

Section 7.6 - The University P-Card

Purchasing Card (P-Card) Administration

The University of Illinois Purchasing Card (P-Card) is a charge card that may be used by University employees for point-of-sale purchases of qualified supplies and/or small equipment costing \$4,999 or less. It is a University paid, University liability MasterCard™. The P-Card Web Solution™, also known as the P-Card software, is the system used to record, process, and maintain P-Card transactions and user roles.

All purchases on the P-Card must be in compliance with University procurement, allowable expenditure and funding, payroll, and tax-related policies, as well as with all applicable State and Federal statutes.

As designated by the OBFS Senior Associate Vice President (SAVP), the Senior Director of University Payables (UPAY), and the Associate Director of UPAY Support Services, the UPAY Assistant Director of Support Services is assigned as the University-wide P-Card Administrator.

UPAY Card Services is the unit designated to manage the University P-Card Program. The Unit Head and Department Card Manager (DCM) assist with the implementation and oversight of the card program for the unit.

P-Card Administrator

- Develop the management plan, policies, and procedures to support UPAY Card Services functions
- Confer with the appropriate campus OBFS Purchasing Division(s) during the decision-making process for procurement issues, and with OBFS University Payables regarding payment issues
- Direct day-to-day-operational activities of UPAY Card Services

UPAY Card Services

- Coordinate with designated Department Card Managers (DCM) to oversee and administer the University's card programs
- Receive electronic P-Card applications and the properly-executed P-Card Authorization Agreement and Application Information forms
- Verify the completion of the required P-Card training and certification quiz by Cardholder, Reconciler, Approver, DCM, and/or Delegate
- Submit approved P-Card applications to the issuing Bank
- Process and maintains in the P-Card Software:
 - Cardholder profile
 - New card applications
 - Card status
 - Role holder access

- DCM assignment
- Perform Help Desk services and activities
- Develop and delivers card program training
- Oversee card program compliance with applicable policies and procedures.
- Act as a liaison with the Bank and auditors
- Conduct departmental visits with participating units

Department (Unit) Head

The Unit Head is the employee responsible for making the administrative/financial decisions for the University unit. Examples of Unit Heads include, President, Chancellor, Vice Chancellor, Chief Financial Officer (CFO), Senior Associate VP (SAVP), Assistant VP (AVP), Dean, Director, Executive Director, and/or Business Manager. This person performs or delegates the following tasks:

- Provide budgetary and compliance oversight for the unit's P-Card program
- Review and reconcile monthly financial reports and statements
- Identify and authorize employees who will be assigned as:
 - DCM
 - DCM Delegate
 - Cardholder
- Implement unit P-Card procedures that follow sound business practices
- Establish checks and balances and maximum segregation of tasks
- Review the procedures of *Inappropriate P-Card Use and/or Processing section of P-Card policy*

P-Card Training

All employees who are identified by their units as Cardholders, Reconcilers, Approvers, or as a delegate for these roles must complete the P-Card training and pass the certification quiz prior to being assigned a role(s) in the P-Card software.

An employee authorized to be a DCM or DCM Delegate must complete additional training before the role is established in the P-Card software.

Requesting a P-Card

Employees who participate in the University P-Card program assume significant fiscal and ethical responsibilities. To request a P-Card, the *P-Card Authorization Agreement and Application Information* form (Auth/Agreement form) must be completed and signed by the applicant, then submitted for approval to the Unit Head. The applicant must also complete the *P-Card Web-based Training* and pass the certification quiz. The DCM receives the Auth/Agreement form, reviews information, verifies signatures, and emails it to UPAY Card

Services. The original form is retained within the unit. The DCM must generate an electronic application in the P-Card software to validate the card request. All applicants must have a valid University mailing address, email address and phone number in Banner HR. The University mailing address is where the P-Card is delivered and is also the billing address used to complete eligible purchases. The billing cycle for the P-Card is the 25th of the month through the 24th of the following month. The P-Card cycle limit is replenished at the beginning of each billing cycle.

Students, including graduate students, may not be issued a P-Card or be assigned a role in the P-Card program or software.

P-Card Web Solution™ Software

The P-Card Web Solution™ Software (P-Card Software) is a web-based system used by the University to manage all P-Card transactions. Within the P-Card software, roles are assigned to specific individuals giving them access to card information and transactions.

All units with one or more issued P-Cards must designate specific employees to function in the following roles:

- Department Card Manager (DCM)
- Cardholder
- Reconciler
- Approver (optional role)
- Delegate (optional role)

All employees who are identified by their units as Cardholders, Reconcilers, Approvers, DCM or as a Delegate must complete the P-Card training and pass the certification quiz prior to being assigned a role(s) in the P-Card software. In smaller units, the Unit Head may designate one individual to perform two or more roles within the P-Card software.

NOTE: Students, including graduate students, cannot be given access to the P-Card software nor be assigned the role of Reconciler, Approver, DCM, or Delegate.

P-Card Roles and Responsibilities

Department Card Manager (DCM)

Role in P-Card software:

- Perform all required DCM functions in the P-Card software (see *P-Card Job Aids*)
- Make necessary changes to Cardholder information and/or existing roles
- (Optional) Assign a Delegate to perform DCM functions in the P-Card Software

Card Program Responsibilities:

- Supervise, administer, and monitor the P-Card program for assigned unit(s), under the direction of the Unit Head
- Request new cards
- Validate the P-Card Authorization Agreement and Application Information Form and/or P-Card Exception Request Form are:
 - Completed with appropriate authority level(s) signatures
 - Retained within the unit
 - Emailed to UPAY Card Services
- Set dollar limits for Cardholders based upon review of actual purchasing needs and responsibilities as follows:
 - A single transaction limit (STL) up to University maximum of \$4,999
 - A monthly cycle limit (CL) according to 3-tier maximums:
 - \$5,000 - default for newly-issued cards
 - \$10,000
 - \$15,000
 - An option for a CL between \$15,000 and including \$25,000 is available with the written justification from the Unit Head or DCM to UPAY Card Services
 - See *Exceptions* if a Cardholder requires higher dollar limit(s) above the \$4,999 STL and/or \$25,000 CL
- Verify and ensure all P-Card transactions are reconciled/processed to post in Banner in a timely manner, including transactions for employees who leave the University or change home unit
- Ensure Cardholders have access to the P-Card software
- Ensure an active employee is assigned as Reconciler and Approver* role in the P-Card software for Cardholders
- Collect P-Cards and follow related procedures for cancellation of P-Card privileges for employees who:
 - Leave the unit or the University
 - No longer require a P-Card
 - Engage in excessive noncompliant use of the P-Card in accordance with *Inappropriate P-Card Use and/or Processing section of this P-Card policy*
- Notify UPAY Card Services of employee departures or changes in home unit
- Suspend P-Cards for employees on temporary leaves of absence, including but not limited to, maternity, medical or sabbatical
- Ensure that Cardholders, Reconcilers, Approvers, and Delegates are properly trained and perform their duties
- Review Cardholder transactions for compliance and takes appropriate actions as stipulated in the *Inappropriate P-Card Use and/or Processing section of P-Card policy*
- Coordinate with UPAY Card Services to facilitate any reimbursements to the University in accordance to signed P-Card Auth/Agreement Form
- Serve as the unit's Travel Card (T-Card) DCM

*If the Approver role is not used, the Reconciler's name must be entered in the Approver field in the P-Card software, or the workflow will not function correctly.

Cardholder

Role in P-Card Software:

- Perform all required Cardholder functions in the P-Card software (see *P-Card Job Aids*)
- Create an order log that properly documents details and business purpose of each transaction in the P-Card software
- (Optional) Assign a Delegate to create order logs

Card Program Responsibilities:

- Sign P-Card Authorization/Agreement and Application Information form to acknowledge the responsibilities associated with using a P-Card
- Make purchases in compliance with all rules, regulations, policies, procedures, and guidelines that govern the purchasing activity - Cardholders are encouraged to use University's contracted vendor list available in the *Procurement Contract Search*
- Abstain from loaning or sharing the P-Card, even with employees in the same unit
- Provide shipping instructions to vendors when placing orders - Billing address is the University address where the P-Card is mailed
- Obtain detailed receipts for each purchase which includes: vendor name, date, dollar amount, and an itemized description of the item(s)
- Provide Reconciler with **original** detailed, itemized receipt for each P-Card transaction
- Verify receipt of items ordered and contacts vendors regarding delivery problems, discrepancies, damaged goods, and/or returns
- Ensure that refunds issued by a vendor are processed as credit transactions on the P-Card
- Provide all documents related to a purchase e.g., exception approvals, packing slips, Electronic Services Purchased by P-Card, etc., to appropriate unit personnel for retention
- Abstain from allowing a vendor to keep the card number on file to establish recurring or automatic payments
- Notify the Bank if the P-Card is lost or stolen. It is also recommended to notify UPAY Card Services, and, if stolen, Campus Police.
- Ensure purchases are for University projects or activities and they comply with any funding restrictions applicable to the accounting C-FOAPAL, including restrictions outlined for grants and contracts funds and gift and endowment income funds (*Section 7.2, Purchase of Goods and Services*; and *Section 8, Allowable Expenses*)
- Comply with the listing of *prohibited* and *restricted* purchases
- Emphasize the University's tax exempt status and exemption number when placing orders with Illinois vendors to limit payment of sales tax on purchases from vendors
- Present the University's *Tax Exempt Letter* and/or Tax Exempt Identification Number (embossed on the P-Card) when making purchases from vendors registered in Illinois or in any of the reciprocal exemption states (*Section 18.6, Sales and Use Tax*)*
- Abstain from "stringing," or making successive purchases to circumvent the P-Card single transaction limit, or to avoid the competitive bid requirement
- Abstain from splitting one transaction into several for one activity or occurrence; e.g., a deposit, a progress payment, and/or a balance payment
- Facilitate the dispute process to resolve incorrect, unauthorized or fraudulent transaction

- Abstain from making personal purchases

* Purchases from vendors outside of Illinois may or may not be exempt; some states or vendors may limit the products or services to which the exemption applies, in which case payment of sales tax must be documented.

Reconciler

Role in P-Card Software:

- Perform all required Reconciler functions in the P-Card software (see *P-Card Job Aids*)
- Check the P-Card software regularly for transactions awaiting reconciliation
- Review and reconcile each transaction with the Order Log and with the original, detailed, itemized receipt **within seven (7) business days** of its appearance in the P-Card software, in order for the transaction to post in Banner for financial reporting
- Check and correct, if necessary, the accounting C-FOAPAL used for each purchase
- (Optional) Assign a Delegate to perform Reconciler functions in the P-Card Software

Card Program Responsibilities:

- Verify that purchases follow established unit and University policies, including those regarding purchase records retention (*Section 1.4, Retention of Financial Records*)
- Validate that expenditures comply with any restrictions applicable to the C-FOAPAL, including gift and endowment income funds, and grant and contract funds
- Initiate corrective action, by contacting the DCM and UPAY Card Services when charges are inappropriate or inconsistent with any applicable policies and procedures

Approver

Role in P-Card Software (optional):

- Perform all required Approver functions in the P-Card software (see *P-Card Job Aids*)
- Check P-Card software regularly for items awaiting approval
- Review the C-FOAPAL for each transaction and update if incorrect
- Approve or disapprove transactions in the P-Card software **within three (3) business days** of reconciliation completion
- (Optional) Assign a Delegate to perform Approver functions in the P-Card Software

Responsibilities:

- Verify that purchases follow established unit and University policies
- Validate that expenditures comply with any restrictions applicable to the C-FOAPAL, including gift and endowment income funds, and grant and contract funds
- Initiate corrective action, by contacting the DCM and UPAY Card Services when charges are inappropriate or inconsistent with University policies and procedures

Restrictions for Assigning Multiple P-Card Software Roles to One Employee

Some restrictions apply when assigning multiple roles to individual employee(s) in the P-Card Software:

- To ensure maximum segregation of responsibility, no one individual may function in all four (4) roles (DCM, Cardholder, Reconciler, and Approver).
- A Cardholder cannot hold the role of Reconciler or Approver for his/her own P-Card transactions.
- A Cardholder cannot be assigned as a Delegate for the employee assigned as the Reconciler or Approver to process his/her P-Card transactions.
- Subject to the restrictions above, the Unit Head or DCM may hold the role of Approver or Reconciler.
- Delegates for ALL roles are subject to all of the above restrictions.

Purchasing Guidelines

Administrative controls and/or legal requirements place limitations on the use of the P-Card. The following list is **not** all inclusive. Participants should contact UPAY Card Services and/or review policy to assist in determining if a purchase is allowable. *Section 8, Payments and Reimbursements* also provides a list of unallowable expenditures from various fund sources.

Prohibited Purchases

P-Cards may not be used for the following items:

- Business Meals and/or refreshments for a specific event
- Capital Development Board purchases
- Cash advances
- Catering
- Charter bus and charter air services
- *Chemicals* as specified (specific precursor and chemicals/toxins not allowed for purchase with P-Card)
- Contracts - Purchases for which the vendor requires an agreement or involves terms and conditions **except** as allowed under *Restricted Purchases*.
- Deposits – transaction that requires a deposit involve terms and conditions
- Drugs and pharmaceuticals
- Employee expenses while in travel status - travel status expenses include, but are not limited to:
 - airport shuttles
 - automobile rentals
 - baggage fees
 - Insurance
 - laundry and dry cleaning
 - lodging, including reservations, and services

- parking
- per diem allowance
- personal, rental, or University vehicle fuel
- taxi cabs
- tolls
- Fuels including but not limited to: alcohol, ethanol, gasoline, diesel, kerosene, propane, fuel oil, aviation, and any other combustible liquid or gas
- Furniture with a unit cost of \$500 and above
- Gift certificates, gift cards, cash-equivalent prepaid cards (*Section 8, Payments and Reimbursements, Determine the Allowability of Gifts, Prizes, and Awards to Individuals*)
- House accounts, e.g., extension of credit by a vendor allowing the payment of goods or services over a period of time, or on a summary invoice or bill
- Imported goods that must pass through customs
- Lab or specialty gases, including but not limited to: liquid or compressed nitrogen, helium, and oxygen
- Laboratory animals
- Laminar flow fume hoods and biological safety cabinets
- Moving expenses (*Section 8, Pay Professional Movers for Employee Moving Expenses*)
- Parking tickets, prepaid tolls, or fines
- Payments for or on behalf of *Foreign Nationals*
- **Personal purchases of any kind**
- Personal electronic communication services and equipment, including but not limited to: cell phones and accessories, internet service (ISP), cable, satellite, On-Star™, GPS devices, or any other service that is activated and/or billed in the name of the employee
- Professional and artistic services, including but not limited to: fees or expenses for attorneys, consultants, health-care providers, and independent contractors (*Section 17.1, Consultants, Independent Contractors, and Honoraria*)
- Purchases from business concerns of which an employee (or an employee's spouse, parent(s) or children) is a sole or principal owner, major officer, or primary employee.
- Purchases from University employees, their spouses, parents, or children.
- Radioactive materials
- Recombinant deoxyribonucleic acid (RDNA)
- Rental or lease of equipment or meeting space that is not University-owned, unless listed as an allowable contracted vendor at *University Procurement Contracts Search*
- Services involving labor and/or installation, e.g., tent rental, catering (see *Restricted Purchases*), on-site repairs, furniture setup, unless listed as a contracted vendor at *University Procurement Contracts Search*
- Trade-in of inventoried equipment
- Travel and lodging expenses for employees and non-employees, including students and guests of the University
- Tuition fees for employees and students, including graduate students (See *Tuition Waiver Overview*; For employees see: *Tuition and Service Fee Waivers*; For students see: *Tuition and Fees: Waivers and Departmental Payments*)
- Uniforms, including safety shoes
- Vehicle purchases, reservations, or rentals, e.g., autos, trucks, and cycles

- Weapons, ammunition, or detonating equipment or material (See *Section 1.5, Possession of Weapons Administration*)

Restricted Purchases

P-Cards can be used for the following items when corresponding requirements are met and appropriate funding is available. Related policies are noted, where applicable, to provide additional information on requirements and procedures before you make any purchases from these categories:

- **Beverage and food equipment and supplies for public reception areas** - are allowable if the purchase is in compliance with (*Section 8, Payments and Reimbursements, Determine the Allowability of Specific Expenditures*), and fully documented in the P-Card software.
- **Calling cards** - are allowable if the unit maintains a log of all calls made on the card and reports to Payroll any personal calls made.
- **Computer software and electronic services** - are allowable if they meet the requirements of Restricted Items as outlined in *Section 7.2, Purchase of Goods and Services*. The term, “electronic services,” refers to software developed and hosted by a vendor, which the end-user accesses over the Internet. Unlike traditional packaged applications that users install on their computers or servers, the vendor owns the software and runs it on computers in its data center. The customer effectively rents it, usually for a monthly fee. Technology Services has provided additional *information and security guidelines* related to P-Card purchases of software and electronic services.

Prior to using a P-Card to purchase allowable software or electronic services with contracts (including ‘click-through’ agreements), units must complete and retain in their files the *Software Purchased by P-Card* or the *Electronic Services Purchased by P-Card*.

- **Conference Fees** – Use of the P-Card for conference fees is allowable **only** if there are no lodging expenses included in the cost.
- **Inter-departmental transactions** - are allowable for units that sell to external customers, including auxiliaries and activities, e.g., Campus Union Operations, University-owned bookstores, campus convenience stores, Conferences and Institutes, Division of Intercollegiate Athletics, and other University sponsored programs and events.
- **Off-site repair of equipment by incorporated entities** – are allowable if the amount of the repair is known in advance to be less than the Cardholder's maximum transaction limit and there are no terms and conditions.
- **Postage Stamps** –are allowable using State funds only if perforated with a block "I" for identification purposes. Non-perforated stamps purchased from a Post Office or other mailing service, including on-line providers, are allowable on the P-Card only if purchased using institutional, gift and endowment, or service plan funds. (*Section 8, Payments and Reimbursements, Determine the Allowability of Specific Expenditures*).
- **Signs** - are allowable if no installation is done by the vendor and if the unit has written approval in advance that the sign meets campus and Americans with Disabilities Act (ADA) requirements. (At UIC, obtain approval from Facilities Management; at UIS, obtain approval from Physical Planning and Operations; at UIUC, obtain approval from Project Planning and Facility Management).

- **Telecommunication equipment (other than phones or answering machines)** - is allowable if the unit receives approval for the purchase from the campus telecommunications office. At UIUC, **networking equipment (wired and wireless)** that must be connected to the campus network requires approval by CITES Network Design Office (NDO) **prior** to purchase.
- **Typesetting, printing, and binding (including office forms)** - is allowable if the unit has complied with applicable portions of the Illinois Procurement Code and any campus regulations governing such purchases (*Section 7.2, Purchase of Goods and Services Printing Requirements*).

Auditing Your Unit's P-Card Program

UPAY Card Services, as well as internal and/or external auditors, conducts periodic reviews of unit's P-Card use for compliance. Request for transaction details and receipts can be submitted to a Cardholder and/or DCM for review. Noncompliant activity discovered during a review or reported to UPAY Card Services may impact Cardholder's and/or unit card program privileges. P-Card activity can be audited for the following reasons including, but not limited to:

- Using the card for *prohibited purchases*
- Failing to provide documentation of purchases
- Providing unacceptable documentation
- Late submission of purchase documentation
- Failing to reconcile transactions
- Allowing the P-Card to be used by individuals other than the Cardholder
- Splitting one transaction into several to cover one activity or occurrence
- "Stringing" successive purchases to circumvent the single transaction limit or avoid the competitive bid requirement

Cardholders who **misuse or fraudulently use** the P-Card are subject to investigation, disciplinary action, termination of employment, and may also be subject to criminal prosecution. The University can deduct any personal or non-University related P-Card charges from the Cardholder's wages.

Inappropriate P-Card Use and/or Processing

Violations of P-Card policies, such as the examples listed in *Auditing Your Unit's P-Card Program*, or failure to reconcile and document purchase details in the designated software can result in consequences for Cardholders as well as for units.

Unit Due Diligence

When policy violations by a Cardholder are identified during the reconciling, approval, and/or the DCM review processes, the following procedures must be followed by the DCM and Unit Head, with discretion given to bypass the first and second incident notification and immediately cancel a card if warranted:

- **First incident of noncompliant activity** - a written warning notification is issued by the DCM to the Cardholder and copied to the Unit Head; a copy is placed in the file with the receipt(s) for transaction; and a copy is emailed to UPAY Card Services. The notification must include details of the incident(s) along with the Document ID number(s) for the transaction(s).
- **Second incidence of noncompliant activity*** - a written warning notification is issued by the DCM to the Cardholder and copied to the Unit Head; a copy is placed in the file with the receipt(s) for transaction; and a copy is emailed to UPAY Card Services. The notification must include details of the incident(s) along with the Document ID number(s) for the transaction(s). UPAY Card Services will suspend the Cardholder's P-Card for the remainder of the current billing cycle through the next full billing cycle.
- **Third or more incidence noncompliant activity*** - a written warning notification is issued by the DCM to the Cardholder and copied to the Unit Head; a copy is placed in the file with the receipt(s) for transaction; and a copy is emailed to UPAY Card Services. The notification must include details of the incident(s) along with the Document ID number(s) for the transaction(s). Upon receipt and verification of continued non-compliance UPAY Card Services will suspend the Cardholder's P-Card for up to one year, or the P-Card account may be canceled.

*Second or more incident notification is applicable if the activity is of the same type as the first.

Example: Cardholder is issued a non-compliance notification for using the P-Card to rent an item. If Cardholder rents another item after receiving notification that the activity is not allowable, then additional notifications can be issued and the P-Card suspended or canceled accordingly.

UPAY Card Services Due Diligence

When a Cardholder's noncompliant activity is discovered UPAY Card Services may impose the same actions cited in *Unit Due Diligence* above, including immediate suspension or cancellation of the Cardholder account. UPAY Card Services notifies the Cardholder, the DCM, and OBFS Chief Business Officer for the campus when a P-Card is canceled due to noncompliant activity. The DCM should notify the Unit Head accordingly. University Audits is also notified immediately if the situation warrants.

The University reserves the right to forgo any of these steps at any time and pursue the matter criminally.

In addition to Cardholder regulations for non-compliance, UPAY Card Services can impose restrictions on a unit's P-Card program for any of the following:

- Repeated incidences of noncompliance with any University or OBFS policy by Cardholder(s) in the unit
- Unreconciled transactions
- Improper documentation of purchases by Cardholder(s) in the unit
- Failure of the DCM to perform due diligence by reporting or addressing noncompliant activity

The following actions may be initiated by UPAY Card Services upon discovery or reporting of repeated occurrences of noncompliant activity:

- UPAY Card Services will schedule a meeting with the DCM and/or the Unit Head to review the issue(s)
- Retraining of employees who function in any of the P-Card process will be conducted by UPAY Card Services at the unit level when necessary
- The campus OBFS executive officer will be notified of the issue(s) and University Audits will also be engaged if the situation warrants
- Failure to cease noncompliant activity(ies) will result in UPAY Card Services notification to the DCM, the Unit Head, and the campus OBFS chief business officer for the campus of possible suspension of P-Cards for the entire unit for at least one full billing cycle, or cancellation of unit's card program

Exceptions

A *P-Card Exception Request Form* is used to obtain approval to use the P-Card for an expense that is normally prohibited by a policy or is above a Cardholder's limit. Only the Senior Director of University Payables (UPAY) and P-Card Administrator or Delegate are authorized to approve exceptions to this P-Card policy. P-Card exception requests related to other policy sections will be routed for processing.

All P-Card exception requests must be submitted to UPAY Card Services using the *P-Card Exception Request Form*. An exception is submitted and reviewed for an individual Cardholder. If approved, only the named Cardholder may use the P-Card to make the purchase. Information provided on the form must include the rationale and University business purpose for the exception. **Approval must be obtained prior to using the P-Card for the purchase.** Exceptions are not granted after the fact. Failure to submit the P-Card Exception Request for processing prior to using the P-Card for the expense can result in an audit finding/non-compliance. UPAY Card Services will notify the Cardholder, DCM and/or the Requester of the approval or denial of the request.

Due to the complexity of some requests, an exception may require review by one or more unit(s) or employee(s) before making a determination. A minimum of 10 business days is required to ensure accurate and appropriate exception processing. If an exception is approved, a copy of the email notification must be placed in the unit's P-Card file for the transaction in support of the authorized purchase(s).

Submission of a P-Card Exception Request form does not guarantee the expense will be approved for payment on the P-Card. The unit should be mindful of time constraints when an exception is being processed. Units can contact UPAY Card Services to help determine if an exception request is necessary for a purchase.

Contact

UPAY Card Services manages the University's P-Card program. Contact UPAY Card Services for additional information about P-Card training, compliance, prohibited and restricted purchases, exceptions, and auditing or issues of inappropriate/fraudulent P-Card use, at: (217) 244-9300, (800) 260-9113, or email cco@uillinois.edu.

Definitions

Approver –An optional role in the P-Card program to review and/or edit details of a transaction after it is reconciled and before it is uploaded in Banner. Also a role in the P-Card software
Requirement: P-Card Training and subsequent passing of the certification quiz.

Bank – JPMorgan is the financial institution that issues MasterCard® purchasing cards used for the University P-Card program.

Banner – The University system of record comprised of Student Administration, Human Resources, and Finance functionality. Transactions made with the P-Card post in Banner after being reconciled in the P-Card Software.

Billing Address - The University US Postal Service (USPS) address where the P-Card is mailed.

Billing Cycle – The revolving period of time established for a Cardholder to obtain products and services with a P-Card from the 25th of the month to the 24th of the following month.

C-FOAPAL – The Banner finance accounting string, the C-FOAPAL is made up of Chart, Fund, Organization, Account, Program, Activity, and Location data. The Chart, Fund, Organization, Account, and Program segments are required to record a financial transaction.

Cardholder –A role in the P-Card program responsible for making purchases, in compliance with policies regarding University procurement, State and Federal statutes, allowable expenditure and funding, payroll, and tax-related policies, with the issued P-Card. Also a role in the P-Card software. *Requirement: Completion of the P-Card Authorization Agreement and Information form, the P-Card Training and subsequent passing of the certification quiz.*

Delegate –An optional role in the P-Card program set up by a Cardholder, Reconciler, Approver, and/or DCM to perform their assigned functions within the P-Card software. A Reconciler or Approver may not assign a Cardholder to be their Delegate if that will give the Cardholder access to reconcile or approve his/her own transactions. *Requirement: P-Card Training and subsequent passing of the certification quiz.*

Department Card Manager (DCM) –A role in the P-Card program responsible for administration, oversight and maintenance of the P-Card program for a unit. Also a role in the P-Card software. *Requirement: Unit Head authorization, DCM and P-Card Training and subsequent passing of the certification quiz.*

Unit Head – Also known as Department Head - The employee responsible for making the administrative/financial decisions for the University unit, i.e. the President, Chancellor, Vice

Chancellor, Chief Financial Officer, Senior Associate VP (SAVP), Assistant VP (AVP), Dean, Director, Executive Director, and/or Business Manager.

MasterCard® – The Purchasing Card (P-Card) brand issued by Bank.

Monthly Cycle Limit (CL) – Dollar amount set on a P-Card to regulate charging ability of a Cardholder during the billing cycle. The University has a 3-tiered system for CL of \$5,000, \$10,000, and \$15,000. Written justification is required for limits between \$15,000 and including \$25,000.

Order Log – A listing of detailed information about supplies and equipment purchased with the P-Card. The Cardholder, or his/her Delegate, is responsible for completing an Order Log for each transaction immediately following a purchase with the P-Card.

P-Card Administrator – An employee designated to supervise the University's P-Card Program and direct the activities of UPAY Card Services.

P-Card Authorization Agreement and Application Information – A form that must be completed to request the issuance of a P-Card.

P-Card Exception Request Form – Document used to obtain approval to use the P-Card for an expense that is normally prohibited or is above a Cardholder's STL or CL.

P-Card Web-based training – On-line tutorial that must be completed by all individuals who have a role in the P-Card program

P-Card Web Solution™ – The software product used for the reconciliation process and to manage and maintain the University P-Card program.

Prohibited Purchase – Items or services that are not allowable purchases on the P-Card.

Reconciler – A role in the P-Card program responsible for reviewing and settling each transaction (using the Order Log and original receipts) within seven (7) business days of the transaction's appearance in the P-Card software to facilitate the expense posting in Banner. Also a role in the P-Card software. *Requirement: P-Card Training and subsequent passing of the certification quiz.*

Reconciliation – An accounting activity that matches transaction information received from the bank to the Order Log information (original receipts) in the P-Card software.

Restricted Purchase – Items or services that are allowable for purchase on the P-Card when corresponding requirements are met and appropriate funding is available.

Single Transaction Limit (STL) – Dollar amount set on a P-Card to regulate the charging ability of a Cardholder for a purchase. The University maximum STL is \$4,999.

Transaction – A unique purchase made with a P-Card which generates a charge record from the bank against the Cardholder’s account and appears in the P-Card software to be reconciled and approved.

UPAY Card Services – Unit designated to administer and oversee the University’s P-Card program with the assigned DCM(s).

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