# **PCARD TIPSHEET**



### What is a Pcard?

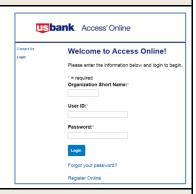
A purchasing card (Pcard) is a commercial credit card used to streamline the procure-to-pay (P2P) process of certain goods and services. The State of Iowa Pcard is a VISA card issued by U.S. Bank.

## **Activating the Pcard**

- Call the 800# on the front of the card to activate the card
- When prompted, enter the last four digits of the Social Security number or employee ID provided on the application
- Next, follow prompts to create a four-digit Personal Identification Number (PIN), which may be the same number previously used to activate the card (if desired)
- Sign the back of the card before use

## **Registering in Access Online**

- Register new Cardholder Account in Access Online (U.S. Bank's online card management system) to monitor account activity and access statements – https://access.usbank.com
  - o Enter Organization Short Name IOWA.
  - o Select "Register Online" to be prompted through the set up process.
  - Note: Passwords are case sensitive.
  - o Provide State of Iowa email address and "enable" notifications to receive monthly statement notices.
  - See <u>Access Online for Cardholders</u> user guide for more instructions.



## **Using your Pcard**

- **Pcards streamline the procure-to-pay (P2P) process** they are **not** to be used to avoid or bypass State procurement or accounting policies and procedures.
- No Sharing! A card issued in your name is only to be used by you. No exceptions.
- Security
  - Cards and any documentation containing the 16-digit card number, expiration date, or security CVV number (Card Verification Value) should be kept in a secure location accessible only by the Cardholder.
  - o Card information should never be emailed; only secure internet connections and websites should be used; terminals that appear to be tampered with should never be used.

#### Preferred/Permitted Use

- O Pcards may be used with any supplier who accepts card payments for any approved purchases that comply with procurement rules for goods and services and are not otherwise prohibited. (See Allowed list online.)
- o Pcards are particularly effective for low-dollar, high-volume transactions and Maintenance, Repair, and Operating (MRO) expenses.

#### Prohibited Use

- Cash advances, gift cards, stored cash value cards, and similar products
- Personal expenses (including food and beverages)
- Fuel or automotive repairs for personal or State vehicles (See Wright Express)
- o Interdepartmental expenses Payments between Agencies, including purchases from Iowa Prison Industries, should be made via a Payment Request Commodity Internal (PRCI) for POs or DOs, or Internal Exchange Transfer (IET) to correct an incorrectly applied expense payment.
- Travel expenditures (except as allowed on Travel Cards; see <u>Card Types</u>)
- Memberships or educational expenses (Educational expenses are defined by whether college credits or grades towards degrees are being earned from an accredited institution.)
- o Real Estate Leases.
- Split Transactions Dividing a transaction to avoid Single Transaction Limits (STLs), monthly credit limits, or bid requirements is strictly prohibited. Agency Pcard Coordinators and Cardholders will be notified when split transactions are detected.

# Using your Pcard, continued ...

Sales Tax – State Agencies are exempt from payment of state sales and use tax by <u>lowa CodeSection 423.3</u>. If
Cardholders are unsuccessful in obtaining a refund from the vendor, Agencies may submit an <u>lowa Department of</u>
Revenue refund claim form.

### Supporting Documentation

- o All purchases and credits require itemized transaction documentation from the vendor.
- o Must include: Date of purchase, amount, merchant name, description of purchases (notation of business purpose is best practice).
- Examples: credit card receipts, credit memos, shipping/packing slips, any informal quotes, business purpose explanations, correspondence related to vendor disputes, or additional information to help explain business purpose to an independent reviewer or external auditor.
- Receiving Goods and services must be recorded in the year they are received. When invoices indicate a shipment date of June 25-30, OR invoices dated June 25-July 5 indicate no shipment date, packing slips showing the date the order was shipped from the supplier and/or delivery receipts showing the date received by the Cardholder are mandatory.
- Credits/Disputes Cardholders are responsible for verifying all transactions, obtaining any credits (no cash refunds), and following up with suppliers on any erroneous charges, returns, or disputed items as quickly as possible. Any disputes must be initiated with US Bank within 60 days of the first statement reflecting the alleged error. After 60 days, dispute rights are waived and the Agency will be held responsible for the charges. Ask your Agency Pcard Coordinator for assistance before disputing charges. Contact U.S. Bank Customer Service (1-800-344-5696) to initiate a dispute claim by phone, or dispute the charge in the Transaction List screen in Access Online.
- **Declined Transactions** Transactions may decline for various reasons: Merchant Category Code (MCC) restriction, single transaction or monthly credit limits, US Bank Fraud Controls, defective card, or supplier vendor error. At the point of sale, contact **U.S. Bank Customer Service (1-800-344-5696)** to determine why a transaction is declined. If settings or card limits need changed, contact your Agency Pcard Coordinator.

## **Monthly Reconciliation**

- **Cardholder** Print statement, verify transactions, attach itemized receipts and supporting documentation. Sign statement and submit to approver within agency timelines.
- **Supervisor/Approver** Review cardholder statements and documentation; sign and submit to Pcard Coordinator or Accounts Payable for payment or additional pre-audit functions per agency procedures.
- Segregation of Duties
  - o Requires at least 2 people, including a person other than the Cardholder to review/approve transactions.
  - o Approvers must be at least 1 functional job level higher than the Cardholder.
  - At least 1 Approver signature is required on all statements prior to processing payments.
  - o Approvers must review receipts, itemized packing slips, any informal quote forms, and proof-of-purchase documentation to verify appropriate procedures and physical receipt of all purchases they approve.
  - Agency Pcard administrators who have a Pcard and/or Travel Card issued in their name cannot be part of the audit or payment approval function of their own card.

## **Change Requests/Cancellations**

• Requests for changes to card limits or MCC restrictions, cancellations, or temporary hibernation must be submitted by your Agency Pcard Coordinator via the <a href="Pcard/Travel Card Change Request Form">Pcard/Travel Card Change Request Form</a>.

### Fraud, Lost, & Stolen Cards

- Notify U.S. Bank immediately: Lost or Stolen 1-800-344-5696; Fraud 1-800-523-9078
- Call or email your Supervisor, Agency Pcard Coordinator, and State Pcard Program management (<a href="Pcard@iowa.gov">Pcard@iowa.gov</a>). Upon notification, compromised cards will be cancelled and new cards will be issued.



**Pcard Program Contacts/Resources** 

U.S. Bank (24/7) – Customer Service: 1-800-344-5696

Pcard Manager: james.harris@iowa.gov

Pcard Administrator: heather.johnson@iowa.gov

State Pcard Program website: https://das.iowa.gov/procurement/agencies/state-iowa-purchasing-card-program

Email: Pcard@iowa.gov