



**THOMPSON  
RIVERS  
UNIVERSITY**

Procurement  
Services

# **Purchasing Card Handbook**

**Procedures and Guidelines**

**March 2019**

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## 1.0 PURPOSE

Thompson Rivers University (TRU) has implemented a Purchasing Card (P Card) program designed to provide a convenient and simplified procurement and payment process for low-value goods and services. TRU's P Card program has been effective in increasing the timeliness and convenience of lower value purchases, has reduced administrative time for processing expense claims and cheque requisitions, and provides an economic benefit to TRU on all P Card purchases.

It is required that the P Card be used to book all TRU travel and business related expenses as well (not your personal credit card).

## 2.0 PROGRAM OBJECTIVES

- To reduce the costs and amount of paperwork required to purchase low value goods and services
- To improve the timeliness of purchases and control of Merchant payments
- To reduce the need for petty cash
- Convenience

## 3.0 CARDHOLDER QUALIFICATION

P Cards are issued at the sole discretion of the Procurement Services Department to campus departments through a delegation of purchasing authority from the Director of Supply Chain Management. Procurement Services is responsible for the administration of the Purchasing Card program.

To be eligible for a P Card, the individual applicant must:

- Be a University employee (either faculty or staff)
- Agree to and abide this handbook, the Employee Acknowledgement Agreement and TRU Policies [www.tru.ca/policy/allpolicy.html](http://www.tru.ca/policy/allpolicy.html)
- Have authorization from Department Director/Dean/Executive who has appropriate budgetary authorization
- Complete a training course pertaining to the use of Purchasing Cards, online reconciliation and report process

## 4.0 P CARD REQUESTS

To obtain a P Card the applicant must complete the TRU P Card Application. This form is available from the Procurement Services Department website. After completing the application process and returning the applicable forms to Procurement Services, please allow ten business days for processing.

Once the P Card has been received in Procurement Services from the card provider, the Cardholder will be contacted by Procurement Services to review the Cardholder and Approver Training video in FAST. After the video has been viewed a P Card agreement will be sent via DocuSign for your signature. Once the agreement has been received in Procurement Services your new card will be sent to you through interoffice mail.

## 5.0 P CARD PROGRAM OVERVIEW

### 5.1 Cardholder Responsibilities

Since the P Card is the property of the University, the cardholder's personal credit rating is not a consideration in obtaining the P Card; nor will the cardholder's personal credit rating be affected by using the P Card. However, the cardholder is responsible to ensure that:

- Cardholder statements are properly and timely **reconciled in FAST prior to the 2<sup>nd</sup> day of the following month and an approved copy sent electronically to Procurement Services before the 20<sup>th</sup> day of the following month.**

- All P Card purchases are in accordance with this handbook, the Employee Acknowledgement Agreement and TRU Policies [www.tru.ca/policy/allpolicy.html](http://www.tru.ca/policy/allpolicy.html)

## 5.2 Authorized Users

The cardholder is the only person authorized to use the P Card. The P Card is not transferable and the University will hold the cardholder fully responsible for all unauthorized or personal purchases including any associated fees.

## 5.3 Changes in Cardholder Information

The cardholder must notify the P Card Administrator of any changes in their contact information (i.e. department, supervisor, and University address).

## 5.4 End of Employment and Leave of Absence

**It is the responsibility of the cardholder and/or supervisor to return the P Card to the P Card Administrator** in the event that the cardholder is no longer employed by the University or for any reason that the card is to be cancelled.

Should an employee holding a P Card leave TRU (leave of absence, maternity leave, retirement, resignation etc.), it is the cardholders and approvers responsibility to ensure all P Card statements are reconciled. Procurement Services must be notified for extended leave from TRU and the card will be suspended until their return.

## 5.5 Account Coding

Each P Card is assigned a default chart of account code for payment purposes; however, charges can be reallocated to other accounts by the cardholder before the monthly accounts are closed off (2<sup>nd</sup> day of the following month).

If charges are allocated to a research account, it is the **Research Grant Holder's responsibility to ensure that both internal and external research grant contract guidelines, which govern the research, are complied with.** Any charges to the research grant that are not in compliance with the terms of the grant will be required to be covered by an operating account (i.e. the default chart account string) or reimbursement by individual grant holder.

## 5.6 Spend Limits

The transaction limit and monthly limit allocated must include all associated costs. ie: taxes, shipping, etc. – covered under 6.0 “transaction limits”

## 5.7 Obtaining an Increase to Spend Limits

To obtain a temporary or permanent spend limit increase, a cardholder must complete a TRU Purchasing Card Amendment form found in the P Card module in FAST. The cardholder must be able to provide justification for the increase requirement. Permanent increases are subject to a review of the cardholder's prior temporary increase requests as well as spend history. Please allow additional time for processing.

## 5.8 Misuse

Individuals and/or departments who misuse the P Card by not abiding by the procedures and guidelines of the program risk losing their P Card privileges. Any personal/unauthorized purchases, purchases outside of TRU policy or in violation of the Employee Acknowledgement Agreement will require reimbursement to TRU. Failure to reimburse the charge upon request will result in payroll deduction as per signed P Card Agreement. Purchases outside TRU Policy may require reimbursement.

## 6.0 PROHIBITED P CARD PURCHASES

Section 6.1 – 6.4 below are prohibited in all circumstances.

### Personal and Private Use

The P Card cannot be used to make personal purchases or for personal entertainment.

### Transactional Limits

Spend must be within allocated limits. If you believe you may not be able to make a purchase with your transaction or monthly limit please contact Procurement Services to discuss other options.

### Split Purchases

P Card transaction must not be split to divide a larger purchase which is over the cardholder's single purchase limit (i.e. attempting to purchase goods or services worth \$2,000 by putting \$1,500 on your card today and the remaining \$500 on your card tomorrow - transaction limit is \$1,500).

If the dollar amounts of an item exceeds the per transaction limit, a Web Requisition must be issued through FAST.

### Recurring Purchases

Recurring purchase agreements that include automatic withdrawals or renewals over a specified timeframe are prohibited unless specifically authorized by Procurement Services.

### Email Purchases

Transmission of email is not secure and P Card information is not to be forwarded to a vendor via email.

### 6.1 Prohibited Goods and Services

The following Goods and Services are prohibited P Card purchases unless prior approval is granted by Procurement Services. These include:

- Alcohol (All expenses for alcohol must be approved by the portfolio VP or in the case of TRU World, AVP. If approval is not obtained, please attach a personal cheque to reimburse TRU for this expense.) See policy #ADM 05-3
- Apparel
- Cash advances, negotiable securities, ATM Transactions, financial instruments including bank drafts and money orders
- Internet connection charges or services
- Cell phones, Cellular phone monthly charges, Tablets and associated monthly charges, Telecommunications (equipment and service), (contact IT Services)
- Computer desktops, laptops, software and equipment (i.e. keyboard) (contact IT Services)
- Construction, renovations, or architectural services. Consulting services/independent contractor services, Direct employment of individuals, Temporary office help
- Contracted goods and services and any other purchase for which a Vendor requires a contract to be signed
- Deposits in which the deposit amount and final balance are together greater than a cardholders per transaction limit
- Donations
- Online auction sites (unless authorized by procurement Services)
- Employee moving expenses
- Entertainment
- Fines
- Firearms, ammunition, explosives
- Furniture

- Controlled drugs, and substances
- Cylinder gases
- Hazardous materials
- Human pathogens
- Laboratory and research animals
- Precious metals
- Radioactive materials
- Long-term rentals and leases, Lease of equipment(in excess of six months or fiscal year/cycle), Vehicle leases and repairs
- Fuel for fleet vehicles
- Maintenance agreements
- Parking violations (fines)
- Printing services relating to the reproduction of multiple copies of copyrighted materials where copyright clearance has not been obtained
- Real estate rentals/leases
- Recurring Purchases – unless authorized by Procurement Services
- Training that is a taxable benefit
- Travel costs for personal (non-business related) and family members
- Tuition, course fees or scholarships (without prior approval from department and Procurement Services)

## 7.0 RESTRICTED P CARD PURCHASES

Restricted P Card Purchases are only permitted with appropriate approval and supporting information as follows:

### 7.1 Gift Certificates/Gift Cards:

Gift certificates/cards may be purchased on a P Card under very limited circumstances.

- must be approved by Procurement Services in advance
- Are under \$100.00 each
- As a thank you for services performed on behalf of the University that are not of a remuneration nature.
- **Not** for faculty or staff (exception: Retirement ADM07-0)
- It is the responsibility of the card holder to ensure purchased gift cards/certificates are for authorized TRU expenses and in accordance with TRU Policies ADM19-1 Expenses, ADM04-2 Conflict of Interest, and ADM07-0 Employee Recognition.
- Any gift card/certificate purchased with the corporate credit card must be supported with the following information:
  - Name of Recipient(s) of the gift card/certificate
  - Reason for purchase

## 8.0 RECEIPTS

### 8.1 Meal Receipts:

Meals may be paid for using your P Card. However both the credit card receipt and the detailed itemized restaurant receipt must be attached to the statement with the following information documented in the comments section of the online reconciliation:

- Name of attendees (host and attendees)
- Business purpose for the meal

- Does not include alcohol unless approved in advance as per section 6.1 above
- As per travel policy ADM 19-0, a per diem cannot be claimed if the meal is part of the conference or paid directly by third party.
- The most senior person in attendance from the hosting unit is to pay and claim the related expenses.



## 8.2 Lost Receipts:

All lost receipts must be located or replaced if possible by contacting the vendor directly. If the lost receipt cannot be replaced or found, a Lost Receipt Form must be completed and attached to your statement. The lost receipt form is an exception; however, repeated lost receipts may result in loss of P Card privileges. The Lost Receipt Form can be located on the P Card Module in FAST.

## 9.0 SIGNING MONTHLY RECONCILED P CARD STATEMENTS

The cardholders approver is the only person authorized to sign off on their monthly P Card statements. If the approver is away and has delegated their signing authority to another employee who has received approver training, the assigned person may sign in their absence. A copy of the original approvers announcement of their signing authority delegation **must be attached to the statement before it is submitted to Procurement Services.** Any statements received in Procurement Services signed by anyone other than the cardholders approver will be returned to obtain the appropriate signature. A higher approver authority is acceptable provided they have received the approver training. Please contact Procurement Services if a change in approvers is required.

By signing the statement both the cardholder and approvers are verifying and stating the transactions are appropriate, follow TRU policies and are approved.

## 10.0 ORDERING PROCEDURES

The cardholder can place orders by phone, fax, mail, internet, or in person. The following are key points regarding this process:

- Inform the Vendor you are ordering with a TRU Corporate Purchasing Credit Card.
- Provide your name as it appears on the card, the P Card number and expiry date.

- Instruct the vendor to ship “FOB” to the University so that ownership will not transfer to the University until the goods are received. Therefore, if a shipment is lost or damaged in transit, it is the responsibility of the vendor to claim with the carrier.
- All orders must be shipped to TRU Receiving at 805 TRU Way.

### 10.1 Addressing Your Shipment

**Always include a complete shipping address including: business address, cardholder name, phone number, room number, “P CARD”**

First name *	Last name *
<input type="text" value="John"/>	<input type="text" value="Smith PCARD"/>
Address line 1 *	<a href="#">Shipping to a PO Box?</a>
<input type="text" value="805 TRU Way"/>	
Address line 2 (optional)	
<input type="text" value="WH220"/>	
City *	Province/Territory *
<input type="text" value="Kamloops"/>	<input type="text" value="British Columbia"/>
Postal code *	
<input type="text" value="V2C 0C8"/>	
Phone *	<a href="#">Why?</a>
<input type="text" value="(250) 111-1111"/>	

**Any shipments not properly identified with the purchaser’s name and department visibly displayed on the OUTSIDE of the package, may be returned to the Vendor.**

Any shipments to personal addresses are considered personal and must be reimbursed to Thompson Rivers University.

### 10.2 Customs Broker Information

If the order is being placed to a foreign vendor, ensure that the vendor includes with the shipment a commercial invoice showing all order details, including pricing, but stamped or otherwise clearly stated, “Paid By Credit Card”, this is to ensure that the University does not pay the vendor twice. Also advise the vendor to state on all shipping documents that TRU’s customs broker is Livingston.

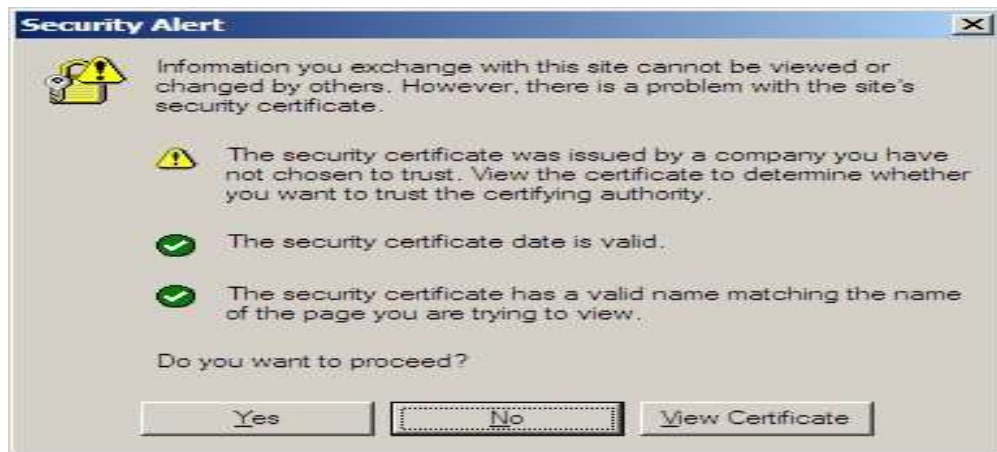
**Livingston International Ltd  
P.O. Box 14  
500 - 1140 West Pender Street  
Vancouver, B.C. V6E 4H5**

### 10.3 Online Ordering Safety

If ordering over the Internet be aware that not all websites are secure, therefore, “caveat emptor” (buyer beware):

- Website must disclose the Vendor’s protection of privacy policy.
- The ordering site must be encrypted or protected by a trusted SSL (Secure Sockets Layer) certificate (i.e. the address window must start with **https://**).
- If the site is not a trusted site a security alert (example shown below) will appear. It is recommended that purchases not be made from these sites.





- Look for a **lock or key** symbol which will appear in the lower right- or left-hand corner of the status bar on your screen. This indicates the current security mode. When a key appears unbroken, data sent between your browser and the web site is secure; if the key appears broken the data is being sent unencrypted. A lock appears in the lower right-hand status bar during a secure session. No lock is visible during normal unencrypted sessions.
- When possible, print copies of orders before submission.
- Obtain electronic confirmation of the order.

## 11.0 TAXES (GST & PST)

GST and PST as shown on the merchant receipts should be noted specifically during the online reconciliation process.

## 12.0 RECEIPT AND RETURN OF GOODS

It is the cardholder's responsibility to ensure receipt of goods or services and to follow up with Vendors to resolve any delivery problems, discrepancies and/or claims for damaged goods. If goods need to be returned, the cardholder is responsible for coordinating returns directly with the Vendor, as well as securing the appropriate credit. The Vendor may require the use of a **Returned Material Authorization Number (RMA)**. This number should be clearly marked on the package label when returning goods. At the time of return, request that the Vendor issue and send a credit transaction slip to verify that credit was given. The cardholder will be required to attach this transaction slip to their monthly reconciliation statement/report as supporting documentation. If more information regarding the return of goods is required, contact the P Card Administrator in Procurement Services.

## 13.0 DISPUTED CHARGES

The cardholder is responsible for resolving discrepancies and disputes directly with the Vendor. Every effort must be made to resolve disputes within thirty (30) days of advising the Vendor of the details of the dispute. If after this period the dispute is still unresolved, Procurement Services can be contacted to help resolve the situation.

Problems with Vendors (i.e. incorrect products received, damaged goods, pricing errors, over shipments, under shipments, etc.) are to be resolved by contacting the Vendor.

When transactions that a cardholder does not recognize appears on their statement, immediately report the details of the discrepancy to BMO and advise Procurement Services. BMO will then initiate the dispute process by sending a dispute form to the cardholder. A temporary credit will be applied to the account until the investigation is completed. If the transaction is identified as a valid charge,

the charge will be re-instated and the pertinent information will be forwarded to the cardholder. If the transaction is identified as an invalid charge, there will be a permanent credit applied to the cardholder's statement.

## **14.0 LOST OR STOLEN CARDS**

If your card is lost or stolen:

**Immediately** notify BMO then Notify Procurement Services of any incoming replacement cards.

- BMO 1-800-263-2263
- Procurement Services 250-828-5385

Upon receipt of your call, further use of the card will be blocked. A new card will be issued and any balances will be transferred to the new card. Prompt action in these circumstances is required to ensure that TRU is not held liable for fraudulent charges. The University is not liable for any further charges after the initial report is made.

## **15.0 SUPPORTING DOCUMENTATION AND RECORD RETENTION**

Every P Card transaction, including credit transactions must be supported by valid and complete documentation. Below is an explanation of what is considered acceptable supporting documentation.

- Detailed Transaction Receipt and P Card transaction slip from the Vendor
- A priced packing slip which shows the cost of the items
- Order forms, or a copy of the form used to pay memberships, magazine subscriptions, registration fees and similar items
- Invoice indicating "Credit Card Payment"
- Copies of P Card transaction records sent directly from the Bank (if not provided by the Vendor)

## **16.0 AUDIT**

Any one of Procurement Services, Finance, Internal and External auditors, may request details regarding P Card transaction records at any time.

The University's Internal Audit Department will audit compliance and report their findings to the Vice-President, Administration and Finance and the Board of Governors' Audit Committee.