Guidelines

1. Only employees who are authorized by a department head with signature authority may obtain a card.

2. The PCard Application Form, located in the Forms Library must be submitted to request a new Cardholder and to identify the associated Reconciler.

3. The Cardholder, Reconciler, and Approver must complete online training before a new PCard will be issued.

1.4 Training

The Cardholder, Reconciler, Approver (or alternate Approver) must participate in initial training and in annual refresher training. All training is offered online through Blackboard Learn and is available 24 hours per day 7 days a week. A quiz will be administered after the initial training
and refresher training to ensure knowledge and understanding of policies and procedures of the PCard program. Passing of the quiz is required in order to retain PCard privileges.

2.1 Guidelines & Procedures

All purchases must be in accordance with established state and federal laws, UNT System regulations, university policies, and purchasing guidelines. Each Cardholder, Reconciler, and Approver is responsible for compliance.

2.1.1 Limits

The typical control limits are:

1. The default single purchase limit is $5,000 including freight and installation, if applicable.
2. The default spending limit per billing cycle is $25,000.
3. There are no limits on the number of purchases within a cycle.
4. There is no daily limit.
5. To increase or decrease limits, complete and submit the Exception Request Form to a PCard Program Coordinator. The form is located in the Forms Library.
6. Effective March 1, 2014, PCards will be monitored for use. If your PCard shows no activity for 6 months, transaction limit will be reduced to $1. If your PCard shows no activity for 12 months or longer, the PCard account will be permanently closed. Please contact the PCard team if you will have an extended absence from your PCard duties.

2.1.2 Allowable Use

1. The PCard may be used for purchases of non-restricted goods and services, as outlined in Appendix A, not to exceed the single transaction limit.
2. The PCard may be used for “in-store” purchases, mail, telephone, fax, or online orders with any vendor; as long as the vendor accepts MasterCard and vendor and/or vendor’s product is not on the restricted list.

2.1.3 Restricted Use

1. *Personal Use.* **THE PCARD IS TO BE USED FOR OFFICIAL BUSINESS ONLY.** Personal purchases will be considered misappropriation of funds and may result in adverse personnel action, criminal charges, and/or personal liability.
2. *Restricted Vendors.* A vendor must not be considered a restricted merchant as listed in Appendix B. Furthermore, a vendor must not be in a “warrant hold” status with the state for any purchases of $500 or more. Cardholders are required to verify the vendor warrant hold status at: [https://cpafmprd.cpa.state.tx.us/tpis/search.html](https://cpafmprd.cpa.state.tx.us/tpis/search.html) using the vendor’s name or vendor identification number (VID). The State of Texas requires that this verification be completed prior to any purchase, but no earlier than 7 days prior to the purchase.
3. *Restricted Items.* Purchasing of restricted items listed in Appendix C is prohibited unless an exception has been granted by the Purchasing Card team.
4. *Splitting orders.* Purchases must not be split to avoid the bid limit or to avoid the single purchase or billing cycle limit as described in section 2.1.1. Return to Top
5. **State of Texas Sales Tax.** All purchases made with the PCard are exempt from State of Texas sales tax. Cardholders must monitor transactions at the time of purchase to verify that no tax was charged. If it appears tax was charged, the Cardholder should contact the vendor for a credit or reversal of the charge immediately. A Tax Exempt Certificate form is available in Forms Library. The form may be signed by the Cardholder or the Approver and issued as needed. The Cardholder must monitor his/her transactions in the Bank’s online system.

6. **Contract Terms of a Sale.** Any contract/agreement or terms & conditions associated with a purchase must be reviewed and approved prior to purchase. A Cardholder is not authorized to agree to contracts or any additional terms and conditions without complying with university fiscal policy on contracts. Failure to comply with this may result in loss of card privileges.

7. **Travel expenses.** Travel expenses are prohibited and must be paid with the appropriate travel credit card or other means.

### 2.1.4 Exceptions

The Approver may request an exception prior to purchasing from a restricted vendor or purchasing restricted items by submitting the Exceptions Request Form. The form is located in the Forms Library. This form must include the name of the item or the restricted vendor, estimated total cost and business reason as to why the exception is being requested.

### 2.1.5 Documentation

All supporting documentation related to each transaction must be retained in accordance with the Records Retention Schedule.

1. Document the purchase agreement prior to the PCard transaction by one of the following methods:
   - If obtaining pricing information via a phone call, request that a copy of the itemized pricing and freight; or document the itemized pricing and freight in a phone log and include the date, person providing quote, and vendor phone number.
   - If placing an on-line order, document the itemized pricing and freight with a screen print, prior to finalizing the transaction.
   - If using a vendor price list that extends for a specific period of time, maintain copy of the price list with each transaction.
   - If purchasing in person at vendor site, maintain an itemized sales receipt.
2. Purchasing a non-restricted chemical requires a copy of the MSDS as supporting documentation for that transaction.
3. If the vendor must send an invoice, instruct the vendor to send the invoice/receipt to the Cardholder.
4. Packing slips or proof of delivery must be kept as supporting documentation. Most PCard purchases will be picked up by the department at the time of purchase. Those purchases delivered through Central Receiving should be clearly marked on the outside of the package with "PCard Program" or "PCP" and the ordering individual’s name. If the shipment is for large items, contact Central Receiving in advance of the delivery to make arrangements for receipt of the items. **Absolutely no shipments should be made to personal residences.**
5. University policy requires that certain assets be controlled by an asset tag. Cardholders are responsible for following all documentation and reporting requirements of their institution’s Property Management Department when purchasing controlled items.

2.1.6 Returns/Credits/Rebates/Disputes/Free

It is the Cardholder’s responsibility to ensure receipt of goods and to follow up with vendors to resolve any delivery problems, discrepancies, and/or disputes regarding damaged goods. Cardholders may review transaction information using the Bank’s online system. A description of the item returned, credited, or disputed must be noted in the description or comment area in the Bank’s online system. The following actions should take place for each of the transactions.

1. **Returns.** Cardholder shall contact the supplier and obtain instructions for return. (Note that some suppliers may charge a restocking or handling fee for returns.)
2. **Credits.** A credit for a returned item should appear on the following month’s statement. Credits must be allocated to the same Dept ID/Proj ID and Description of Items Purchased that was used for the original transaction.
3. **Rebates.** Rebate checks payable to the University of North Texas System shall be identified with “PCard Rebate”, the original Dept ID/Proj ID and Description of Items Purchased, and forwarded to Payment Services for proper credit.
4. **Disputed Charges.** Cardholder must contact Citibank Customer Support at 1.800.248.4553 immediately regarding billing issues. All disputed charges should be indicated in the description area of the transaction summary as a “Disputed Charge”. Copies of any documentation must be retained with the original report documentation.
5. **Free offers.** Any items offered “free with purchase” become the property of the University and must be used in official business operations.

2.1.7 Funding Considerations

1. HEAF funds are not allowed to be charged on the PCard under any circumstances.
2. Departments must assign a local (no State or Grant funds) Dept ID as the default Dept ID for PCard transactions.
3. All grant, UNT Health (UNTHSC), and/or Foundation accounts will be monitored by each of these offices to ensure compliance. Cardholders are responsible for complying with any purchasing restrictions specific to a Dept ID or Proj ID.
   o All questions concerning authorization to charge a grant on the PCard should be directed to the UNT Office of Research Services or to the UNTHSC Grants and Contract Management Department, whichever is applicable.
   o All questions concerning authorization to charge a UNT Health (UNTHSC) Dept ID should be directed to the UNT Health (UNTHSC) CFO or Controller. All UNT Health PCard purchases must benefit the practice plan operations.
   o All questions regarding the use of a UNT Foundation Dept ID should be directed to the Office of Institutional Advancement.
4. Any Dept ID/Proj ID that is entered incorrectly in the Bank’s online system by the established deadline will automatically default to the Cardholder’s default Dept ID. **Return to Top**

2.1.8 Reporting
1. The billing cycle generally ends on the 3rd of each month. See the Monthly Data Entry Deadlines at [https://www.untsystem.edu/purchasing-card-dates](https://www.untsystem.edu/purchasing-card-dates) for all cycle dates and monthly deadlines.

2. Transaction reports are available in the Bank’s online system and are accessible at the end of the billing cycle. The report is a record of all transactions that have posted during the billing cycle period. The Cardholder and/or Reconciler are responsible for maintaining, verifying, and certifying the transactions in the Bank’s online system.

3. Each transaction must have a Dept ID or Proj ID associated with it, as well as, an appropriate Description of Items Purchased in the Bank’s online system. Transactions should appear online within three (3) days; however, this could vary depending on the vendor. The default Dept ID will be charged if not completed by the required deadline.

4. All data entry must be completed by the 10th day of each month. Failure to meet the stated deadline may result in PCard sanction(s).

5. At the end of the cycle, the Cardholder, Reconciler, and Approver are required to certify the transactions via electronic or manual signature on the report and retain the report along with the supporting documentation in accordance with the Records Retention Schedule.

### 2.1.9 Purchasing Considerations

1. **Best value.** All purchases shall provide the best value to the institution. In determining what the best value is, consider the following factors: price, delivery time, freight terms, reputation of the vendor, quality of the goods, and long-term cost, etc. Confirm with the vendor if any UNT System discounts are available.

2. **Texas Institute for the Blind and Handicapped (TIBH).** Cardholders must be aware that all institutions under the UNT System follow the state guidelines for procurement of goods and services from persons with disabilities. In accordance with State statutes, purchase products and services offered by TIBH to the greatest extent possible.

3. **Historically Underutilized Businesses (HUB’s).** The Board of Regents is committed to a good faith effort to increase the number and value of business with Historically Underutilized Businesses consistent with the State’s goal to build a solid foundation for economic prosperity. It is strongly encouraged to compare pricing among several vendors, including HUB vendors, to obtain the best value. Contact the HUB area for assistance in locating vendors that provide the goods or services needed.

### 2.2 Fraud Procedures

1. Immediately call the Bank at 800.248.4553 number to report an unauthorized transaction. The Bank should close the current card account and issue a new PCard. To ensure prompt delivery of the new PCard, the Cardholder should provide the Bank with the Cardholder’s current departmental mailing address and telephone number.

2. Notify the PCard Program Coordinator.

3. When an Affidavit of Fraud is received from the Bank, it is the Cardholder’s responsibility to complete, sign, date, and return it to the bank as soon as possible.

4. Cardholders will continue to have the ability to view all financial transactions on closed cards.

### 3.1 Cardholders, Reconcilers & Approvers
The following delegation of roles must be followed in order to maintain checks and balances:

1. The Reconciler and the Cardholder must be different individuals.
2. The Reconciler and the Approver must be different individuals.
3. The Cardholder and the Approver must be different individuals.

If there is a change in the Approver or Reconciler, the department must submit a *PCard Assignment Form*. The form is located in the [Forms Library](#).

### 3.1.1 Approver

Each Approver is responsible for the following:

- Ensuring that funds will be available for all purchases made with the PCard
- Participating in initial online training and refresher training every year. The alternate Approver may attend in the Approver’s place if previously designated on the Cardholder Application/Approval Form
- Designating all Cardholders, Reconcilers and Alternate Approvers, if applicable
- Assigning their least restrictive Dept ID as the default Dept ID for each Cardholder (no state or grant account may be used)
- Requesting an “Exception” prior to a Cardholder purchasing goods or services that are restricted, or when needing an increase/decrease in credit limits
- Approving monthly transactions of Cardholder to ensure they are in accordance with all state and federal laws, UNT System regulations, University policies, and PCard guidelines
- Reviewing and certifying the accuracy of a transaction report and approving the allocation of Dept ID/Proj ID’s by signing the Cardholder’s activity report for each billing cycle
- Reporting any possible fraudulent activity within the university to the Office of Internal Audit and a PCard Program Coordinator as soon as possible
- Ensuring that any discrepancy identified on a Cardholder’s report is resolved
- Ensuring that a PCard Program Coordinator is notified immediately when an employee terminates or transfers
- Notifying a PCard Program Coordinator if a Cardholder is on any type of leave of absence
- Ensuring all required documentation is retained at the department level and made available for reviews and audits for the remainder of the current fiscal year plus five (5) additional fiscal years

### 3.1.2 Cardholder

Each Cardholder is responsible for the following:

- Participating in initial online training and refresher training every year
- Activating his/her PCard with the Bank by calling the telephone number on the back of the card
- Verifying and ensuring the accuracy of PCard transactions for the assigned card
- Monitoring the Bank’s online system for all transaction entries
- Ensuring that all transactions charged against his/her PCard are in accordance with all state and federal laws, UNT System regulations, University policies, and PCard guidelines
- Checking vendor standing with Texas Comptroller’s Office prior to making transaction of $500.00 or more [Return to Top](#)
• Complying with The University of North Texas System Regents Rule 10.400 and University HUB policies
• Performing self-audits on monthly purchases. Self-audit includes balancing the Bank’s online system against transaction detail information
• Timely allocating proper funding for the product(s) or service(s) purchased and documented in the Bank’s online system. Purchases will automatically be deducted from the Cardholder’s default Dept ID/Proj ID number if Cardholder does not allocate to an alternate Dept ID/Proj ID. The PCard application provides the default DeptID/Proj ID
• Assigning the proper Description of Items Purchased for all purchases, including credits, returns, and/or disputed charges
• Resolving discrepancies promptly – documentation of action taken must be retained with the PCard documentation for the respective billing cycle
• Ensuring proper documentation is obtained for each transaction as applicable
• Reporting any possible fraudulent activity to the Office of Internal Audit and a PCard Program Coordinator
• Generating a monthly transaction report in order to verify and certify the completeness and accuracy of the transactions prior to submitting them to Reconciler and Approver for subsequent verification and certification
• Ensuring all required documentation is retained at the department level and made available for reviews and audits for the remainder of the current fiscal year plus five (5) additional fiscal years
• Notifying a PCard Program Coordinator in the event there is a leave of absence of the Reconciler or Approver
• Securing the card to prevent loss or theft
• Contacting the PCard Program Coordinator in the event of transfer or termination

NOTE: Proper use of the Procurement Card will not adversely affect the Cardholder’s personal credit however; each Cardholder is personally liable for all fraudulent and/or unauthorized charges as reflected in the Liabilities Requirements. (See Section 3.3) Cardholders will be responsible for reimbursing the PCard Program for personal purchases.

3.1.3 Reconciler

Each Reconciler is responsible for the following:

• Participating in initial PCard training and refresher training every year
• Approving each transaction for the Cardholder in the online banking software
• Reviewing and signing the Cardholder’s transaction report on a monthly basis
• Reconciling and verifying Dept ID/Proj ID information
• Ensuring that appropriate Description of Items Purchased have been assigned
• Reporting any possible fraudulent activity to the Office of Internal Audit and a PCard Program Coordinator

3.2 Post Transaction Reviews

The PCard Program Coordinator will perform routine reviews of randomly selected transactions and PCard accounts. The objective of the review will be to determine compliance with the PCard Program Guide and record keeping requirements. Routine reviews and/or audits will be
conducted and/or Internal Audit, respectively, throughout the year. The reviews will include requests for reports and all backup documentation to be emailed to the PCard team, and/or reviewed on site at the department. Notification will be sent to the cardholder, the Reconciler and the Approver at least 3 days prior to the scheduled review.

A report of all findings will be prepared after the review and emailed to the Cardholder, Reconciler, Approver and Internal Audit. Other university administrators may also be informed depending on the severity of the findings.

3.3 Liability Requirements

A Cardholder making a personal purchase will be held personally liable to reimburse the University for the purchase. Lost or stolen cards shall be reported to the Bank and the PCard Program Coordinator immediately.

3.4 Program Noncompliance

Sanctions provide an approved framework to address program violations. Non-adherence to these guidelines will result in a notification of infraction; temporary revocation of individual cardholder privileges or permanent revocation of the card. The PCard must never be used to purchase items for personal use or for non-University purposes even if the Cardholder intends to reimburse the University.

Examples of failure to comply with program guidelines include, but are not limited, to the following:

- Failure to properly secure the PCard from theft or unauthorized use
- Failure to maintain monthly account summary and documents by the established deadlines
- Incomplete documentation: inclusion of erroneous information, missing information such as signatures, Dept ID/Proj ID numbers, proper description of purchase, etc.
- Purchasing from a restricted vendor or purchase of a restricted item without prior authorization
- Providing the PCard or PCard number to another employee to use
- “Splitting” of purchases to circumvent PCard limits
- “Splitting” of purchases to circumvent required bidding requirements
- Failure to provide requested documentation to the Business Support Services and/or Internal Audit

Level One Sanction - Notification

An email notification outlining infraction(s) will be sent to the Cardholder, Reconciler, Approver, Dean, Vice-President, and Internal Audit, as appropriate. The cardholder will be required to make changes to become compliant and a follow-up review will be completed within 90 days. Return to Top

Examples of a level one sanctions for first time occurrences include, but are not limited to:
Level Two Sanction - Suspension

Cardholder privileges will be suspended for at least thirty (30) days from the date that the sanction was issued, and successful online training must be completed before suspension is lifted. A follow-up review will be completed within 90 days. Future infractions of the same nature within a fiscal year or in consecutive reviews/audits will result in a higher level sanction being issued.

Examples of a level two sanction for first time occurrences include, but are not limited to:

- the purchase of alcoholic beverages, ammunition, weapons, controlled substances/prescription drugs, gift, gift cards, gift certificates, prizes, awards, trophies, restricted chemicals, and radioactive materials
- purchasing items for personal use
- losing the PCard twice
- second occurrence of a level one sanction within a fiscal year or in consecutive reviews/audits

Level Three Sanction - Account Closure

The PCard account will be closed, which may include the Cardholder no longer being eligible to obtain a PCard through the University. Level three sanctions are typically a result of multiple instances of lower level sanctions found in consecutive reviews/audits or within the same fiscal year.

NOTE: Personal use of the PCard is always considered a major work-rule violation and the employee will be subject to disciplinary action, including termination and possible criminal prosecution. Full restitution to the University will be required immediately for any personal purchase once discovered by the Cardholder, Reconciler, Approver, the Business Support Services and/or Internal Audit.

4.1 Questions & Assistance

Find our website at https://www.untsystem.edu/purchasing-card-program
4.2 Activate a PCard

Call the number on the back of the PCard at 800.248.4553 (Toll-Free).

4.3 Lost or Stolen Card

Citibank Customer Service: 800.248.4553 (Toll-Free)

- Customer Service is available 24 hours a day, 7 days a week, to assist with lost or stolen cards.

PCard Program Coordinator: 940.369.5500 or 855.868.4357 (Toll-Free)

- Available during normal business hours (8:00 a.m. to 5:00 p.m. Monday – Friday, excluding holidays)

4.4 Disputing Transactions

Citibank Customer Service: 800.248.4553 (Toll-Free)

- Customer Service is available 24 hours a day, 7 days a week, to assist with disputed or fraudulent transactions.

4.5 Reporting Fraudulent Use

Internal Audit or a PCard Program Coordinator

Appendix A - Acceptable Purchase Examples

All purchases must be made in accordance with the applicable state and federal laws, UNT System regulations, University policies, and the PCard Program Guidelines.
• Computer Peripheral Equipment (printers, keyboard, mouse, scanner, cables, monitors, speakers, etc.)
• Digital/Film Processing
• Equipment
• Flowers/Plants
• Food (catering, carry-out, delivery)
• Furniture (institutional policy must be followed)
• iPods
• Maintenance/Repair
• Memberships (local funds only)
• Printers
• Registrations
• Rentals Booth/Storage (no terms/conditions/contract agreement)
• Rentals of Equipment (no terms/conditions/contract agreement)
• Services (institutional policy must be followed with no terms/conditions/contract agreement/state funds)
• Shipping/Freight
• Software
• Software Licenses (no terms/conditions/contract agreement)
• Subscriptions
• Supplies (laboratory, maintenance, classroom, facilities, office, etc)
• Tips (on local funds only)
• T-Shirts (for student organizations only, no university branding/logo)
• Uniforms
• Warranties (must be purchased with original product and on same receipt)

Appendix B - Restricted Vendors

According to the State of Texas Comptroller of Public Accounts’ contract with the Bank, there are certain vendors who are considered restricted merchants due to the merchant category code (MCC) assigned by the banking institution. These vendors are considered by the state as “restricted vendors”. Requests for an Exception to purchase with these vendors may be denied.

• Airlines
• Airports
• Auto rentals
• Auto & truck dealers – sales
• Bars, taverns, nightclubs
• Boat dealers
• Boat rentals
• Duty free stores
• Hotels
• Marinas
• Motorcycle dealers
• Motor home dealers
• Package stores, beer, wine, liquor
• Personal service providers – laundry, barbers, funeral services, dating services, health spas, etc.
• Professional services – doctors, hospitals
• Railroads
• Recreational and utility trailers, camper dealers
• Restaurants (Dine In Only)
• Service providers: financial institutions, insurance, lodging, campgrounds
• Steamship, cruise lines
• Transportation services
• Travel agents

Appendix C - Restricted Items

The PCard may not be used for the following purchases unless an Exception has been requested by the Approver and authorized prior to the purchase of the good or service for your department, through the Exception Request Form process.

• Advertisements, Faculty/Staff Postings
• Any item that includes university branding/logo/spirit marks
• Any transaction exceeding the single purchase limit (including freight and installation)
• Alcoholic beverages
• Ammunition
• Animals
• Awards
• Capital equipment
• Cash advances
• Cellular phones, services and data plans
• Click wrap agreements that have not been reviewed/authorized
• Computers, iPads
• Consulting or professional services
• Controlled laboratory apparatus (in accordance with Safety Office/Risk Management guidelines)
• Controlled precursor chemicals (in accordance with Safety Office/Risk Management guidelines)
• Controlled substances
• Cylinder gases
• Donations, contributions, and sponsorships
• Dues
• Entertainment
• Fabrication of equipment
• Gasoline/Fuels
• Gifts, Gift Cards and/or gift certificates
• Give-a-ways
• Hazardous chemicals or materials with a NFPA > 3. (If the rating cannot be located on the MSDS, then the chemical purchase is considered ‘restricted’ on the PCard)
• HEAF funded purchases
• Insurance of any type
• Internet provider, domain or website services
• Items (plaques, awards, gifts, giveaways, trophies, T-Shirts, etc.) that include branding/logo
• Maintenance Agreements
• Memberships (on State Dept. Id’s)
- Patient/Study Participants
- Personal items
- Postage
- Prepaid Phone cards
- Prescription Drugs
- Printing Services
- Prizes (including door prizes)
- Purchases involving equipment trade-ins
- Radioactive materials
- Restaurants (Dine-in Only)
- Temporary personnel
- Trophies
- T-Shirts (with university logo/branding)
- Travel and related expenses
- Used Equipment
- Warranties (not purchased with original product)

**Appendix D - Forms**

**PCard Application**

PCard Training Agreement Form

**PCard Assignment Form**

Food or Beverage Justification Form

**PCard Exception Request Form**

Missing Receipt Form