October 2007

P-CARD - Best Practices Summary

Procurement will:

1. Start a P-Card advisory board consisting of top users across college
2. Audit each Department with P-Card holders at least every two years
3. Hold quarterly meetings for user to discuss best practices
4. Ensure that there is a separation of duties for data entry of new cardholders in the P-Card System and in the banking system
5. Review the restricted items list at least every three years

Departments must:

1. Be selective when issuing cards based on the need to purchase
2. Establish spending limits commensurate with needs
3. Follow the P-Card policies and procedures
4. Maintain separation of duties - no single individual should buy, receive, approve and reconcile.
5. Be knowledgeable about who their cardholders are and communicate with them on a regular basis

Cardholders must:

1. Follow P-Card policies and procedures
2. Only use them for appropriate business purposes
3. Ensure P-Card security

Card Administrators must:

1. Follow P-Card policies and procedures
2. Question whether or not expenditures are for appropriate for business purposes
3. Approve all charges online in the PCard system for the cards that they are responsible for

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P-CARD - Best Practices Detail

Procurement will:

1. Start a P-Card advisory board consisting of top users across college, including representatives from computer store, service centers, and professional schools)
2. Audit each Department with P-Card holders at least every two years.
   a. A standardized form should be used for the audit which includes feedback to the card administrator and cardholder.
   b. Audit results should be reviewed by upper management in Procurement and the Division.
3. Hold quarterly meetings for user to discuss best practices
4. Ensure that there is a separation of duties for data entry of new cardholders in the P-Card System and in the banking system
5. Review the restricted items list at least every three years.

Departments must:

1. Be selective when issuing cards based on the need to purchase
   a. P-Card user should need to make frequent purchases.
   b. Departments should designate a person for centralizing purchases.
   c. Fiscal Officer should review the necessity of P-Card users on an annual basis.
2. Establish spending limits commensurate with needs
   a. When department requires multiple cards then they should have low dollar limits.
   b. Special Card limits should be reviewed annually and adjusted when warranted.
3. Follow the P-Card policies and procedures
   a. Intentional misuse may result in punishment up to card revocation and employee termination.
   b. Repeated incomplete documentation may result in card revocation.
   c. New cards will not be issued for a department if card administrator does not review and approve transactions correctly.
   d. Make staff aware that if they have a concern about possible financial misconducts or violation of P-Card policy that they can call Business Ethics Helpline at 603-646-3500.
   e. Fiscal Officers should review the work of the card administrators.
4. Maintain separation of duties - no single individual should buy, receive, approve and reconcile.
   a. Smaller department can contact Fiscal Officer of their division for approval.
   b. Department management should perform a periodic review of accounts, transactions and details.
5. Be knowledgeable about who their cardholders are and communicate with them on a regular basis
   a. All new application should be approved under individual's name.
   b. P-Card should be used by the person to whom it is assigned.

Cardholders must:

1. Follow P-Card policies and procedure
   a. All cardholders must complete on line training before a P-Card is released.
   b. All cardholder must acknowledge in writing receipt of the written policy and procedure manual.
2. Only use the P-Card for appropriate business purposes
   a. Cardholder must provide written detail documentation (receipt with itemization detail) Ex. Line by line items of restaurant takeout orders.
   b. Cardholder must provide written explanation of business reason for purchase.
3. Ensure P-Card security
   a. Cardholder should keep card and card number in a secure area.
   b. When doing business online users should only utilize sites that are secure.
   c. There should be a separation of duties for data entry of new cardholders in the P-Card System and banking system.

Card Administrators must:

1. Follow P-Card policies and procedures
   a. All card administrators must complete training on reconciliation process. Training sessions should be in classroom setting.
   b. Fiscal Officers should complete the card administrator training.
   c. Annual session for card administrators to share and communicate updated policies and procedures.
2. Question whether or not expenditures are for appropriate for business purposes
   a. Determine that written detail documentation has been provided by cardholder
   b. Review and determine appropriateness of business reason for purchase.
3. Approve all charges online in the PCard system for the cards that they are responsible for