Purchasing Card Program Overview

The Purchasing Card (PCard) program provides departments with a convenient, efficient and cost effective method to make low dollar (less than $2,500) purchases and payments. The purpose of the program is to provide purchasing convenience and process efficiencies that benefit the cardholder, their department and university administrative departments. The program significantly reduces costs associated with purchasing processes and accounting transactions by reducing the need for payment requisitions, petty cash and reimbursement of personal funds.

Benefits of the PCard program include:
- Convenient and cost effective method of making purchases under $2,500
- Online reconciliation and coding of charges (through BMO details Online)
- Reduced payment cycle time for vendors which improves UVic’s ability to negotiate attractive contracts
- Reduced need for petty cash funds
- Automated monthly upload of charges into FAST
- Improved management reporting of purchasing activities

The PCard program is not intended to avoid or bypass university policies or procedures; it is meant to complement UVic’s existing policies and procedures including the Purchasing Policy, Signing Authority Policy and preferred supplier agreements or contracts. UVic PCards have restrictions on specific types of purchases, vendor types and dollar limits to comply with public sector procurement requirements and to provide expenditure controls. See a detailed list of restricted items here. Cardholders are expected to use the PCard responsibly and to comply with all UVic’s policies and procedures. The inherent risks of credit card fraud require that cardholders take responsibility for the security of their PCard at all times and use it responsibly while making purchases on behalf of the university.

Monthly submission of approved statements with supporting documentation is required to ensure timely approval of expenditures that align with UVic’s standard purchasing and vendor payment practices. Consistent late submission of PCard statements will result in the deactivation of an individual’s PCard. Reactivation will only occur when all overdue statements are submitted with appropriate approvals and supporting documentation. The Executive Director, Financial Services and the Director of Purchasing have the authority to rescind PCards at any time if there are purchasing compliance issues, inappropriate use of PCards, fraud or failure to submit approved statements with receipts attached by the deadlines.

This Handbook includes information on responsibilities for, and on-going use of, UVic PCards. Cardholders must read this Handbook and sign the cardholder agreement before their PCard will be distributed. By signing the purchasing card application, the applicant is indicating they understand the intent of the program and agree to adhere to the information and administrative practices in this Handbook and to university policies.

Purchasing Card Usage

The cardholder is the only person entitled to use the card, is responsible for security of the card and ensuring that all charges are valid university business purchases.
- Personal charges cannot be made to a UVic PCard.
- Splitting orders to avoid credit card and purchasing policy limits is not allowed.
• Certain types of expenses are restricted and cannot be charged to a PCard and cardholders will be blocked from making these purchases. See a detailed list of restricted items here.
• Certain vendors are also restricted and purchases from these vendors cannot be charged to a UVic PCard.
• For purchase of standard goods and services, use of UVic preferred vendors is recommended as the University has Corporate Supply Agreements which result in negotiated discounts (see a list of UVic’s strategic alliances).

Purchasing Card contacts

Rosanna Perri
Purchasing Card Administrator
250-472-5041
rperri@uvic.ca

Dana England
Assistant Purchasing Card Administrator
250-472-5147
dengland@uvic.ca

Purchasing Card Reporting and Statement Reconciliation
pcardrpt@uvic.ca

Purchasing Card FAST Upload
pcardrpt@uvic.ca

BMO details Online
https://www.bmodetailsonline.com
1-800-361-3361 / 1-514-877-0330

Applying for a PCard

Before completing the purchasing card application, read through this Purchasing Card Handbook in its entirety. Signing the purchasing card application indicates that the applicant has read and agrees to comply with this Handbook, university policies and the responsibilities associated with becoming a UVic PCard cardholder.

All applications for a PCard must be approved by the applicant’s Department Chair, Manager or higher level of authority. Only university employees and employees of affiliated entities in continuing roles are eligible to apply for a UVic PCard. In order to apply for a PCard, the applicant must have signing authority or signing authority delegation on the FAST account that will be set up as the default for PCard charges. PCards are issued to address an identified business requirement for the department or the employee’s role to make purchases of low value items (<$2,500).

Responsibilities

Cardholder
The cardholder will use the UVic PCard in accordance with this Handbook, university policies and related procedures. Purchases by the cardholder will only be for university business related to their current responsibilities. Goods and services purchased must comply with relevant Canadian and Provincial regulatory standards including, but not limited to CSA, WHMIS, Canada Customs and Transport Canada. If in doubt about whether the purchase complies with the necessary standards, contact Purchasing Services.
Backup documentation for PCard charges

At the time of purchase, make sure to obtain a receipt. Original receipts are required to be submitted as supporting documentation with monthly PCard statements. For online purchases, print the payment confirmation or order confirmation page. Redact card data if the full card number is shown on any receipt or supporting documentation before submission. Other forms of supporting documentation may be acceptable:

- Packing slip
- Order forms for dues, subscriptions, registrations
- Email confirmations from the merchant

All supporting documentation must include:

- Merchant name
- Date of purchase
- Description and quantity of each item purchased
- Total cost of the order, with taxes shown separately where applicable
- Reference that the purchase was made by credit card to ensure that duplicate payment does not occur

If a receipt is lost, the cardholder is expected to contact the vendor and obtain a duplicate. If a duplicate receipt cannot be obtained the cardholder must complete a missing receipts declaration form and submit this declaration with their monthly PCard statement.

Card and card number security

The cardholder is the only person entitled to use the card, is responsible for security of the card and for ensuring that all charges are valid university business purchases. Purchases made with a PCard should be made with the same level of consideration as using Purchasing Services to purchase goods or services.

- Keep your card in a safe place at all times.
- Only the cardholder may charge purchases to their card; do not share the card number.
- Never type the credit card number into an electronic message such as an email, or other messaging services. This includes attachments sent as part of an email or other messaging service.
- Only use secure websites when making online purchases. Typically, a website URL will start with https:// if it is a secure connection (rather than a non-secure URL which starts with http://).
- For fax orders, ensure the merchant’s fax machine is secure and that the card number is only received by personnel authorized to process credit card transactions.
- Redact card data if the full card number is shown on any receipt or supporting documentation before submission.
- Immediately report lost or stolen cards and fraudulent charges to MasterCard at 1-800-361-3362 (from Canada) or 1-416-232-8020 (outside Canada); and notify the UVic PCard Administrator at 250-472-5041.
- If a cardholder goes on leave, they must inform the PCard Administrator who will deactivate their PCard for the leave period. The card number may not be used by another employee during their absence. A deactivated card can be reactivated if necessary when the cardholder returns to work.
**Training**
Cardholders must complete [training for new cardholders](#) provided by Purchasing Services prior to receiving their PCard. Periodically, additional PCard training and information sessions may be required by Accounting Services.

**Monthly Statement reconciliation and submission**
On a monthly basis, cardholders must submit a reviewed and approved PCard statement with supporting documentation to Accounting Services. This is a requirement of the PCard program. Failure to adhere to this requirement will initiate an escalation process that could result in the deactivation and eventual termination of the cardholder’s PCard account. Steps to complete this monthly process are:

- Upon receipt of monthly PCard email from pcardrpt@uvic.ca, login to BMO details on line to review your statement for accuracy of charges and compliance with university policies.
- Reallocate PCard charges to appropriate general ledger account codes (if necessary) in order to correctly allocate expenditures for financial reporting and upload into the financial system. Reallocation of expenditures in BMO details online must be completed by the statement submission deadline.
- Print out the statement from BMO details Online and submit this with their supporting documentation.
  - Handwritten changes to default coding on PCard statements are not processed by Accounting Services.
  - Charges should not be reallocated after the submission deadline through journal vouchers.
- Follow up with the vendor on disputed charges or charges that are inaccurate.
  - The PCard Administrator can assist as required with more complex disputes.
- Ensure disputed charges from the previous month, if any, have been resolved.
- Submit the monthly statement, with supporting documentation, signed by the cardholder and the cardholder’s one over one supervisor, to Accounting Services by the monthly submission deadline.

**Absentee cardholders**
If the cardholder is going to be away from the university for an extended period of time while carrying on their regular work activities and there are monthly charges to their PCard, reporting to Accounting Services is still required. If it is not possible to sign the PCard statement in person and provide original receipts at the time the statement is due to Accounting Services, the cardholder must work with the administrative person in their department to provide the necessary approvals and documentation to Accounting Services.

- An absentee cardholder can provide an approval of the monthly statement by email to an administrative person in their department, or directly to their approver.
- Scanned images or pictures of receipts will be accepted as interim documentation until the cardholder returns to campus and can provide original receipts.
- The administrative person can then coordinate one over one supervisor approval and submit the statement with a copy of the cardholder approval email and receipts to Accounting Services.

Cardholders who are on leave where another person is performing their duties, must have their card deactivated while they are on leave. The PCard can be reactivated upon return to work by request from the cardholder’s FAST account holder or direct financial manager.
**Additional cardholder responsibilities**

- Cardholders are expected to respond to requests from Accounting Services regarding overdue statements, missing receipts or insufficient documentation and questions regarding specific expenditures charged to the PCard.
- If a cardholder cannot remember their password for BMO details Online, use the ‘forgot password’ option before entering an incorrect password three times. If an incorrect password is entered three times, the cardholder’s online account will be locked and only the Purchasing Card Administrator can unlock it.
- Cardholder contact information should be kept current in the BMO details Online profile. If the cardholder’s email address has changed, the cardholder must log in to BMO details Online and update the contact details.

**Cardholder approver (one over one approver)**

The cardholder’s one over one approver is responsible for:

- Overseeing PCard usage to ensure the cardholder is using the PCard in accordance with this Handbook and university policies.
- Approving expenditures that comply with university policies and are appropriate for university business.
- Ensuring that the cardholder’s statement is reviewed, approved and supporting documentation is attached prior to submission to Accounting Services.
- Following up with the cardholder when Accounting Services has identified that the cardholder’s PCard statement is overdue or supporting documentation is incomplete.
- Ensuring that PCards are deactivated for their staff who are on leave, and terminated for their staff who have left the university.

**Accounting Services**

Accounting Services is responsible for:

- Ensuring the practices within this Handbook are being followed by cardholders.
- Providing oversight to ensure expenditures on PCards are within university policies.
- Communicating statement submission deadlines to cardholders.
- Following up with cardholders, approvers and department administrators regarding overdue statements.
- Following up with cardholders and approvers regarding insufficient backup documentation or questions on specific charges that require additional information to support the expenditure.
- Working with the Executive Director Financial Services, Director of Accounting Services and Purchasing Services regarding the status of cardholder accounts, and issues with compliance and appropriate use of PCards.
- Working with the PCard Administrator to ensure reporting from BMO details Online is complete and accurate and cardholders and their delegates have appropriate access to complete monthly statement submission requirements.
- Working with UVic Internal Audit on expenditures that require investigation.

**Purchasing Services**

Purchasing Services is responsible for:

- Overseeing the PCard application and termination processes including processing PCard applications, deactivations and terminations in accordance with university policies and this Handbook.
- Processing changes of cardholder name, address, email and other contact information.
- Setting up cardholders and their designates in BMO details Online so that cardholders can review their transactions online.
- Ensuring that cardholders complete and sign the Cardholder Agreement and receive initial training before the PCard is distributed.
- Ensuring PCard usage complies with public sector procurement requirements.
- Maintaining the restricted expenditure list on the Purchasing Services website.
- Assisting cardholders with complex vendor disputes to ensure the university is properly charged or credited for expenditures.
- Resetting cardholder passwords for BMO details Online as required, after the cardholder has attempted to recover their passwords.
- Responding to questions from users about BMO details Online.

**Monthly PCard reporting and follow up process**

Each month, all cardholders with an account balance are required to review and submit an approved PCard statement with supporting documentation to Accounting Services by the submission deadline. Failure to submit approved statements with receipts attached will result in an escalation process that could lead to card deactivation and eventually PCard account termination.

The university’s PCard billing cycle runs from the 4th of the month to the 3rd of the following month. Statements are available on the 4th of the following month, the day after the end of the billing cycle. Approved statements with receipts attached are due to Accounting Services on the 10th business day following the 4th of each month. Statements that do not have appropriate approvals or are missing receipts are considered incomplete and will be returned to the cardholder. Reports are available through BMO details Online at any time during the billing cycle to view charges on a PCard.

Once PCard statements are available, Purchasing Services will send an email notification to the cardholder. Cardholders must submit the approved statement with supporting documentation to Accounting Services by the monthly submission deadline.

Accounting Services (pcardrpt@uvic.ca) will follow up with cardholders who have not submitted their approved statements by the due date. Email reminders will be sent to the email address in the cardholder profile 5, 10 and 15 business days after the original submission due date. Cardholders or their designate are expected to respond to these emails to provide the status of their statement submission. Further reminders will not be sent.

If a cardholder has a statement that is three months overdue, regardless of whether more recent statements have been submitted, the cardholder’s account will be considered for deactivation by the Executive Director Financial Services or Director of Accounting Services. The cardholder will receive an email from the Executive Director Financial Services or Director of Accounting Services advising the cardholder that their PCard has been deactivated until all overdue statements with supporting documentation and appropriate approvals are submitted to Accounting Services.
Example of overdue statement and deactivation date:

<table>
<thead>
<tr>
<th>Statement period</th>
<th>Charges</th>
<th>Statement due date</th>
<th>Approved statement received by Accounting Services?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 4 to Nov 3 2013</td>
<td>$125.33</td>
<td>Nov 20th</td>
<td>N</td>
</tr>
<tr>
<td>Nov 4 to Dec 3 2013</td>
<td>$99.78</td>
<td>Dec 17th</td>
<td>Y</td>
</tr>
<tr>
<td>Dec 4 to Jan 3 2014</td>
<td>$69.22</td>
<td>Jan 17th</td>
<td>N</td>
</tr>
</tbody>
</table>

On February 7th (15 business days after Jan 17th), if the approved statement for October has still not been submitted to Accounting Services, deactivation of the cardholder’s PCard will be recommended to the Executive Director of Financial Services or the Controller. A PCard can be reactivated upon submission of all outstanding statements with supporting documentation and appropriate approvals.

Ongoing late submission of approved statements, incomplete supporting documentation, misuse or unauthorized use may result in termination of the cardholder’s account by the Executive Director Financial Services or the Director Purchasing Services. Once a PCard account is terminated, it will not be reinstated.

Card Violations

The UVic PCard is entrusted to individuals to make the purchase of low dollar value goods and services more efficient. Failure to adhere to university policies and this Handbook may result in termination of PCard user privileges and further investigation by UVic Internal Audit and Human Resources. PCards can be terminated at any time by the Executive Director Financial Services or the Director of Purchasing Services for inappropriate use. The following violations can cause the deactivation and termination process to begin:

- PCard is used to purchase restricted items, including personal purchases.
- Repeated, late submission of PCard statements.
- Repeated, missing backup documentation or failure to respond to requests for further information to support the expenditure as being appropriate for university purposes.
- Repeatedly splitting transaction to circumvent transaction limits.
- Repeatedly missing approval signatures.
- Not reporting a lost or stolen card.

Out of country purchases

Foreign purchases made on a PCard are subject to applicable customs, duty and Canadian sales taxes. Goods must be cleared into Canada through the university contracted customs broker. Custom broker information is located on the Purchasing Services website. Note that there will be additional charges for customs, duties and Canadian sales taxes for purchases from vendors outside of Canada that may not be assessed at the time of purchase. Cardholders are responsible for these charges when they are incurred and need to consider these additional costs when deciding where to purchase goods from.
Sales Taxes – GST and PST

Purchases made within BC will normally be charged GST and PST, unless the purchase is for items that are specifically GST or PST exempt. See A-Z sales tax information list on the Accounting Services website. If the purchase is exempt from sales taxes, this exemption should be provided at the point of sale by the vendor.

If a purchase is made from a vendor in another Canadian province with a different tax rate, the total amount charged to the PCard account may not reflect the final amount that is posted to the FAST account. The FAST PCard accounting system is programmed to make assumptions related to sales taxes. The general rules for PCard sales tax processing are:

- Purchases made within BC – the system assumes the purchase includes PST and GST
- Purchases made in Canada but outside BC – the system assumes the purchase includes GST/HST and self-assesses PST.
- Purchases made outside Canada – GST and PST are self-assessed by the system.

*Note: some exceptions to the above general rules do apply. For questions regarding sales taxes, tax treatment in FAST contact the Treasury Services Manager.

Application

If you have read and agree to the information in this UVic purchasing card handbook and your one over one supervisor acknowledges his / her responsibilities, access the PCard application form to begin the application process.

**LINK:** Application for a Purchasing Card