CBT

The Training Post

ITP

An Educational
Computer Based Training Program

UTD Purchasing Card

Cardholder Training Program
Procurement Management

What Is the Purchasing Card?

- The purchasing card is a MasterCard which gives cardholders the freedom and authority to make small-dollar purchases without the assistance of Procurement Management.

What Will You Learn?

- Why use a purchasing card
- Guidelines for purchasing card use
- How to use the purchasing card
- Unacceptable uses of the purchasing card
- How to obtain a purchasing card
- How to reconcile your monthly statements
- How to resolve disputed charges
- Whom to contact for more information

Why Use a Purchasing Card?

- Drastically reduces time and paperwork required to purchase low-dollar items

- Speeds up payment to vendors

- Able to purchase goods/services online

- Able to purchase goods/services from vendors who will not accept PO's

- Paperwork done once a month, not every time you wish to make a purchase

Traditional Buying Cycle

- Department prepares purchase requisition

- Department sends purchase requisition to procurement office

- Procurement office solicits bids if needed, generates a PO and faxes to vendor

- Vendor ships goods and invoices UTD

- Central Receiving logs and delivers goods

- Accounts Payable reconciles invoice with purchase order

- UTD sends check to vendor

SOS Buying Cycle

- Department prepares SOS

- Department faxes SOS to vendor, and sends copies to Procurement Management and Central Receiving

- Vendor ships goods to Central Receiving and invoices UTD

- Central Receiving delivers goods to your office

- Accounts Payable reconciles invoice with SOS

- UTD sends check to vendor
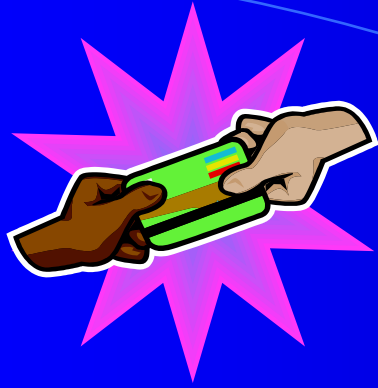
Purchasing Card Buying Cycle

- Department contacts vendor and buys goods with purchasing card

- Vendor ships goods to Central Receiving and charges the purchasing card

- Central Receiving delivers goods to your office

- Department reconciles card once a month and reports activity to Procurement Management

UTD's HUB Program

- UTD is committed to providing economic opportunities for Texas-based women- and minority-owned businesses. We encourage buyers and cardholders to identify and use these vendors whenever possible.

- To find HUB vendors go to http://www2.tbpc.state.tx.us/cmbl/cmblhub.html If you need assistance contact a member of UTD's Purchasing area @ x2300

Purchasing Card Guidelines

- Card is for UTD *business purposes only*!

- The card is issued in your name – *you* are responsible for your own card

- $1,000 limit per transaction unless a higher limit has been authorized by the Assistant Vice President for Procurement Management; you must <u>not</u> split purchases to stay within the guidelines

- Must reconcile transactions every month

- All purchases are tax exempt, if purchased from Texas vendors

- Personally liable for unauthorized purchases

Unacceptable Purchases!
(Many will reject at the point of sale)

- Airfare
- Auto rentals
- Hotel/motel expenses
- Travel expenses
- Restaurants, bars, or nightclubs
- Beer, wine, or liquor
- Cash/traveler's checks
- Prescription drugs or controlled substances

- Radioactive materials
- Animals
- Consulting or personal services
- Controlled assets (office equip, audiovisual equip, etc. $500-$4,999 value)
- Upgrades to capital equipment

Six Easy Steps

- Make an authorized purchase on the card

- Record purchase in your files and/or on a transaction log

- Save your receipts and other documentation in a "pending" folder

- Compare the monthly activity report with your receipts for accuracy

- Send a copy of the report, signed by you <u>and</u> your supervisor, to Procurement Mgmt (fax x2348)

- Keep receipts with activity report in same order as they appear on the activity report

Reconciling Monthly Statements

- Keep all receipts and paperwork in a safe, central location.

- When activity report comes in, match transactions on report to paperwork in "pending" file. If an unfamiliar vendor, try to match the charged dollar amount to an existing receipt.

- Change account and sub account code, if applicable (see Finance website for sub account codes).

- Sign report as cardholder, and have your supervisor sign. Supervisor should review all activity and ensure a valid business purpose exists for each purchase.

- Return a copy of the report to Procurement Mgmt AD34 (keep the original and receipts in your own files)

SMART DATA FOR WINDOWS
CARDHOLDER ACTIVITY REPORT

REPORTING PERIOD: 06/21/2001 THRU 07/20/2001

CAROL L LANHAM
UNIV OF TEXAS AT DALLAS
2601 N FLOYD RD
BUSINESS SERVICES AD260000000000000000
RICHARDSON, TX 75080-1407   USA
0000000000000000

Match receipts

Change default account, if applicable

POSTING DATE	TRAN DATE	DESCRIPTION	DEFAULT ACCOUNT	NEW ACCT	SUB ACCOUNT	NEW SUB-ACCT	BUSINESS PURPOSE	AMOUNT
7/6/2001	7/5/2001	SMITH & JONES	314000		4327			57.90
7/13/2001	7/12/2001	OFFICE DEPOT	314000		4327			47.84
7/18/2001	7/16/2001	DELL MARKETING	314000		4327			99.00

TRANSACTION COUNT: 3   **204.74**

State business purpose for purchase

Cardholder Signature

Supervisor Signature

PLEASE FAX TO PROCUREMENT WITHIN 5 DAYS

I certify that I have reviewed all transactions listed on this report, and that they are valid business
for the University of Texas at Dallas.

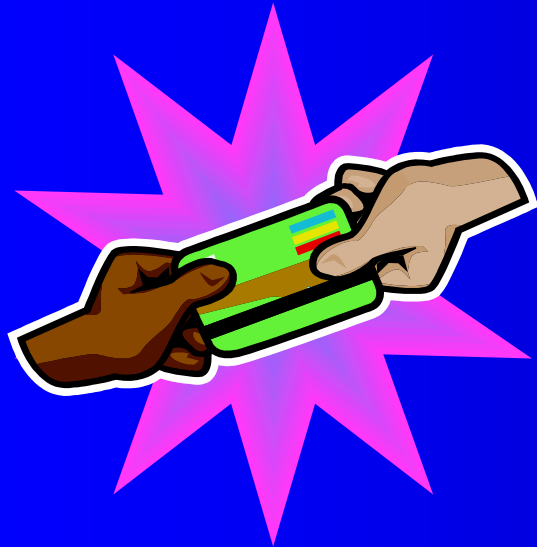RECONCILED BY: _____   DATE: _____

REVIEWED BY: _____   DATE: _____

STATEMENT3.RPT   1996-1998 MasterCard International Incorporated

How To Resolve Disputes

- Contact vendor and try to resolve dispute directly

- If you cannot resolve matters with the vendor, complete a "Statement of Disputed Item" form and send it to JPMorgan Chase Bank
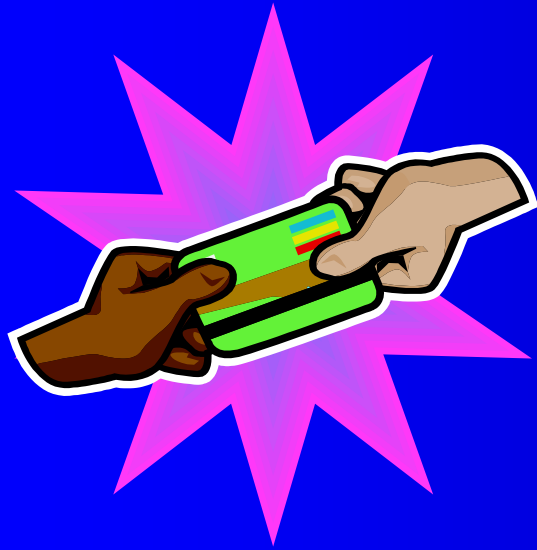
Things to Remember

- Must still comply with existing UTD policies

- Personal purchases are strictly forbidden

- Don't break purchases up into smaller pieces to "get around" limit

- Purchases are exempt from state sales tax

- You are responsible for all transactions made on your card

Things to Remember

- Keep all your receipts safe and easy to find

- If you are moving charges to an account you don't have signature authority on, make sure your backup paperwork includes the signature of someone who does

- Reconcile and return your report promptly each month

- Make sure your SUPERVISOR reviews and signs the activity report

Things to Remember
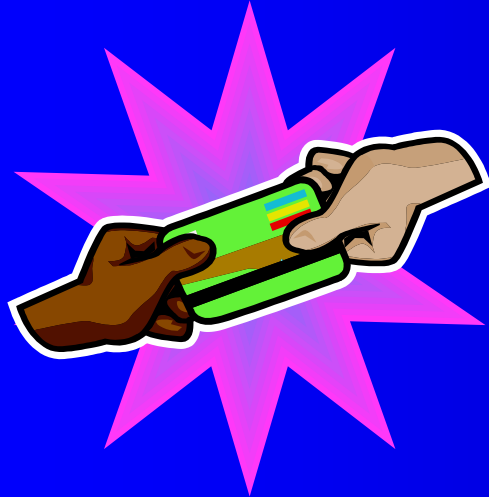
- Contact the vendor directly if you see any "bogus" charges; contact JPMorgan Chase Bank if vendor cannot resolve

- Go to Administrative Policies & Procedures web site http://www.utdallas.edu/utdgeneral/business/admin_manual/purchasing.htm for more information related to Purchasing, HUB Program, Purchasing Card Guidelines (E6) and Discretionary Funds guidelines (E10)

Things to Remember

- If having goods shipped to UTD, have the vendor put your name and "PCP" on the front of the package, to speed up delivery from Central Receiving
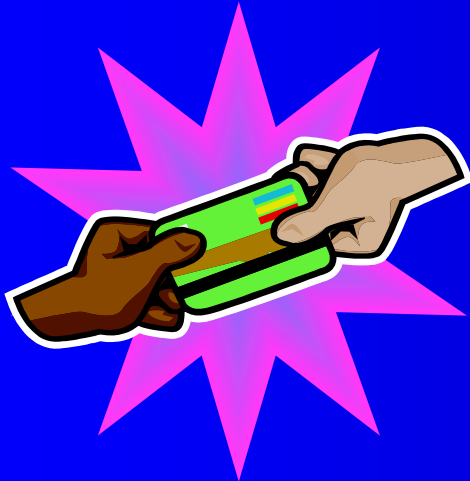
- Purchases are exempt from Texas State Sales Tax

- You must have signature authority for each account used or supporting paperwork with the signature of the person with signature authority (i.e. work order, requisition)

For More Information:

Refer to your handout, or contact

Christy Baxter
Purchasing Card Administrator
- baxterc@utdallas.edu
- Phone x2633
- Fax x2348
- Mail Station AD34

Pete Bond
Program Administrator
- pbond@utdallas.edu
- Phone x2301
- Fax x2348
- Mail Station AD34

Question #1

The purchasing card is issued in your name, but the University is responsible for the card and all purchases.
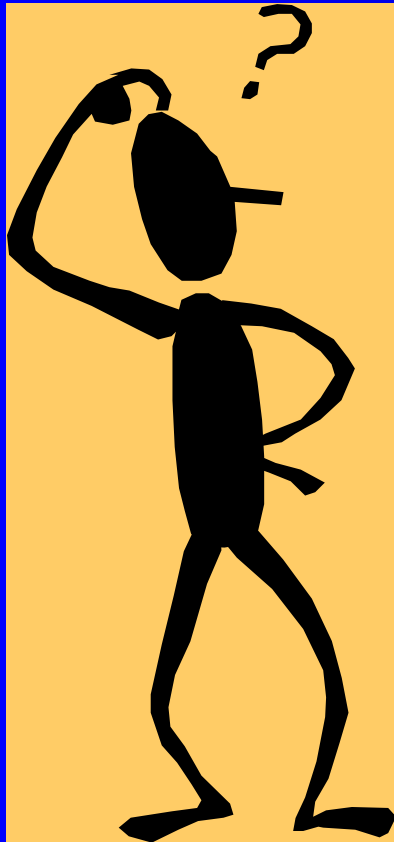
TRUE

FALSE

SORRY TRY AGAIN
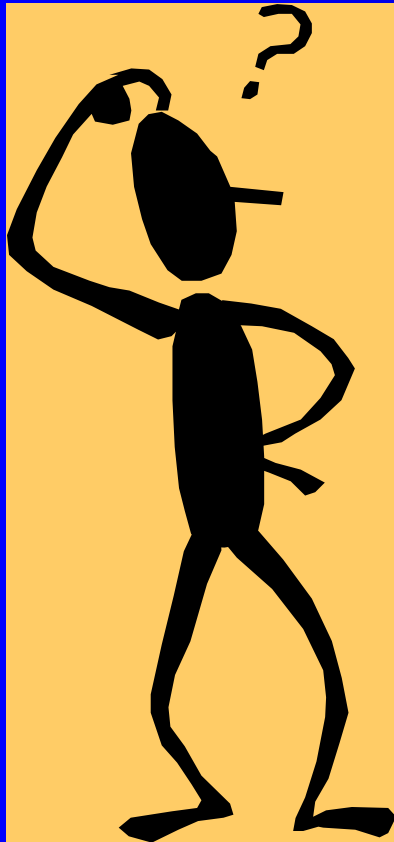
REVIEW

Question #2

You may purchase personal items with the purchasing card if the transactions are paid for when you reconcile the Activity Report.

TRUE   FALSE

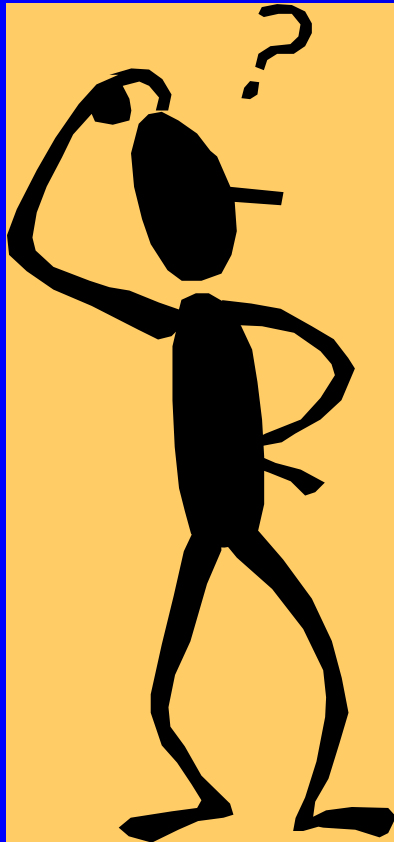SORRY TRY AGAIN

REVIEW

Question #3

Using a purchasing card allows you to:

PURCHASE ONLINE

PURCHASE FROM VENDORS WHO DO NOT ACCEPT P.O.'s

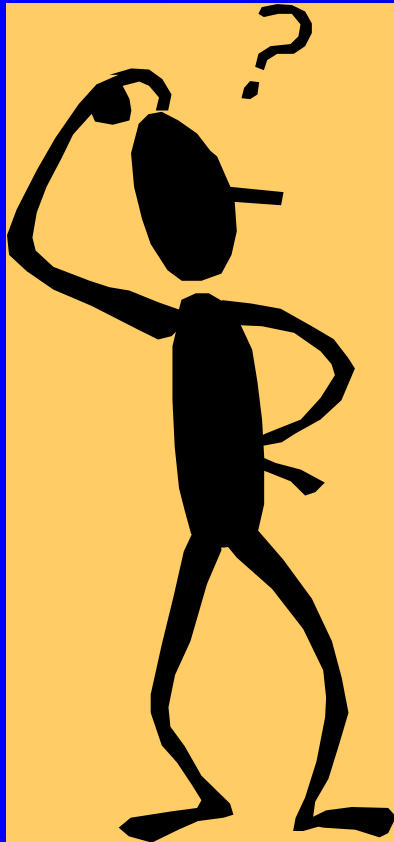**BOTH OF THE ABOVE**

SORRY TRY AGAIN

REVIEW

Question #4

The dollar limit per each transaction is typically $1,000.00. If the transaction is larger than $1,000.00, you may split the order and make two charges under $1,000.

TRUE

FALSE

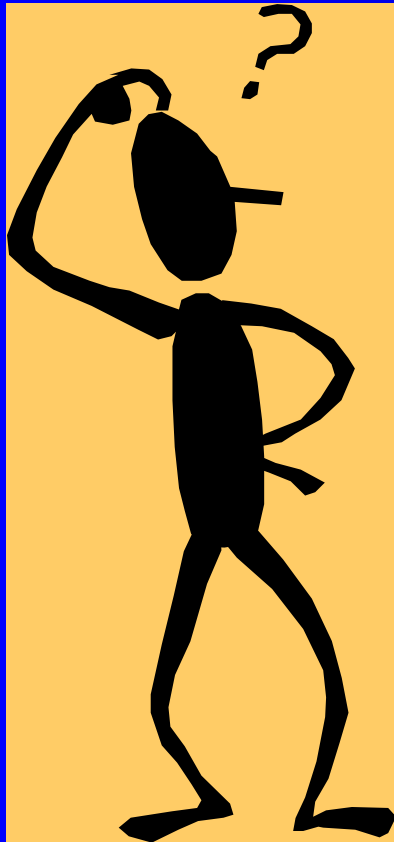SORRY TRY AGAIN

REVIEW

Question #5

You may purchase the following items on a purchasing card:

> **AIRFARE, HOTEL OR TRAVEL EXPENSES**

> **UPGRADES TO CAPITAL EQUIPMENT**

> **NONE OF THE ABOVE**
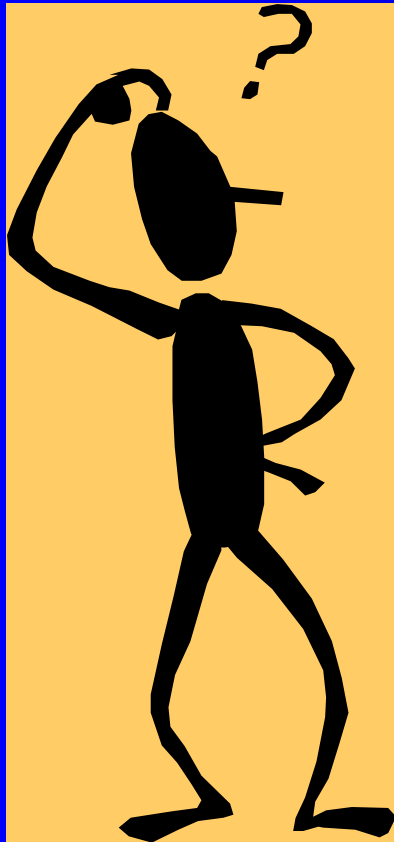
SORRY TRY AGAIN

REVIEW

Question #6

You must keep all receipts and paperwork in a central location.   When reconciling the monthly statement, the receipts are used to match with each transaction. The monthly statement must be signed by you as the cardholder and by your supervisor. Your supervisor must review each charge for a valid business purpose.

TRUE

FALSE
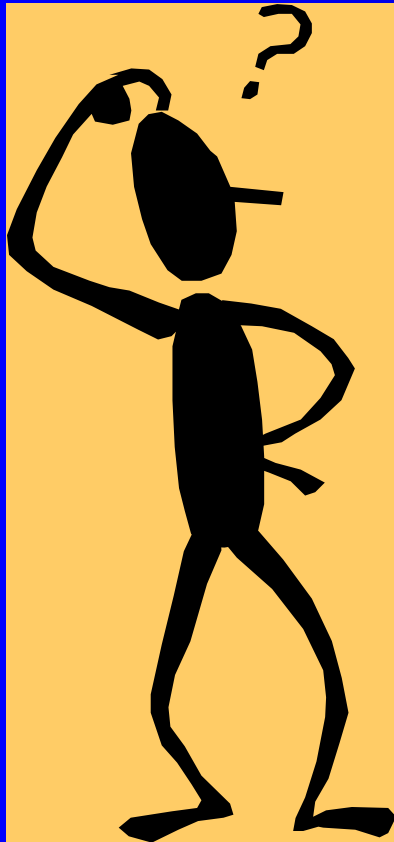
SORRY TRY AGAIN

REVIEW

Question #7

When you have a questionable charge on your monthly statement, first contact the vendor. If the dispute is not resolved, send a "Purchasing Card Statement of Disputed Action" form to JPMorgan Chase Bank.

TRUE

FALSE

Thank you for completing the questions related to Purchasing Card Program: Card Holder training.

Click on the button below to complete this module and receive credit for this course

Click Here to Receive Credit for This Course

Congratulations!!!

You have successfully completed training for the UTD Purchasing Card!

Cardholders and their supervisors will be required to complete the Purchasing Card Program training modules each year during the annual general compliance training period.

The End

CBT