University of Alabama at Birmingham

PURCHASING CARD (P-CARD) PROCEDURES

July 1, 2018

Related Policies
Purchasing Card Policy

These procedures apply to all purchases made with a University of Alabama at Birmingham (UAB) Purchasing Card (P-Card). Exceptions to these procedures may be authorized at the discretion of Financial Affairs’ senior administration with a documented business purpose.

1. GENERAL INFORMATION.

The UAB P-Card is designed to be a flexible form of payment that permits UAB employees to place orders for allowable purchases. The policies and procedures governing the UAB P-Card program are designed to protect both the P-Card user and the University. Participation in the UAB P-Card program is considered a privilege and all P-card users are expected to adhere to established policies and procedures.

1.1 All purchases must be made in compliance with:

- State of Alabama Bid Law;
- Alabama Ethics Commission;
- Board Rules of The Board of Trustees of the University of Alabama;
- UAB Purchasing Card Policy;
- UAB Expenditure Guidelines;
- UAB contract vendor agreements;
- UAB Code of Conduct;
- Payment Card Industry (PCI) Standards;
- Cost accounting standards; and
- Fiscal requirements of regulatory sponsor.

1.2 Account Changes/Updates – Card changes including Cardholder name, single transaction limit, monthly credit limit, etc. may be requested using the P-Card Account Maintenance Form.

1.3 Billing Cycle – The billing cycle for all UAB P-Cards is approximately 30 days ending on or near the last day of the month. Statements are delivered to the cardholder and any other designee (as identified on the P-Card Application and Agreement) within three days of the end of the billing cycle.

1.4 Canceling a Card – To cancel a card, send an e-mail to pcardservices@uab.edu; cut the card in half and return the card to your departmental administrator. Reasons for canceling a card may include:

- Termination of employment;
- Request by an authorized person (Supervisor, Procurement Programs Administrator etc.);
- Transfer to another department (cardholder may reapply in new department); or
• Change in job title / responsibilities

1.5 Card Renewal – Cards are valid through the last day of the expiration month. Cards will be renewed by the card issuer every three (3) years and should arrive shortly before or during the expiration month. Cards will be sent to University Purchasing and the cardholder notified.

1.6 Card Security – The P-Card must be kept in a secure location at all times and may not be stored on any personal electronic device. Compromised P-Cards (i.e. lost, stolen, suspected fraud, etc.) must be reported immediately to the card issuer using the number on the back of the card and pcardservices@uab.edu.

• Organization Cards – The responsible cardholder of an organization P-Card is tasked with delegating use of the card. Users of the organization card must adhere to all procedures outlined by the respective UAB organization.

• Individual Cards – Individual cardholders are fully responsible for all charges made to their P-Card and may not delegate use to other UAB employees.

1.7 Credits – All credits must be returned to the card. Under no circumstance should the cardholder or user accept the credit as cash.

1.8 Declined Transactions – Contact the card issuer directly using the telephone number listed on the back of the card and the UAB P-Card team at pcardservices@uab.edu.

1.9 Departmental Role – The department is responsible for ensuring compliance with the UAB P-Card Policy and these Procedures. Each department will establish internal procedures and controls for the management, oversight, and monitoring, including monthly reconciliations, of all P-Cards issued to Cardholders in the department. The department will also ensure approvers have the training, resources, and authority necessary to review and approve transactions.

1.10 Disputed Transactions – Contact the vendor to resolve any discrepancy in posted charges and verify that the correction posts within the next billing cycle. If the matter cannot be resolved with the vendor, contact the card issuer directly using the telephone number on the back of the card and notify pcardservices@uab.edu.

1.11 Document Retention - All supporting documentation should be maintained by the organization or individual until the transaction has been fully approved within Regions Intersect.

1.12 Documentation Requirements – Supporting documentation for all P-Card transactions must meet UAB requirements as outlined here.

1.13 Grant and Contract Purchases – Purchases charged to a Grant Account (GA) must be made in accordance with the terms and conditions of the funding agency/entity in addition to meeting the other requirements of the UAB P-Card Policy and Procedures. Click here for additional information.
1.14 International Use – Cards are issued with domestic purchase authorization only. International use authorization may be requested using the P-Card Account Maintenance Form.

1.15 Limits – P-Cards are delivered with a predetermined set of limits: overall credit limit, single transaction limit, daily transaction limit, and monthly transaction limit. Requests to change any of these limits must be submitted to UAB P-Card Services using the P-Card Account Maintenance Form. Charges may not be split to circumvent established card limits. Cardholders will be issued a card fact sheet along with their card detailing the limits as described previously.

1.16 Personal Purchases – Use of the P-Card to purchase items for non-University purposes, even if the user intends to reimburse the University, is prohibited.

1.17 Tax Exemption – The University of Alabama at Birmingham (UAB) is exempt from Alabama sales tax. When making purchases within the State of Alabama, inform the vendor in advance of UAB’s sales tax exemption status. A copy of UAB’s sales tax exemption certificate may be found here. Should a merchant charge sales tax, it is the cardholder’s responsibility to contact the merchant and request a credit.

2. CARDHOLDER RESPONSIBILITIES

2.1 Cardholder, prior to use of the card, must complete all applicable forms, agreements and training.

2.2 Cardholder is prohibited from storing P-Card information on any device (e.g. Android Pay, Apple Pay, Google Wallet, etc.).

2.3 Cardholder must not send the P-Card number by text messaging.

2.4 Cardholder must report compromised P-Cards (e.g. lost, stolen, suspected fraud, etc.) immediately to the card issuer and pcardservices@uab.edu.

2.5 Cardholder cannot use the P-Card to make personal purchases. Confirmed use the P-Card for personal purchases or unauthorized use is considered non-compliance and may result in either revocation of card privileges or other disciplinary actions described in the UAB Purchasing Card Policy.

2.6 P-Card transactions must be timely approved throughout the billing period. All P-Card transactions must be fully reconciled (i.e. reviewed and approved by the organization) in Regions Intersect on or before the 10th of the month following the last day of the billing cycle. Failure to fully reconcile P-Card transactions may result in the card being disabled.

3. PERIODIC REVIEW

Periodic reviews may be conducted to determine a department’s adherence to the P-Card policy and these procedures, including review of supporting documentation related to selected P-Card
transactions. Missing or incomplete supporting documentation may result in the revocation of P-Card privileges.

4. OBTAINING A CARD

4.1 Organization Cards – a P-Card Application and Agreement must be submitted to P-Card Services for processing. Note that the agreement must be signed by the responsible cardholder.

- The application must be approved by the VP, Dean or Designee
- The card will be issued in the UAB Organization name
- The Responsible Cardholder must be in one of the following eligible assignment categories:
  - 01 Full Time Regular
  - 12 Three Twelve hour shift
  - 59 Affiliated Employees; and

4.2 Roles – Organization Card

<table>
<thead>
<tr>
<th>Type</th>
<th>Role</th>
<th>CMS Login Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>User</td>
<td>Responsible for securing all required documentation for card purchases</td>
<td>No</td>
</tr>
<tr>
<td>Proxy</td>
<td>Responsible for card transaction management:</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>- Receipt upload</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Expense allocation</td>
<td></td>
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<tr>
<td></td>
<td>- Business purpose</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Submit transaction for organization approval</td>
<td></td>
</tr>
<tr>
<td>Approver (Organization)</td>
<td>Review transaction for approval</td>
<td>Yes</td>
</tr>
<tr>
<td>Approver (Central)</td>
<td>Review transaction for approval</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Organization card proxy may not be an approver. Each transaction requires two distinct organization signatures.

4.3 Individual Cards – a P-Card Application and Agreement must be submitted to P-Card Services for processing. Note that the agreement must be signed by the cardholder.

- The application must be approved by the VP, Dean or Designee
- The card will be issued in the individual’s name; however, personal credit history will not be affected by the corporate P-Card
- The cardholder must be in one of the following eligible assignment categories:
  - 01 Full Time Regular
  - 03 Part Time Regular
  - 07 Interns and/or Residents
4.4 Roles - Individual Card

<table>
<thead>
<tr>
<th>Type*</th>
<th>Role</th>
<th>CMS Login Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardholder</td>
<td><strong>May</strong> manage card transactions including: Receipt upload, Expense allocation, Business purpose. Submit transaction for organization approval.</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Proxy *(Proxy role is not required for cardholders that will be managing their own transactions in the CMS.)*

<table>
<thead>
<tr>
<th>Role</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Proxy</td>
<td>Responsible for card transaction management: Receipt upload, Expense allocation, Business purpose. Submit transaction for organization approval.</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Approver (Organization)

<table>
<thead>
<tr>
<th>Role</th>
<th></th>
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</tr>
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<tbody>
<tr>
<td>Approver (Organization)</td>
<td>Review transaction for approval</td>
<td>Yes</td>
</tr>
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</table>

Approver (Central)

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<tr>
<td>Approver (Central)</td>
<td>Review transaction for approval</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Individual cardholder or proxy may not be an approver. Each transaction requires two distinct organization signatures.

5. Card Management Software (CMS) - Regions Intersect

The Card Management Software (CMS) utilized by the University of Alabama at Birmingham is called Intersect and is provided by Regions. Intersect may be accessed from the Oracle Admin Systems web page using the button labeled CMS Intersect. Card Management Software (CMS) is used as a repository for purchase and expense allocation supporting documentation. Transactions are available on a daily basis enabling reconciliation as often as necessary to ensure that all transactions are fully approved by the 10th of the following month. The approval indicates that all reconciled transactions are valid and in compliance.