

Oklahoma State University

Purchasing Card Guidelines



Oklahoma State University
Office of Central Procurement
1224 N. Boomer Road
Stillwater, OK 74078

<https://adminfinance.okstate.edu/procurement/pcard.html>

August 2023

OSU PURCHASING CARD PROGRAM GUIDELINES

PREFACE

It is the intent of Oklahoma State University (OSU) to use a commercial purchasing card (Pcard) to facilitate the acquisition of lower dollar goods and services needed for conducting official university business. This manual is intended to provide guidance to ensure OSU complies with State statutes and University Policy and Procedures.

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Pcard Program Contacts

Pcard Administrator: Carla James

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The pcard administrator is responsible for management of the purchasing card program. This includes assisting departments in determining how to use the Pcard to fit its needs, planning and coordinating training, customer service, processing Pcard request forms, processing changes in cardholder information, assisting with disputed transactions, and transaction review.

Compliance Accountant: Becky Hergenreder

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The compliance accountant is responsible for desktop and field audits, including planning and scheduling reviews of departmental internal controls and transaction details. Also included are addressing compliance issues with departments and making recommendations for improvements.

Pcard Assistant: Jessica Hergenreder

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The pcard assistant is responsible for processing Pcard Applications, Change Forms, and Deletion Forms. Also included is customer service, assisting with Pcard compliance inquiries, and performing an annual review of Conflict-of-Interest Forms.

Bank of America

The Purchase Card contract was awarded to the Bank of America. For questions about your Pcard or to discuss denied purchases, call (888) 589-3473 option 4. Outside the US, call (509) 353-6656.

How to Get a Pcard

Eligible employees must complete Pcard training and submit the required forms to the Office of Central Procurement.

Eligible Employees

Cardholder must be an Oklahoma State University full-time, permanent employee (.75 FTE and above).

Student Employees

Departmental Pcards will be issued to student employees under similar criteria as regular employees with the following provisions:

- Unit administrators will hold the student employee's Pcard in a secure location and will provide the card to the student when the unit desires the cardholder to procure authorized goods or services.
- After completing the purchase, the student will return the Pcard, along with the receipts, to the unit administrator for safekeeping.

Required Forms

The required forms and instructions for applying for a Pcard are located at <https://adminfinance.okstate.edu/procurement/pcard.html>. Once completed, the forms must be submitted to the Office of Central Procurement for processing.

- 1) Application Form for Pcard or Works User Access
 - Must be signed by cardholder or user, approver, accountant, and appropriate administrator.
 - Department administration is to establish spending limits for each cardholder. (Refer to Card Spending Limits on page 9.)
- 2) Conflict-of-Interest Form
 - Documents any outside financial interest, which may affect purchasing decisions. (Refer to Prohibited and Restricted Goods and Services on page 18, item 10.)
 - Cardholders must fill out a new form by October 1 of each year or when an interest becomes reportable.
 - Attach the initial form to the application. Subsequent forms are to be kept on file by the department and made available for review by Pcard staff when requested.
- 3) Employee Agreement Form

Training

Initial Training

All cardholders and individuals in assigned roles must complete training before a card will be issued and access granted to Works.

Refresher Training

All cardholders must complete refresher training every two years to retain their Pcard.

Issuance of Pcard

The Pcard is issued by Oklahoma State University in coordination with the Bank of America. The Pcard will include the institution's name, FEI number if applicable, the cardholder's legal name, cardholder's department, and a unique 16-digit account number. All cards must be shipped to a university address.

Security

Safeguard the Card

The cardholder is responsible for safeguarding the Pcard and account number at all times. To prevent unauthorized use and limit the potential for fraud, the cardholder should use the security measures outlined below:

- Keep the Pcard and account number in a secure location and safeguard it.
- Do not loan or share the Pcard or its number with anyone. Sharing may result in card revocation.
- Upon receiving a Pcard in the mail, the addressee is the only person authorized to open the envelope. Should the cardholder discover the envelope has been previously opened, the pcard administrator must be notified immediately. Failure to notify the pcard administrator of an open envelope indicates the cardholder accepts personal responsibility for any transactions made to the potentially compromised card.
- Sign Off and reconcile your transactions in a timely manner and watch for unauthorized charges.
- Do not share your logon credentials for any merchant website. Do not attach your Pcard to a merchant account where others can access your Pcard.
- Do not share your logon credentials for any Pcard-related program with any other individual. For sign-off alternatives, see Group Proxy Reconciler on page 13.
- Immediately, upon discovering a Pcard is lost or stolen, the cardholder must personally notify Bank of America at (888) 449-2273. Outside the U.S., call (509) 353-6656. These are available 24 hours per day. The bank will block use of the card and send a replacement. If fraudulent charges have appeared on the card, the cardholder may be asked to sign an affidavit confirming which transactions are fraudulent so a credit can be issued.

Custody of Student Pcards

Students, graduate and undergraduate, may not retain possession of the Pcard. Student cards must be kept by department administration, checked out by the cardholder for use, and returned, along with an appropriate receipt after the purchase is made.

Limiting Exposure to Fraud

Leave of Absence / Card Suspension

If a cardholder will be away for an extended time (i.e., 30 days or greater), the department is to contact the pcard administrator. The card will be placed in suspension to protect against loss and fraudulent charges. Upon return, the department is to contact the pcard administrator, and the card will be restored to previous limits.

Card Spending Limit Recertification

Card limits should be consistent with the spending needs of the cardholder. Having excessive available credit increases the amount of potential loss should the card be compromised.

- Cardholder limits may be reviewed periodically to determine whether actual usage is consistent with assigned spending limits.
- If usage is consistent with the spending limits, there will be no change to the card limits.
- If usage is not consistent with the spending limits, the pcard administrator may recommend an adjustment to the card limits or recommend an inactive card be cancelled.

Spending Controls

Controls, including merchant category restrictions and credit limits, have been applied to all Pcard accounts.

Merchant Activity Type Limits

A Merchant Category Code (MCC) is a four-digit number assigned by the credit card industry to every business that accepts credit cards. The code corresponds to the type of business or service the company offers. OSU prohibits the use of Pcards for certain types of goods and services; therefore, the Office of Central Procurement defines groups of unallowable MCC codes and restricts Pcard use at those merchants.

Card Spending Limits

Department administration is to establish spending limits for each cardholder. Limits are to be specified on the Pcard Application and must be reasonable and in-line with the cardholder's duties and expected need.

- Employees
 - Single Transaction Limit shall not exceed \$5,000.
 - Monthly Cycle Limit shall not exceed \$50,000. Departments will be required to provide justification for any monthly credit limit over \$10,000.
- Student Employees
 - Justification is required for a monthly credit limit over \$2,500 and a single transaction limit over \$500.

Using the Pcard

Decision to Use Pcard / OK Corral

- All purchasing, regardless of dollar volume, should start with a search of OK Corral. The Corral contains competitively bid contracts that exist to promote efficiency in business transactions and provide cost savings for all departments.
 - This is a best practice and board policy 2.07 (8(C)(ii)) “*When established purchasing contracts exist, purchases should be made from such contracts.*”
 - Procurement Guidelines for the Oklahoma Agricultural and Mechanical Colleges state, “*Purchase cards should not be utilized when suppliers will accept purchase orders through OK Corral. The OK Corral is the best method to purchase goods and services because the approval workflow and encumbrance process proceeds the purchase and the efficiency by electronic receipt verification and invoicing. Purchase card is an option primarily due to it being some supplier’s choice to receive payment.*”
<https://airs.okstate.edu/okcorral/guidelines.html>
- Review the lists of prohibited and restricted purchases to ensure the purchase is allowable.
- Be sure the total amount including shipping will not exceed the single transaction or cycle limits.
- Neither Works nor Pcard perform a budget check. Ensure you have sufficient funds budgeted before making purchases.

Methods of Purchasing with a Pcard

As with any credit card, the Pcard may be used to purchase over the counter, by mail, phone, fax, and through the Internet.

- Verify no Oklahoma sales tax is included in the purchases.
- Some out-of-state, online vendors collect Oklahoma tax. Work with the merchant to make a tax-exempt purchase; otherwise, the Pcard must not be used for the transaction.
- Use a reputable merchant and ensure Internet purchases are made from a secure site.
- Obtain a complete, itemized receipt and any supporting materials. If purchasing through the Internet, it may be necessary to take screenshots of the order or confirmation.

Delivery Address

- Items purchased with the Pcard should always be delivered to a university address.
- Any exception must be approved in advance. A Request for Exception – Goods/Items to be Shipped to a Non-University Address Form must be completed and approved by the Associate Vice President. Approved exception form must be kept with the corresponding receipt.
<https://adminfinance.okstate.edu/avpaf/exceptions-forms-guidelines.html>

Card Denied

- When a card is declined, the cardholder should contact Bank of America at the phone number on the Pcard. The bank can provide the reason. The bank may request the address or phone number listed on the Pcard application or the verification ID, which is 9 followed by the cardholder's CWID (numbers only.)
- Cardholder can also check the Authorization Log in the Works system to determine the reason the transaction was denied. Instructions for accessing the Authorization Log (page 21): https://adminfinance.okstate.edu/procurement/files/pcard/works_user_guide_2020.06.02.pdf

Returns, Damaged Goods, and Credits

- Work with the merchant to resolve the problem.
- If the merchant is responsible for the problem, you should not pay a restocking fee. If the merchant is not responsible, the Pcard may be used to pay the fee provided it does not violate policies.
- Request a credit receipt for returned items if possible.
- Confirm the credit is posted to your card.

Resolving Disputes with Vendors

- University Accounting will make timely payment to Bank of America for all credit card purchases without regard to individual discrepancies in transaction billings.
- In the event of an erroneous charge, the cardholder must contact the merchant and attempt to resolve the problem. The communication should be documented in writing and include the date, people involved, a brief description of the problem, and the outcome.
- If the cardholder is unable to resolve the dispute with the merchant, a dispute may be filed by contacting the Bank of America.

Card Maintenance and Management

Canceling a Pcard

- Pcards are the property of OSU.
- Upon termination, transfer, or retirement, the card must be surrendered to the cardholder's departmental administration. The department must destroy the card.
- The card must be surrendered upon the request of the cardholder's supervisor, departmental administration, pcard administration, or the Office of Central Procurement.
- Cardholder's department is to complete a Deletion Form and forward it to pcard administration in a timely manner.

Card Expiration/Renewal

Prior to a Pcard's expiration date, the bank will issue a replacement card and send it directly to the cardholder at an OSU address. If not used regularly, the bank may not automatically send a replacement card.

Defective Pcards

Pcards may be replaced when defective or mutilated. Contact pcard administration for assistance. The damaged card is to be destroyed by the department.

Works

Works is an internet-based platform supplied by the Bank of America. Pcard transactions feed into Works, which enables users to approve, reconcile and oversee spend. The university has developed a hierarchy of groups and roles in the system. Each group in the hierarchy must have an owner, one or more cardholders, approvers, and accountants. The setup allows Works to route purchases through a predefined workflow. In general, once a purchase is made and posts to Works, the transaction routes to the cardholder, the approver and then the accountant for review and sign off. For instructions and other reference material, go to:

<https://adminfinance.okstate.edu/procurement/pcard.html>

Works Role Eligibility and Responsibility

Cardholder Roles and Responsibilities

- Cardholder is an authorized purchasing agent for the university.
- Being issued a Pcard does not imply prior approval of all purchases. The cardholder must follow applicable university policies and procedures, departmental procedures, and any departmental pre-approvals.
- Must be full-time, permanent university employee or student employee designated by the Vice President, Dean, or Department Head to execute purchases. Cardholder may also be an advisor, president, or treasurer of a student organization.
- Cardholder accepts responsibility for ensuring unallowable, prohibited, or restricted items are not purchased.
- Ensure appropriate documentation, including the original receipt is received and maintained for each purchase.
- Must not purchase from friends or family, from a company owned by any university employee, or from companies where the cardholder has a financial interest.
- Must not accept gifts or gratuities from any merchant when offered, or appears to be offered, to influence the cardholder's decision regarding a purchase.
- Must protect the Pcard and its number. The cardholder is the only person authorized to make purchases with the card or its 16-digit number.
- Contact the bank and pcard administration if the card is compromised or stolen.
- Cardholder is responsible for processing a Change Form if there are changes to card information, including but not limited to name, credit limit, default chart/fund, etc.

- Transaction Processing in Works
 - Review and sign off transactions in a timely manner.
 - Verify transactions are legitimate and in compliance with policy and procedures.
 - Enter a description and business purpose in the description field. Update the chart/fund and account numbers if required.
 - At the end of each billing cycle, reconcile receipts and supporting documentation with transactions in Works and forward the materials to the accountant.

Approver Roles and Responsibilities

- Must be a full-time, permanent university employee designated by the Vice President, Dean, or Department Head.
- Should have knowledge of what an appropriate, reasonable, necessary, and legitimate transaction for the cardholder and department should be.
- Should review cardholder transactions and question any purchase for which the business purpose is unclear and notify administration of any purchase appearing to be questionable.
- Report violations to the cardholder, department administration, and the pcard administrator. Discussions should be documented, and materials attached to the receipt. Failure to do so may result in disciplinary action up to and including termination of employment.
- Update chart/fund and account in Works, if needed.
- Sign off on the cardholder's transactions in Works. Approver may not sign off on his/her own transactions. Each transaction must be signed off by three different individuals.

Accountant Roles and Responsibilities

- Must be a full-time, permanent university employee designated by the Vice President, Dean, or Department Head.
- Reviews transactions for compliance with policy and procedures.
- Questions any purchase for which the business purpose is unclear and notifies administration of any purchase appearing to be questionable.
- Confirms the description in Works matches the Level 3 detail (if provided).
- Reports violations to the cardholder, department administration, and the pcard administrator.
- Reconciles transactions in Works to the corresponding receipts and supporting documentation and ensures the chart/fund and account are correct.
- Sign off on the cardholder's transactions in Works. Accountant may not sign off on his/her own transactions. Each transaction must be signed off by three different individuals.

Group Owner (Optional Role)

- This is often the Department Head, Director, Dean, or other staff member who has administrative responsibility for the cardholder's department.

Group Proxy Reconciler (Optional Role)

- Must be a full-time, permanent university employee designated by the department.
- Can sign off for any cardholder in his/her group, so the transaction will move up the chain, and the approval process will not be delayed.
- Should only be used when the cardholder is away and is unable to sign off on transactions in a timely manner. Signing off as a group proxy reconciler may only be done occasionally and not long-term.

Reconciliation

Receipt Requirements

The cardholder is responsible for obtaining original receipts and other required documentation from the merchant to support each purchase. Receipts should include:

- Date
- Merchant Name
- Itemized list of purchases
- Itemized pricing
- Total, including shipping and handling.

Lost Receipts

If a receipt has been lost, the cardholder must contact the merchant and request a duplicate receipt. If a purchase was made online, the cardholder may be able to obtain a receipt from an order history or order status tab on the merchant's website. Repeated loss of receipts may be grounds for disciplinary action or cancellation of the Pcard.

Billing Cycle

Billing cycle dates usually run from the 21st of the month to the 20th of the following month. If the 20th falls on a weekend or a holiday, the billing cycle ends on the previous business day. Transactions made near the end of the billing cycle may not be posted until the next billing cycle.

Reconciliation Process

The bank receives transactions daily and routes them electronically through the Works system to the cardholder, approver, and accountant. Cardholder must reconcile receipts and other required documentation and submit it to the accountant. Reconciliation is required at billing cycle end, but departments may require documents to be submitted more frequently. Transactions must be reviewed by all parties in a timely manner.

Chart/Fund and Account Changes

All chart/fund and account changes must be completed in Works no later than five calendar days after the end of a billing cycle.

Record Retention

Location of Original Records

Original Pcard records shall be maintained in a central location within the department (i.e. the departmental accounting office) and be made available for review by Pcard staff at any time. Supporting records shall include, but are not limited to, receipts, invoices, packing slips, dispute documents, or any pertinent materials in paper or electronic form.

Length of Retention

All records shall be maintained as prescribed in OSU Policy and Procedures statement #3-0190 (Records and Documents Retention, Security, and Control). Pcard records must be retained in the department for seven years then may be destroyed provided all audits have been completed and all applicable audit reports have been accepted and resolved by all applicable federal and state agencies and provided no legal actions are pending. If legal action is pending, records may be destroyed two years after exhaustion of all legal remedies, provided records meet all stipulated retention requirements.

Destroying Original Records and Electronic Imaging

Before destroying any records, a written request must be submitted to the Archivist in the Edmon Low Library or through the university's Record Retention Officer. No original records may be destroyed until approval is granted. Destruction of paper copies and electronic storage of documents must follow university policies and guidelines.

The State Archives and Records Commission, in the General Records Disposition Schedule for State Universities and Colleges states in Schedule 5-116 that the disposition guideline State Pcard records is *"Retain in office for seven years, then destroy after all audits have been completed and all applicable audit reports have been accepted and resolved by all applicable federal and state agencies, provided no legal actions are pending. If legal action is pending, destroy two years after exhaustion of all legal remedies, provided records meet all stipulated retention requirements."*

If your department is imaging records, Schedule 5-116 has been approved for continuous records destruction. If you wish to include your Pcard records as a part of your continuous records destruction process, you should contact the Assistant Director in Asset Management to make that request. Your department will be required to report annually the inclusive dates of records being imaged and destroyed for the fiscal year that is ending, and the location of the imaged records. Images should always be saved in Web AppXtender or to a common departmental drive that is backed up nightly to the university's mainframe. **At no time should imaged documents be saved on a personal computer hard drive.** The State must be able to access imaged records in an environment which is being saved and backed up routinely. If you have questions, contact Asset Management.

Cardholder and Departmental Compliance

Compliance Reviews

The Office of Central Procurement conducts ongoing desktop reviews of transactions appearing on the Works system. Cardholders and/or departments may be contacted for copies of receipts, supporting documentation, explanation of purchases, and/or reimbursement to the university for prohibited purchases.

The Office of Central Procurement may conduct unannounced on-site compliance reviews of departmental Pcard purchases as necessary to determine compliance with OSU policies and procedures and Pcard guidelines, all required documentation is present, and purchases are appropriate.

Pcard Violations

Misuse of the Pcard in any manner by a cardholder may result in revocation of the privilege to use the Pcard, disciplinary action, termination of employment, and/or the pursuit of any legal action available to the university.

Prohibited and Restricted Goods and Services

Certain types of purchases are prohibited by the State of Oklahoma. Certain purchases may be allowable if processed on a requisition but may not be made with a Pcard. If goods or services are not initially allowed on the Pcard, they must not be purchased with the Pcard, even if they will be reimbursed later.

Ref.	Subject	Information
1	Alcohol	Prohibited.
2	Apple Products (<i>Stillwater Campus Only</i>)	If available, Apple products should be purchased through the University Store. See #12 below for Data Plans.
3	Backorders	Prohibited. No charges should be incurred for backorders. Charges may only be posted for items received by the university or shipped from the merchant's dock. (<i>Reference: Oklahoma State Statutes 74 O.S. § 85.44B.</i>)
4	Cash, Cash Advances, Automated Teller Machine (ATM) Transactions	Prohibited.
5	Certifications & Licenses	<p>General guidelines: For license or certification fees required as a condition of employment (i.e., in the employee's initial job posting) and required before hiring, the employee must pay for the license/certification. Includes initial purchase plus renewals.</p> <p>If a license or certification was not required as a condition of employment (i.e., in the employee's initial job posting) but became a requirement later, OSU may pay the initial fee. Renewals are the responsibility of the employee.</p> <p>This section is not all inclusive. If you have questions, contact the Pcard Office.</p> <p>Note: Notary fees are typically allowed on the Pcard.</p>

6	Clothing and/or Uniforms for Employees (includes embroidery, etc.)	Before purchasing employee clothing, a <i>Clothing and/or Uniforms to be Provided to Employees – Request for Determination of Taxability Form</i> must be completed by the department. The form can be found at: https://adminfinance.okstate.edu/avpaf/exceptions-forms-guidelines.html . Only clothing and/or uniforms determined to be non-taxable as a fringe benefit may be purchased by Pcard. The form must be kept with the receipt. For additional information, see University Policy and Procedures 3-0203 and De Minimis Guidelines (https://adminfinance.okstate.edu/avpaf/site-files/documents/de-minimus-guidelines.pdf)
7	Clothing for Students	<ul style="list-style-type: none"> • Clothing for students may be purchased on a ledger 9 fund. • For a group of students representing the university at an official event, a department may purchase clothing for the students provided the dollar amount of the item plus embroidery or other decorations is de minimis (\$25 or less). Anything more expensive should be purchased through OK Corral.
8	Coffee Service	Coffee service is not allowed on Pcard. Use OK Corral. For other coffee and coffee-related purchases, see the food section of Pcard Guidelines.
9	Computers and Computer Components	Although not prohibited, computers and computer components should be purchased through OK Corral. For Apple products, see the Apple section above.
10	Conflict-of-Interest Purchases	Prohibited on the Pcard. Cardholders may not purchase from themselves or a member of their immediate family or realize personal gain on a transaction. Any purchase from any company owned by any university employee must be bid.
11	Credit Card Processing Fees (aka convenience fees, credit card fees, up-charges, surcharges, processing fees, non-cash fees, etc.)	<ul style="list-style-type: none"> • Credit card processing fees are not allowed on Pcard except where there are specific contractual arrangements with OSU to do so. • If the vendor accepts a purchase order, the purchase must be processed through OK Corral. • If the only form of payment accepted by a vendor is a credit card, an exception may be requested from the pcard administrator. Any fee would be limited to 4%. • Processing fees paid to a third-party processor, or a state agency are allowed.
12	Data Plans	Allowed for university-owned devices. The Telecom Department may be able to assist with better rates and services. For inquiries, send an email to helpdesk@okstate.edu .

13	Decorations	Prohibited on the Pcard. Purchases for decorations must be processed in OK Corral where they can be audited for compliance prior to purchase.
14	Deposits and Prepayments	Prohibited. Violates State statutes. See separate sections for subscriptions, registration fees and lodging deposits. (<i>Reference: Oklahoma State Statutes 74 O.S. § 85.44B.</i>)
15	Donations	Prohibited.
16	Employee Service and/or Incentive Awards	Not allowed on Pcard. Regardless of the dollar amount, these must be processed on a requisition. This includes, but is not limited to, plaques, trophies, framing, certificates, etc. Some awards could have income tax consequences and must be processed on a requisition. This includes student employees.
17	Equipment / Fixed Asset ≥\$5,000	To properly record equipment acquired through Pcard usage, departments are required to provide copies of any invoices involving equipment acquisitions that meet the capitalization requirement of \$5,000 or greater to Asset Management within 24 hours of purchase.

18	Food and Food-Related Items	<p>Food purchases not in compliance with the following food guidelines, must have a letter of approval from the Vice President or Dean prior to making the purchase. The letter must not be signed by a delegate, and it must be attached to the corresponding receipt. Tips are limited to 20%.</p> <p>Food and food-related items may only be purchased:</p> <ol style="list-style-type: none"> 1. For food service or food sales areas (i.e., University Dining Services, Ranchers Club, etc.), or 2. When specifically included in a Ledger 5 grant or contract budget and approved by a sponsoring agency, or 3. When required for an instructional and/or research purpose, or 4. When participants pay a fee and the documentation specifically indicates the fee will cover the food/meal, or 5. When all conditions of the Office of Management and Enterprise Service’s Policy on the Payment for the Purchase of Refreshments are met. <ol style="list-style-type: none"> a. <i>MEETING REFRESHMENTS – OMES Policy: Light food and drink items (e.g., doughnuts, cake, coffee, tea, soft drink, etc.) used as refreshments and required in connection with meetings or similar type activities held/conducted for and in the interest of the general public. May also include related service items (e.g., disposable plates/flatware, stirrers, sweeteners, etc.).</i> b. <i>NOTE: Meetings as used in this definition do not include those activities and functions related to or associated with the day-to-day internal operations of an agency (e.g., staff meetings, staff retreats, employee training sessions/seminars, etc.). Inappropriate purchases of coffee and other refreshments outside of the “Refreshment Policy” listed above could be considered purchase of gifts under prohibited acts.</i> <p><u>Written justification, stating how the food falls within the food guidelines shown above, is required for each food purchase. Justification and any necessary supporting documentation must be attached to the corresponding receipt. Remember, you may be asked by an auditor and/or reporter how and why you justified the purchase.</u></p>
19	Food and mileage while in travel status	Prohibited on Pcard. Request reimbursement on a travel claim.

20	Food for Professional Development Retreats	<ul style="list-style-type: none"> • <u>Employee Retreats</u>: Dean or Vice-presidential approval for the food is required prior to purchase. A delegate’s signature is not allowed. For more information, see Oklahoma State University Policy and Procedures 1-1204. • <u>Student Retreats</u>: Food may only be purchased on 9 funds; otherwise, Dean or Vice-presidential approval for the food is required prior to purchase. A delegate’s signature is not allowed.
21	Furniture	Although not prohibited, furniture should be purchased through OK Corral.
22	Gasoline / Fuel	<ul style="list-style-type: none"> • <u>Equipment</u> such as lab and lawn equipment – Fuel is not prohibited on Pcard; however, Transportation Services can assign a fuel card to any department-owned equipment or gas can. • <u>Gas Cans</u> – Fuel is not prohibited on Pcard; however, Transportation Services can assign a fuel card to any department-owned equipment or gas can. • <u>Personal vehicles</u> – Prohibited. Request reimbursement on a travel claim. • <u>Rental Car</u> – May be allowed. See page 28. • <u>University vehicles</u> – Prohibited. Use the gasoline credit card provided in the automobile.
23	Gifts in Any Form	<p>Prohibited on Pcard. Violation of State statutes. (<i>Reference: Const. Art 10, Sec. 14 & 15 and A.G. Opinion 79-078, 79-263, and 82-071.</i>)</p> <p>Gifts authorized in a grant must be purchased through OK Corral.</p>
24	Grants and Contracts, Purchases on	<p>Purchases made by Pcard on a grant or contract account must comply with the terms and conditions of the award, award budget, and all OSU policies and procedures. Purchases must be made within the appropriate time frame of the award. If a sponsored account supports any purchase that is otherwise restricted (i.e. food), upon request, the cardholder must provide a copy of the approved grant or contract, the approved budget, and the page describing the otherwise unallowable purchase. As a part of the documentation maintained for food purchases for meetings, luncheons, etc. allowable under the grant or contract, the cardholder should maintain the receipt for the purchases, dates of the meeting, and a list of attendees. The agency award requirements will dictate record retention requirements. Any Pcard purchase determined by audit, or otherwise, to be unallowable on a grant or contract, will be transferred to the employee’s departmental chart/fund.</p>

25	Human Subjects, Payments to	Pcard may be used to purchase gift cards as a form of payment made to human subjects; however, there are strict guidelines and preapproval is required by the OSU Controller. Each card is limited to \$100. (Reference: https://adminfinance.okstate.edu/avpaf/site-files/documents/quidelines-for-the-purchase-of-gift-cards-april-2020.docx). In addition, before each purchase is made, the cardholder is responsible for ensuring pcard administration is provided a copy of the OSU Controller’s approval.
26	In-State Sales Tax	All Oklahoma sales tax is prohibited. This applies to purchases made from vendors in state, out of state, or on the Internet. OSU is not exempt from sales tax collected for other states or countries.
27	Insurance	Prohibited. Insurance must be processed on a requisition through Risk and Property Management.
28	Items that do not Serve a Business Purpose	Prohibited. Examples include flowers, candy, meals, greeting cards, health care items, personal medical devices, etc.
29	Lab Supplies	See Scientific Lab Supplies & Equipment
30	Late Fees or Finance Charges	Not allowed on Pcard. Invoices with late fees or finance charges must be paid on a requisition.
31	Memberships	<ul style="list-style-type: none"> • <u>Personal/Individual Memberships</u> – Prohibited. Violates State statutes. May be allowable if documented as transferable to another university employee. (Reference: A.G. Opinion 63-247, 79-038, 80-059 and 80-261.) • <u>Institutional Memberships</u> – Permitted but must specifically indicate it is institutional, and the complete name of the organization must be identified. (Reference: A.G. Opinion 63-247, 79-038, 80-059 and 80-261.) • Amazon Prime memberships are prohibited. • Sam’s Club memberships are prohibited.
32	Moving Expenses, Personal / Individual	Prohibited on Pcard. Moving expenses could have income tax consequences and must be processed on a requisition.
33	Office Supplies	Although not prohibited, office supplies should be purchased through the Punchout in OK Corral.

34	Personal Medical Devices	<p>Prohibited on Pcard. These are items of a personal nature such as neck braces, knee braces, carpel tunnel braces, eyeglasses, etc.</p> <p><u>Back Brace</u>: This is typically a personal expense, but if preapproved in writing by the OSU Environmental Health & Safety department (EHS), it may be purchased with Pcard. Cardholder must attach EHS's preapproval to the Pcard receipt. If purchased with university funds, the item must remain university property.</p>
35	Personal Protective Equipment	<p>May be allowed on Pcard if approved by the cardholder's department or college. Examples: Knee pads, ice cleats, muck boots, lumbar support, gloves, etc. These items will remain university property.</p>
36	Personal Purchases	<p>Prohibited on Pcard. Must not be used, under any circumstances, to purchase items for personal use. This includes but is not limited to reading glasses, personal medical devices, etc.</p>
37	Postage Stamps	<p>Prohibited on Pcard. Check with your campus's central mailing department and pay by CVI. (<i>Reference: Oklahoma State Statutes 74 O.S. § 90.1</i>). See below for shipping.</p>
38	Professional Services	<p>With some exclusions, professional services are allowed on the Pcard.</p> <p><u>Supplier Invoice</u> Each purchase must be supported by a legitimate, detailed invoice provided by the supplier. If the supplier does not provide the invoice, payment must be processed in OK Corral and a notarized claim form must be attached in lieu of the vendor invoice. Any travel expenses must be included in the invoice. Pcard must not be used to pay travel expenses separately.</p> <p><u>Excluded Professional Services</u> Because special approvals and routings are required, the following services must not be paid by Pcard.</p> <ul style="list-style-type: none"> • Legal services including attorney fees. • Any fee associated with any capital project (on any source of funding), including but not limited to architecture, engineering, and survey services. <p><u>Tokens of Appreciation for a Service Provider</u></p> <ul style="list-style-type: none"> • Gifts are not allowed on the Pcard; however, a plaque or certificate may be permitted if the service provider received no compensation or paid travel. • Promotional items may be given as tokens of appreciation. These should be of de minimis value. • Tokens of appreciation for OSU employees are not allowed on the Pcard.

39	Promotional Items	Promotional items should have OSU's name or logo printed on the items. Although not prohibited on Pcard, these should be purchased in OK Corral.
40	Rebates, Rewards, Cash Back, Gifts with Purchase	Any monetary, cash or non-cash incentive, or other type of reward received as a result of an OSU purchase becomes the property of the university. If the incentive received does not serve a university purpose, the department should not take advantage of the incentive. Examples include, but are not limited to, rebates, gift cards, two-for-one purchases, coupons, game codes, spend rewards, and expendable or non-expendable supplies.
41	Registration Fees for conferences, meetings, seminars, training events, entry fees, booth rentals, and <u>similar events</u>	The Pcard may be used to pay registration at the time of an event or after it has taken place. Event registration may be prepaid if one of the following options is satisfied and documented: <ul style="list-style-type: none"> • <u>Option 1</u> <ol style="list-style-type: none"> 1. A discount for early registration must be received, <u>and</u> 2. If the registered participant cannot attend, someone else may attend in his/her place, <u>and</u> 3. If the conference is cancelled, OSU will receive a 100% refund. • <u>Option 2</u> <ol style="list-style-type: none"> 1. Prepayment is required in order to attend the conference <u>and</u> 2. A purchase order is not accepted.
42	Regular Monthly Payments Greater Than \$5,000 per Fiscal Year	Maintenance, lease/rental, and service agreements for office or scientific equipment totaling more than \$5,000 per year are prohibited on Pcard and should be processed on a requisition and a PO issued.
43	Resale, Items purchased for	Only authorized areas holding a sales tax permit may purchase items for resale.
44	Salary / Wages and/or Benefits	Prohibited on Pcard.
45	Scientific Lab Supplies & Equipment	Although not prohibited, scientific lab supplies and equipment should be purchased through the Punchout in OK Corral.
46	Shipping on Outgoing Items	Although not prohibited on the Pcard, cardholders should first inquire with their campus's central mailing department and pay by CVI. The department may offer reduced price options.
47	Space Heater	Only permitted if the cardholder obtains written <u>preapproval</u> from the OSU Environmental Health & Safety department. Approval must be attached to the Pcard receipt. No exceptions.

48	Split Purchases (purchase greater than \$5,000)	Prohibited. Split purchasing means dividing or failing to consolidate a known quantity of goods or services for the purpose of evading the Pcard single transaction limit of \$5,000. Examples include, but are not limited to, splitting between two or more: <ul style="list-style-type: none"> • swipes of the card, • cardholders, • projects, • Pcard cycles or months, • vendors, or • chart/funds.
49	Sponsorships	Only allowed if we receive something in return and must be documented. Donations are prohibited.
50	Student Awards (<i>Given in their capacity as a student and <u>not</u> as an employee.</i>)	<ul style="list-style-type: none"> • Nonmonetary awards such as trophies, plaques, and certificates are allowed on Pcard. • Graduation stoles, cords, and gifts are not allowed on Pcard and should be purchased with Foundation funds or another method. • Student employee awards must be processed in OK Corral.
51	Subscriptions	May only be paid one year at a time. Multi-year subscriptions are not allowed. Renewals may only be paid up to 6 weeks prior to the expiration of the subscription.
52	Tips	Tips are limited to 20%.
53	Trade-in's, Purchases involving	Purchases involving the trade-in of a university asset are prohibited on the Pcard. Process on a requisition.
54	Travel Expenses	See the section titled 'Payment of Travel Expenses with a Pcard' on pages 26-29.
55	University Departments or University Businesses, Purchases from	Prohibited on Pcard. The campus vendor invoice (CVI) system is to be used. Examples include, but are not limited to, University Dining, University Mailing, the OSU Ticket Office, etc.
56	Weapons and/or Ammunition	Prohibited. Must be purchased on a requisition. Includes but is not limited to weapons, firearms, archery equipment, slingshots, martial arts devices, ammunition, fireworks, explosives, dangerous chemicals, etc. See University Policy & Procedures 1-1301 for a complete list.

Other Purchases not Permitted under OSU Policies and Procedures, Purchasing Policies, and State Statutes are prohibited.

Payment of Travel Expenses with a Pcard

All Pcard guidelines, OSU Travel Policies and Procedures, and the State Travel Reimbursement Act apply to the payment of travel expenses using a Pcard. (See also Travel Policy 3-0201, Travel 10.01.) The following guidelines specifically pertain to Pcard travel purchases:

Do not use the Pcard to pay travel for individuals receiving an honorarium or any other type of compensation for their service. Reference: 74 OK Stat SS 74-85.40 (2020).

Airfare and Baggage Fees

- An Out-of-State or Out-of-Country Travel Request must be completed and approved prior to purchase.
- Pcard may be used to purchase airfare through Anthony Travel. If not purchased from Anthony Travel, a printed quote for the lowest fare from Anthony Travel must be obtained. Quote must be attached to the travel claim to verify the airfare purchased was a lower price than could be obtained through Anthony Travel.
- Options such as Early bird or upgraded seating, are considered luxury services, and are prohibited without a legitimate medical or business reason.
- Baggage fees may be charged at the time of the airfare purchase or at the airport.
- Per travel rules, no overweight, extra baggage, etc. is permissible.

Required documentation includes:

- Out-of-State/Country Travel Request.
- Receipt with the vendor's name, date, total cost of ticket, class accommodation, and name of traveler.
- Airfare quote, if required.
- Any other supporting documentation.
- Documentation may be printed and maintained with Pcard records or attached to the travel claim in the AIRS system.
- Cardholder should include the trip number in the description or comments field in Works.

Lodging

Approval

An Out-of-State or Out-of-Country Travel Request must be completed and approved prior to purchase.

Prepayment

- When a deposit or prepayment is required, the lodging stay may be posted to the Pcard in advance, **provided the lodging is refundable upon cancelation.**
- **Documentation of the lodging establishment's cancelation policy shall be attached to the lodging receipt.**
- If lodging is prepaid but the traveler, cardholder, or department neglects to cancel the reservation correctly and OSU is penalized or pays for an unused room, personal reimbursement may be required. If justification is documented and approved by the department's Vice President or Dean, reimbursement may not be required.

Room Rate

The room rate must be supported by either:

- Sponsor's announcement, agenda, brochure, registration form, and/or notice to verify designated lodging site and single occupancy room rate **OR**
- Printed documentation of the Federal lodging (GSA) rates for city and/or county.

Other Taxes and Fees

- When using the Pcard, no taxes should be paid on lodging in Oklahoma. Tax includes, but is not limited to sales tax, hotel occupancy tax, entertainment tax, city tax, etc.
- Tribal fees, which are sometimes called tribal taxes, are allowed.
- Tourism Improvement Fees (TID fees) are allowed.

Required documentation includes:

- Out-of-State Travel Request, if required.
- Itemized receipt.
- Documentation supporting the room rate, i.e., conference brochure or GSA rate.
- Hotel's cancelation policy if a deposit or prepayment was required.
- Documentation may be printed and maintained with Pcard records or attached to the travel claim in the AIRS system.
- Cardholder should include the trip number in the description or comments field in Works.

Ground Transportation

All other travel expenses including parking, out-of-state ground transportation, etc. must have an itemized receipt. The Out-of-State or Out-of-Country Travel Request must be completed and approved prior to purchase.

Tips

Must not be greater than 20%.

Ground Transportation (Taxi, shuttle, Uber, etc.)

- Allowed for in state and out-of-state travel.
- If any part of the use will be personal, it must not be paid with Pcard. See below for examples of personal use.
- Deposits and prepayments are prohibited.
- The corresponding trip number (T#) must be noted in Works.
- Receipt must be uploaded to AIRs.
- Options such as priority pickup upgrades are considered luxury services and are prohibited without a legitimate medical or business reason.

Car Rental

- Not allowed for in-state travel.
- Deposits and prepayments are not allowed on the Pcard.
- Not allowed on the Pcard if the trip includes both business and personal travel. See below for additional information on personal travel.
- Justification for the car rental is required for every purchase. See below for additional information on justification requirements.
- If driving out of state instead of flying, need an airfare quote demonstrating the car rental is less expensive than airfare.
- Rental car fuel is only allowed on the Pcard if it's used for an allowable car rental. In other words, if the car rental is prohibited on the Pcard, the fuel for that car must not be purchased with the Pcard.
- The corresponding trip number (T#) must be noted in Works.

Car Rental Documentation (*must be uploaded to AIRs*)

- Out-of-State Travel Request
- Car rental receipt
- Written justification for the car rental.
- Note or comment stating how many miles were for business travel and how many were personal. **Note: If personal miles were driven, the car rental should not have been paid with Pcard.**

Personal Travel

When determining business miles versus personal miles, only miles between the airport, hotel, and conference location can be used. Business luncheons or dinners could be considered business miles but must be documented in a comment on the receipt. Other miles could be considered business depending on the nature and purpose of the trip, but these should also be documented.

Some Examples of Personal Miles:

- Driving to lunch
- Meeting family or friends
- Sightseeing or shopping
- Vacation
- Personal evening activities or entertainment

Justification for Car Rental

A comment must be provided explaining the business or emergency need for a rental car anytime it is used while on official university business. If the business reason is not sufficient, the traveler or cardholder may be required to reimburse the university for the purchase.

Some common acceptable reasons for allowing rental car would be:

- The closest airport to the business destination is in another city
- Multiple destinations/cities
- Remote destinations
- Group travel
- Need to haul equipment or business materials
- Inclement weather or flight delays
- Cost savings versus taxi, shuttle, or Uber

Other Travel Expenses

Per diem (meals/food) and mileage are not permitted on the Pcard. Allowable travel expenses not permitted on the Pcard may be submitted on a travel claim.

Student Organizations

Student organizations may participate in the University's Pcard program. In addition to the information shown below, Pcard Guidelines on pages 1 - 16 must be followed.

How to Get a Pcard

For specific instructions, see the Student Organization Pcard Application Packet, which is located at <https://adminfinance.okstate.edu/procurement/pcard.html>.

- Advisor of the student organization must request the issuance of Pcards for the organization.
- Advisor must complete Pcard training.
- A copy of the approved signature card must be provided. This does not apply to Okmulgee or OKC campuses.
- Only the advisor, president, and/or treasurer are eligible for a Pcard.
- Only one student officer and one advisor may have a Pcard for an organization.
- For students, justification will be required for a credit limit over \$2,500 and a single transaction limit over \$500.
- Shipping Address: Although not mandatory, student organization ledger 9 purchases should be shipped to a university address.
- Sales Tax: Student organizations are not exempt from paying sales tax by their association with Oklahoma State University. Unless the student organization has applied for and received an exemption from the Oklahoma Tax Commission, all student organizations must pay sales tax on purchases.

Card Security

The only person authorized to use a Pcard, or its number is the person whose name is printed on the card. Card sharing is prohibited and may result in card revocation. See page 8 for detailed information on security.

Custody of Card

Students, undergraduate or graduate, may not retain possession of the Pcard. Student Pcards must be kept by the advisor or department administration, checked out by the cardholder for use, and returned, along with an appropriate receipt, after the purchase is made.

Custody of Pcard Records

Pcard records, including but not limited to receipts, must be maintained on campus by the advisor or department administration.

Canceling Pcards

When a president or treasurer leaves their position, the advisor and the Pcard accountant are responsible for submitting a Pcard Deletion Form to Pcard Administration in a timely manner. The advisor's card may remain active until the advisor is no longer associated with the student organization.

Pcard Violations

Cardholders and/or advisors may be contacted for copies of receipts, supporting documentation, explanation of purchases, and/or reimbursement to the organization for prohibited purchases. Misuse of the Pcard in any manner by a cardholder may result in revocation of the privilege to use the Pcard, disciplinary action, termination of employment, and/or the pursuit of any legal action available to the university.

Student Organizations - Prohibited and Restricted Goods and Services

Certain types of purchases are prohibited by the university, Campus Life, or the student organization.

Subject	Information
Alcohol and Tobacco	Prohibited.
Credit Card Processing Fees (aka convenience fees, credit card fees, up-charges, surcharges, processing fees, non-cash fees, etc.)	Although not prohibited, student organization cardholders should always plan ahead to avoid added fees.
Food	Allowed but should be approved according to guidelines outlined in the Student Organization Treasurer's Manual .

Gift Cards	<p>Allowed but should be approved according to guidelines outlined in the Student Organization Treasurer's Manual.</p> <ul style="list-style-type: none"> • There is a limit of \$250 for the total amount purchased at one time and a single card limit of \$25 per card. • Documentation must be maintained for the receiver of the gift card to include the name, address, CWID, and the amount of the gift card. This information should be attached to the disbursement voucher requesting payment or Pcard receipt. • As the cards are issued, the signature of the recipient should be obtained, and the complete log of signatures attached to the purchase documentation. <p><i>Reference: https://adminfinance.okstate.edu/avpaf/site-files/documents/guidelines-for-the-purchase-of-gift-cards-april-2020.docx</i></p>
Gifts	<p>Allowed but should be approved according to guidelines outlined in the Student Organization Treasurer's Manual.</p>
Memberships	<p>Allowed but should be approved according to guidelines outlined in the Student Organization Treasurer's Manual.</p> <p>Amazon Prime memberships are not allowed on the Pcard.</p>
Personal Expenses	<p>Prohibited.</p>
Student Travel	<p>Allowed but should be approved according to guidelines outlined in the Student Organization Treasurer's Manual. If the card will be used while traveling, the cardholder must be present on the trip or make arrangements for purchases over the phone.</p>
Supplies	<p>Allowed but should be approved according to guidelines outlined in the Student Organization Treasurer's Manual.</p>
University Departments or University Businesses, Purchases from	<p>Prohibited on Pcard. The campus vendor invoice (CVI) system is to be used. Includes the Student Union, University Dining, Ranchers Club, University Mailing, etc.</p>
Weapons and/or Ammunition	<p>Prohibited. Includes but is not limited to weapons, firearms, archery equipment, slingshots, martial arts devices, ammunition, fireworks, explosives, dangerous chemicals, etc. See University Policy & Procedures 1-1301 for a complete list.</p>