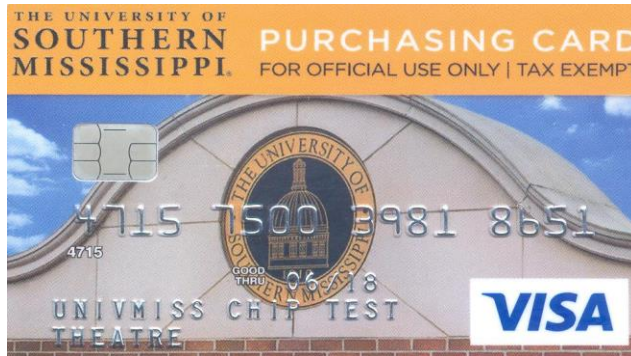




**THE UNIVERSITY OF
SOUTHERN MISSISSIPPI.**

Procurement Card



Equipment Card



Policies and Procedures Manual

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PROCUREMENT CARD

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1. INTRODUCTION

The Procurement Card Program offers the university a way of doing business by providing Visa credit cards to end-users in the departments. The cards provide an easy and familiar purchasing method that will greatly improve customer service by reducing order time for small dollar purchases up to **\$5,000 per single transaction** for both commodities and services.

The program helps to lower the overall administrative costs for processing small-dollar purchases from the order through payment. For every purchase that is made using the card, the processing time and effort the department, Purchasing, and Office of the Controller put forth individually to pay for that order reduces. As participants in this P-Card Program, you are part of an on-going effort to meet the goals of reduced administrative costs for the purchasing of commodities and services, increased customer service, and establishing appropriate oversight for differing types of purchases. You can help the University achieve the Program goals by using the P-Card per the Program Policies, and by encouraging participation in the Program among both employees and Vendors. Finally, remember you are representing the University each time you use the Procurement Card. You are acting as an agent of the University, and as such you must be aware of the Procurement Code of Ethics; see ***Code of Ethics*** on page [16](#).

1.1 PURPOSE

The purpose of this guide is to establish policies and procedures under which departments of Southern Miss must control the use of the P-Cards issued to their authorized employees for the purchase of commodities and services on behalf of the University. This guide is intended to accomplish the following:

- Ensure purchases made with the P-Card are completed by Federal, State, and University policies and procedures.
- Ensure appropriate internal controls are established within each department using P-Cards.
- The P-Card Program utilizes both internal management controls and the SOARFIN management tool to ensure the P-Cards are used per Southern Miss policies and procedures.
- Ensure the University bears no legal liability for inappropriate use of Southern Miss P-Cards.

All transactions using the Southern Miss P-Card must benefit and support the University's mission of education, research, and public service. Use of the P-Card for personal purchases is strictly prohibited. Procurement Services is responsible for monitoring the effectiveness of the P-Card Program and user compliance with the

procedures outlined in this manual. The P-Card represents the University's trust in you and your empowerment as a responsible employee of the University to safeguard and protect the University's assets. As a Cardholder, you assume the responsibility for the protection and proper use of the P-Card.

1.2 BENEFITS

Cardholders — Each Department's Cardholders will be able to review their credit card transactions within SOARFIN each month instead of statements from the Bank. Additional bank statement access may be granted upon request from the Cardholder. The P-Card program will significantly reduce the workload and processing costs related to the purchase and payment of ordered goods.

The University — A built-in card feature makes the program easy to control and manage. It also reduces processing costs at all levels by reducing the number of invoices and checks processed and empowering the individual to make purchases and allocate expenses as needed. It will allow Procurement Services and Accounts Payable to focus on higher yield, value-added activities.

Vendors — The P-Card is welcomed by Vendors who accept credit cards. Vendors will receive a cash payment from Regions within 48 to 72 hours of the transaction. Vendors will experience a reduction of credit risk, reduced billing and collection costs, a reduction in the time and cost associated with credit checks, and possibly increased sales opportunities.

2. HOW TO BECOME A PARTICIPATING DEPARTMENT

- Designate a Proxy/Reconciler to act as a liaison for the department by dealing with the Cardholders, Vendors, Procurement Services, and Visa.
- Identify which Signature Authority will be responsible for approving Cardholder purchases when more than one Signature Authority exists in Eagle Vision for a single budget string.
- Establish departmental controls and procedures to safeguard the Card and the P-Card Program.
 1. Lock up P-Card when not in use. (Cardholder's purse or wallet is not considered secure long-term storage)
 2. Prepare filing system to accommodate the following:
 - a. Monthly Signature Reports
 - b. Supporting documentation
 - c. (Optional) Copies of **Procurement Card Application** ([Figure PC-1](#))
 - d. (Optional) Copies of **Cardholder Agreement** ([Figure PC-2](#))

- e. (Optional) Copies of **Cardholder Update Form** ([Figure PC-4](#))
- f. (Optional) Copies of **Reconciler (Proxy) Update Form** ([Figure PC-5](#))
- g. (Optional) Copies of **Procurement Card Sign Out Sheet** ([Figure PC-9](#))
- h. (Optional) Copies of **Delegation of Authority Form** ([Figure PC-10](#))
- i. Copies of Telephone log for all telephone orders (a log that contains basic information such as the date, time, Vendor, name of the person taking the order, phone number, description of item(s), quantity, pricing, and total amount.)

3. HOW TO BECOME A CARDHOLDER

- **You must already have access to SOARFIN.** You may do this by completing [SOARFIN Budget Training](#) with the Controller's Office.
- You must complete the **Procurement Card Application** ([Figure PC-1](#)). The completed form should be sent to the P-Card Administrator at pcard@usm.edu or Box 5003.
- You must complete the **Equipment Card Application** ([Figure PC-1a](#)). The completed form should be sent to the P-Card Administrator at pcard@usm.edu or Box 5003.
- Your application must list a default budget string and be signed by an individual listed as a Signature Authority (SA) in Eagle Vision (EV) for that default budget.
- You must complete online P-Card Audit and Compliance training and receive a test grade of 86% or above. To retain your p-card, online P-Card Audit and Compliance training must be renewed annually with a test grade of 86% or above.
- You must complete [SOARFIN P-Card Reconciliation](#) training.
- **P-Card will not be issued until all the above training is completed.**
- You and your Signature Authority must sign the **Cardholder Agreement** ([Figure PC-2](#)) before issuance of the P-Card.
- You must sign a **Personal Receipt of P-Card** ([Figure PC-3](#)) at the time your P-Card is issued.
- You must review and understand departmental internal controls and procedures to safeguard the Card and the P-Card Program.
- The University P-Card, issued in your name, is the property of Southern Miss and must be used for official university business purchases only.

4. HOW TO BECOME A CARDHOLDER'S RECONCILER (PROXY)

- **You must already have access to SOARFIN.** You may do this by completing [SOARFIN Budget Training](#) with the Controller's Office. You will not be able to log in and work transactions until this has been completed.
- Reconciler (Proxy) designation is assigned on the **Procurement Card Application (Figure PC-1)** by the Cardholder or by completing the **Reconciler (Proxy) Update Form (Figure PC-5)**. Completed forms should be sent to the P-Card Administrator at pcard@usm.edu or Box 5003.
- You must complete online P-Card Audit and Compliance training and receive a test grade of 86% or above. To remain a Reconciler (Proxy), online P-Card Audit and Compliance training must be renewed annually with a test grade of 86% or above.
- You must complete [SOARFIN P-Card Reconciliation](#) training.
- You must review and understand departmental internal controls and procedures to safeguard the Card and the P-Card Program.

5. PARTIES INVOLVED

Approver — The University Official who has fiscal responsibility for the budget strings to which VISA transactions are charged. The Approver must review and approve all transactions and documentation listed in SOARFIN and sign monthly signature reports. The Approver will be a designated Signature Authority, in Eagle Vision, and accepts departmental financial responsibility for all purchases made within policy. When more than one Signature Authority exists in Eagle Vision for a single budget string, it will be the responsibility of the department to determine which Signature Authority will approve Cardholder purchases against the budget string. **In rare instances, this may also be the Cardholder (ex. When a Cardholder lists a separate Proxy/Reconciler or the Cardholder is the only Signature Authority on a budget).**

Budget Manager — A departmental employee who is responsible for oversight of all departmental budgets.

Cardholder — An employee who is approved by a Signature Authority to use the P-Card to execute purchase transactions on behalf of the University. This person is ultimately responsible for all charges against their card and ensuring each purchase complies with all guidelines and policies. **In rare instances, this may be the Reconciler and/or Approver (see Approver and Reconciler).**

Card Issuer — Regions Bank services include issuing P-Cards to Southern Miss employees, providing electronic transaction authorizations, rectifying fraudulent charges, and billing the University for all purchases made on the cards.

Reconciler (Proxy) — The individual designated by the Signature Authority to be responsible for reviewing transactions of individual Cardholders, assuring that the transactions are legitimate business expenses, are classified appropriately, and reconciled in SOARFIN. **In rare instances, this may also be the Cardholder (ex. When a Cardholder lists a separate Approver, or the Cardholder is the only Signature Authority on a budget and no separate Reconciler is available).**

Procurement Card (P-Card) Administrator — The individual located in the Department of Procurement & Contract Services who coordinates the P-Card Program for Southern Miss and acts as the organization’s liaison with the Bank and the Card Issuer. Responsible for the Cardholder profiles, card issuance, card cancellations, Cardholder training, random transaction audits, transaction declines, and lost or stolen cards. May also review reports.

Signature Authority — The University Official who has fiscal responsibility for the default budget string tied to the Cardholder (This could be the Dean’s Office, Director, Department Head, or Budget Manager). The Signature Authority must approve a designated employee’s application for a P-Card, assign a Cardholder Reconciler and designate a default budget string for purchases on the P-Card. Transaction authority is delegated to the Cardholder by Signature Authority approval of the transaction(s) in question. **In rare instances, this may also be the Cardholder (ex. When a Cardholder lists a separate Proxy/Reconciler or the Cardholder is the only Signature Authority on a budget).**

SOARFIN Software — The provider of the management software for the P-Card Program. Functionality includes online reconciliation.

Vendor — The Vendor from whom a Cardholder is making a purchase.

6. RESPONSIBILITIES

6.1 CARDHOLDER

The P-Card may not be used for incidentals while on business travel. Incidentals include, but are not limited to, entertainment, cash, services, and other categories as included in the ***P-Card Restrictions*** ([Figure PC-6](#)). The Cardholder must:

- Ensure the P-Card is used for legitimate business purposes only.
- Ensure that P-Card transactions comply with University purchasing policies, procedures, and state bid law.

- Maintain the P-Card in a secure location at all times. (Cardholder's purse or wallet is not considered secure long-term storage).
- Adhere to the purchase limits and restrictions of the P-Card and ensure the total amount of any single transaction does not exceed \$5,000.00, including freight.
- Obtain all itemized sales slips, register receipts, P-Card slips, and provide them to their Reconciler for reconciliation within 48 hours of each purchase.
- Attempt to resolve disputes or billing errors directly with the Vendor and notify the P-Card Administrator of any dispute that will not be resolved before month-end closing.
- Ensure that an appropriate credit for the disputed item or billing error is issued and a note is added to each SOARFIN transaction to cross-reference the charge and credit transaction numbers.
- Ensure tax is not charged on the purchase.
- Only accept a credit to the P-Card; never accept cash or account credit.
- Immediately report a lost or stolen card to Regions Bank at 1-888-934-1087 (24 hours a day, 365 days a year).
- At the first opportunity during normal business hours notify Cardholder Reconciler (Proxy) of any fraudulent transaction or a lost/stolen P-Card.
- Return the P-Card, with **Cardholder Update Form (Figure PC-4)**, to Signature Authority or P-Card Administrator upon terminating employment with the University or transferring between Departments within the University.
- Understand that improper use of the card may result in disciplinary action, up to and including termination of employment (see [Section 14.16. - Controls](#)).
- Recertify online Audit and Compliance training annually.

6.2 RECONCILER (PROXY)

Each Signature Authority/Department must designate one or more Cardholder Reconcilers (Proxy) for their department. The Cardholder Reconciler (Proxy) must receive and pass online Audit & Compliance training before being assigned as a Reconciler (Proxy) for any Cardholder. Responsibilities include:

- Review Vendor receipts for inappropriate purchases or uses of the P-Card
- Review Vendor receipts to ensure that they are itemized, and no tax charged.

- Ensure that all itemized receipts and supporting documentation are uploaded to SOARFIN transactions before month-end close.
- Ensure that all Cardholder transactions are reconciled within SOARFIN before month-end close.
- Contact departmental Budget Manager to research and rectify any budget issues or errors during reconciliation.
- Ensure that all transactions sent to the Dean's Budget after monthly closing are cleared from Dean's budget by completing an [Interdepartmental Invoice \(II\)](#). The processed II and all supporting receipts/documentation **must** also be uploaded to the SOARFIN Transaction.
- Attach all appropriate documentation to the Monthly Signature Report. Ensure Monthly Signature Reports are reviewed and signed by the Cardholder and Signature Authority.
- Ensure that **SOARFIN Monthly Signature Report** and **Procurement Card Sign Out Sheet (Figure PC-9)** for Cardholders are filed according to departmental internal controls and procedures to safeguard the Card and the P-Card Program.
- Attempt to resolve any dispute(s) with the Vendor that was not resolved by the Cardholder.
- Notify P-Card Administrator of any fraudulent transaction or a lost/stolen P-Card.
- Request that the P-Card Administrator updates or cancels a Cardholder's card (e.g., terminated employees, employees transferring to other departments, loss of P-Card privileges), as approved by the Signature Authority, utilizing the **Cardholder Update Form (Figure PC-4)**.
- Collect canceled cards from Cardholders and shred them or forward them to the P-Card Administrator. Canceled cards should be cut in half before forwarding them to the P-Card Administrator.
- Contact P-Card Administrator to assist Cardholders with erroneous transaction declines and emergency transactions.
- Ensure that an appropriate credit for disputed items or billing errors is issued and a note is added to each SOARFIN transaction to cross-reference the charge and credit transaction numbers.
- Ensure that all Cardholders and Reconciler (Proxy) forms are filed according to departmental internal controls and procedures to safeguard the Card and the P-Card Program.

6.3 APPROVER

Designated Approvers are Signature Authorities who have fiscal responsibility for the budget strings to which VISA transactions are charged. They are responsible for the approval of transactions against departmental budgets. Responsibilities include:

- Ensure that all Reconcilers / Cardholders have received appropriate training regarding their responsibilities.
- Maintain expertise in processing requirements to serve as a source of information for department users.
- Communicate problems encountered to the P-Card Administrator.
- Review and approve Cardholder transactions within SOARFIN to ensure that all purchases are appropriate and that prohibited items have not been purchased.
- Ensure that proper controls are in place.
- Ensure that all proper and completed documentation is uploaded to SOARFIN transactions and attached to the Cardholder Monthly Signature report.
- Sign the Cardholder Monthly Signature report for all reconciled Regions Bank transactions each month.
- Assign an alternate Approver in their absence. This person must be set up as a Signature Authority within Eagle Vision for the budget used.

7. CHANGE IN RECONCILER (PROXY)

To add, update, or cancel a Cardholder's assigned Reconciler (Proxy) (e.g., terminated employees, employees transferring to other departments, loss of P-Card privileges), please complete and forward the **Reconciler (Proxy) Update Form** [\(Figure PC-5\)](#) to the P-Card Administrator.

8. CHANGE IN APPROVER

If an Approver is added, transfers to another department, or separates from the University, **you must notify the Controller's Office to update this information within Eagle Vision.**

9. OVERSIGHT FOR THE PROCUREMENT CARD PROGRAM

The Department of Procurement and Contract Services has responsibility for managing the P-Card program. All departments may be subject to random and surprise audits from the University's Office of Internal Audit and/or the Office of the State Auditor.

9.1 DEPARTMENT OF PROCUREMENT AND CONTRACTS SERVICES

- Review Department-approved *Procurement Card Applications* ([Figure PC-1](#)) for completeness of required information.
- Request issuance of P-Card from Regions Bank based on completed applications.
- Provide in-class and online training for Cardholders, Reconcilers (Proxies), and Approvers before releasing P-Cards to Cardholders.
- Have Cardholder and Signature Authority sign the *Cardholder Agreement* ([Figure PC-2](#)) to signify agreement with the terms of the P-Card Program.
- Handle transaction declines, Cardholder information changes, Reconciler (Proxy) changes, and canceled cards.
- Review and adjust Cardholder monthly spending limits as needed on an annual basis.
- Secure revoked P-Cards and submit information to Regions Bank to cancel cards.
- Provide 100% audit of monthly credit card transactions within SOARFIN for all new Cardholders for three consecutive months.
- Provide random audit of monthly credit card transactions for all other Cardholders within SOARFIN.
- Download VISA transactions.
- Notify Cardholder and Reconcilers (Proxies) of the month-end closing date.
- Complete remittance voucher for monthly Regions Bank payment.

10. OBTAINING A PROCUREMENT CARD

10.1 GENERAL

For efficiency in administration and management, only approved and trained Cardholders are authorized to make purchases of materials, supplies, and services directly from the Vendor for a dollar value purchase of \$5,000.00 or less including

freight. All University policies and procedures for the expenditure of funds must be followed.

10.2 SETTING UP YOUR DEPARTMENT

The organizational structure within your department already exists for setting up your P-Card(s). Signature Authorities have some liberties available to them within program parameters when setting up their respective P-Card Programs. Employees who are currently responsible for placing orders should be Cardholders in the P-Card program. Those employees who are responsible for reconciling transactions within SOARFIN should be Reconcilers (Proxies). An Approver must be set up as a Signature Authority in Eagle Vision for the budget string used to reconcile the transaction within SOARFIN.

10.3 BUDGET LIMITATIONS

Each Signature Authority can adjust the spending limits of each P-Card, either by using the standard limits or adjusting them based on the budget limitations of their unit/department.

10.4 SEPARATION OF DUTIES

Separation of duties must be followed in the P-Card Program, as with any other financial transaction.

The Cardholder placing the order **and** reconciling the transaction should not be the same individual who ultimately approves the transaction within SOARFIN and signs as Signature Authority on the Monthly Signature Report. In other words, a Cardholder who reconciles his/her transactions cannot also act as the Approver for those transactions.

Additionally, the Cardholder placing the order **and** approving the transaction in SOARFIN should not be the same individual who reconciles the transaction within SOARFIN. For auditing purposes, these duties must be kept separated.

10.5 CARDHOLDER ELIGIBILITY

The criteria to receive a P-Card are as follows:

- Individual Applicant must be employed full-time or part-time by Southern Miss.
- Grad students, student workers, and contractors are not eligible.
- Applicant must already have SOARFIN access. They may do this by completing [SOARFIN Budget Training](#) with the Controller's Office. A P-Card will not be issued until this has been completed.
- Applicant must complete [SOARFIN P-Card Reconciliation](#) training.

- An applicant's request for a P-Card must be approved by the Signature Authority of the applicant's assigned default budget.
- The applicant must complete and pass online training with a score of 86% or above. Each applicant must sign a **Cardholder Agreement** ([Figure PC-2](#)) and **Personal Receipt of Procurement Card** ([Figure PC-3](#)) before receiving the P-Card.

10.6 CARDHOLDER LIABILITY

The P-Card is a corporate VISA charge card that will not affect the Cardholder's credit. However, it is the Cardholder's responsibility to ensure that the card is used within the stated guidelines of the P-Card Program, as well as Policies and Procedures relating to the expenditure of University funds. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management, and further disciplinary measures that may include termination. The P-Card must never be used to purchase items for personal use or non-University purposes even if the Cardholder intends to reimburse the University. A Cardholder who makes an unauthorized purchase with the P-Card, or uses the P-Card inappropriately, will be subject to disciplinary action including possible card cancellation, termination of employment, and criminal prosecution. If a University employee is in a position to obligate the University, that employee is entrusted with the responsibility of protecting the University from harm.

11. APPLYING FOR A PROCUREMENT CARD

- a. The Signature Authority will decide who should receive a Card. The Approver will forward a **Procurement Card Application** ([Figure PC-1](#)) to authorized user applicants.
- b. The prospective Cardholder will complete the application for a P-Card. A default budget (Fund- Department-Program-Project (if applicable)) must be assigned, and spending limits must be defined.
- c. The Signature Authority with budgetary responsibility for the budget string will approve the monthly spending limit for the Cardholder.
- d. The Cardholder and Signature Authority must sign the **Procurement Card Application** ([Figure PC-1](#)) and the **Cardholder Agreement** ([Figure PC-2](#)).
- e. The signed and approved **Procurement Card Application** ([Figure PC-1](#)) should be forwarded to the P-Card Administrator in Procurement Services.
- f. The P-Card Administrator will review the **Procurement Card Application** ([Figure PC-1](#)) and, if in order, transmit the information to the Bank upon verification that the

applicant has completed the required [SOARFIN Budget Training](#) with the Controller's Office.

- g. Upon completion of P-Card Reconciliation training **and** P-Card online Audit and Compliance training, the Cardholder will be asked to sign the **Personal Receipt of P-Card** [\(Figure PC-3\)](#) before receiving the P-Card.

11.1 CARDHOLDER PURCHASE LIMITS

Standard Purchase limits are as follows:

- Monthly Spending Limit – up to \$20,000
- Daily Spending Limit – up to \$10,000
- Single transactions Limit – up to \$5,000, including freight charges
 1. All single transactions over \$5,000 **require a PO.**
 2. All individual equipment purchases of \$1,000 or more **require a PO.**
 3. Some equipment items under \$1,000 still require a PO for purchase, please see **Equipment Items and Exceptions** [\(Figure PC-8\)](#) to determine the correct form of payment.

Cardholder monthly purchase limits as noted on the **Procurement Card Application** [\(Figure PC-1\)](#) should be carefully decided upon according to the funding source and monthly spending requirements. Cardholder monthly limits may be monitored by the P-Card Administrator and adjusted as deemed necessary.

11.2 CARDHOLDER TRAVEL

The Procurement Card may not be used for travel-related expenses. The only exemptions are car rentals with state contract Vendors and conference registration fees. (See [Section 14.5 – Approved P-Card Expenses for Travel](#) for more information.)

11.3 CARD SECURITY

Each department must determine how to secure their cards (Cardholder's purse or wallet is not considered secure long-term storage). The P-Card numbers, expiration dates, and CVV numbers should be protected, just as any blanket or department purchase order number would be. All but the last 4-digits of P-Card numbers appearing on documentation (e.g., receipts, statements) that will be stored for record retention purposes should be blackened out before storage. The individual's name that appears on the card bears the responsibility for all purchases made with that particular card. Under no circumstances should the entire P-Card number ever be emailed to an individual or Vendor.

11.4 SECONDARY USAGE OF THE P-CARD

It is the stance of the Department of Procurement and Contract Services that a Cardholder should not share his/her P-Card with another individual. Having said this, there may be extreme circumstances in which Cardholders may require secondary user assistance when making purchases. In such cases, the Cardholder remains directly responsible for the proper use of the card per established procedures and guidelines. Therefore, the Cardholder must take great care in explaining the proper use of the P-Card to the secondary user. The Cardholder must also ensure that they maintain proper documentation of secondary use should they be audited. **Please note:** The Department of Procurement and Contract Services will not dictate what constitutes an “extreme circumstance.” The Cardholder assumes any liability for secondary use against the P-Card.

A copy of the ***Delegation of Authority Form*** ([Figure PC-10](#)) must be on file for **any** secondary use of the P-Card. The Delegation of Authority is an agreement that the secondary user must be asked to read and sign to formally use the University’s P-Card. Also, a ***Procurement Card Sign-Out Sheet*** ([Figure PC-9](#)) should be used to track the use of the P-Card by a secondary user.

The original ***Delegation of Authority Forms*** ([Figure PC-10](#)) must be forwarded to the P-Card Administrator for auditing purposes and must be renewed yearly. It will be the sole responsibility of the Cardholder to ensure that new forms are signed and forwarded to the P-Card Administrator each fiscal year, and, as new secondary users are established. Procurement may request copies of sign-out sheets randomly throughout the year for audit purposes.

11.5 LOST, MISPLACED, OR STOLEN PROCUREMENT CARDS

Cardholders are required to immediately report any lost or stolen P-Card directly to Regions Bank at 1-888-934-1087 (24 hours a day, 365 days a year). The Cardholder must also notify his/her Reconciler (Proxy) and the P-Card Administrator about the lost or stolen card at the first opportunity during normal business hours. (See [Section -14.14 Disputed/Fraudulent Transactions](#) for how to rectify any fraudulent transactions that have been posted to your account.)

11.6 CARDHOLDER TERMINATION

A P-Card account must be closed if a Cardholder: (a) transfers to a different department, (b) terminates employment, or (c) for any of the following reasons which may also subject Cardholder to disciplinary action per University Policies and Procedures:

- The P-Card is used for personal or unauthorized purposes.

- The P-Card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law, or regulation of The University of Southern Mississippi.
- The Cardholder splits a purchase to circumvent the State of Mississippi bid law or the limitations of the P-Card.
- The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the P-Card.
- The Cardholder fails to provide the Reconciler (Proxy) with required itemized receipts promptly.
- The Cardholder fails to provide when requested, information about any specific purchase.
- The Cardholder does not adhere to all of the P-Card policies and procedures.

12. ITEMS THAT REQUIRE PRIOR APPROVAL BEFORE PURCHASE

12.1 FOOD AND DRINK PURCHASES

- Generally, **ALL** Food/Drink purchases are prohibited with the P-Card; however, special exceptions require ***prior written approval from Procurement, a fully signed and certified Food Purchase Form [\(Figure PC-11\)](#), and itemized receipts. All documentation, including but not limited to the above, must be uploaded for each transaction.***
- Approved Blanket Food Purchase forms must be renewed each Fiscal Year (July 1).
- On-site (Hattiesburg/GP Campuses) food/catering purchases over \$125 require **prior written approval** from Aramark before requesting approval, from the P-Card Administrator for use of the P-Card. **This will be enforced, so please plan.**
- On-site snack food purchases (no more than \$125) do not require prior Aramark approval before requesting approval from the P-Card Administrator for use of the P-Card.
- On-site and off-site food purchases (all campuses) must comply with the [University Catering Policy \(ADMA-PUR-008\)](#), [University Snack Policy \(ADMA-PUR-009\)](#), [Hospitality Policy – Allowable \(ADMA-PUR-002\)](#), and [Hospitality – Prohibited \(ADMA-PUR-003\)](#) before they will be allowed for purchase with a P-Card.

- Departments that require food and drink purchases as a requirement for children and animals must identify themselves to the P-Card Administrator so that this can be documented. Also, include this information in the comment section of each SOARFIN transaction.

12.2 PRINTING, SPECIAL PRINTED ITEMS & SOCIAL MEDIA ADS

- The University requires that the purchase of printed items follow a specific set of policies and procedures. Therefore, **printing is not an allowable purchase** on the P-Card without prior approval from the Office of University Communications (UC). All printing must go through the Office of UC. UC provides the tools through which the University's values, mission, accomplishments, and more are shared with the world. With the institution's image always in mind, UC manages and protects the Southern Miss brand through communicating and ensuring adherence to USM [graphic standards](#) and its writing style guide.
- UC written approval and a copy of the approved graphic/logo/design/ad must be uploaded to the transaction with your itemized receipt. Transactions without this documentation will be recycled.
- **All reprints/reorders require reapproval from UC to ensure the order/ad has not changed.**

12.3 APPAREL PURCHASES

Based on apparel guidelines set forth by the Internal Revenue Service (IRS) only clothing items that comply with the following can be purchased using University funds:

- The employee must wear the clothes as a condition of employment, e.g., for identification purposes, for safety, or as protective clothing.
- The clothes are not suitable for everyday wear.
- The University retains protective clothing and outerwear after the termination of employment.
- Note: Identification purposes relate to those individuals needing to be identified for a legitimate business purpose. For example, a reason such as "to wear on Fridays" is not sufficient justification to permit the expenditure of University funds for apparel.

Additionally, acceptable apparel purchases must comply with the following University guidelines:

- The Department, unit, or event name must be screen printed or embroidered on the garment.

- The event should be a University sanctioned student-focused or public-oriented event that would require employees to be identifiable to the public.
- The Department or unit would require apparel purchased for events to be turned back in and maintained by the Department after the event.
- The Department will be required to maintain inventory records of the items in the event auditors request this.
- The final determination of whether the acquisition meets University spending policies will rest with the Procurement Director based on reasonable and acceptable spending practices.

Should your purchase comply with these guidelines, please complete and send the completed **Apparel Purchase Form** ([Figure PC-12](#)) to the P-Card Administrator for **prior** approval of your purchase.

- Departments that frequently purchase non-Southern Miss apparel as “part of doing business” (e.g., Theater, Athletics, Band, Chorus, etc.) must identify themselves to the P-Card Administrator so that this can be documented. Also, include this information in the comment section of each SOARFIN transaction.
- The University is encouraged to purchase all Southern Miss apparel from the contracted apparel provider (Barnes & Noble). All specialty printed apparel displaying Southern Miss or Athletic branding must have prior written approval from UC. A copy of the approval and copy of the approved graphic/logo/design/ad must be uploaded in SOARFIN.
- Under no circumstances will the purchase, cleaning, or servicing of personal apparel be allowed on the P-Card.

12.4 GIFT CARDS

Gift cards are only an allowable purchase for IRB-approved research projects and must follow proper [steps](#), based on [policies and procedures](#). All prior approved documentation must be uploaded to the SOARFIN Transaction for the charge to be approved.

12.5 SIGNING OF CONTRACTS, MAINTENANCE AGREEMENTS, TERMS & CONDITIONS

It is imperative that Cardholders **READ BEFORE SIGNING** all documentation about purchases. Cardholders are authorized to sign for receipt of items and processing of payment against the P-Card **ONLY**.

- All contracts and maintenance agreements that require a signature must be **reviewed and approved (signed) by the Director of Procurement and Contract Services. Only those persons so delegated in writing by the President have**

authorized contract signature authority for the University. The only persons so authorized to sign commitments on behalf of the University are the V.P. of Research, the Provost, the V.P. of Finance and Administration, and the Director of Procurement and Contract Services.

- Any sales receipt, invoice, pick-up slip, etc., that contains verbiage regarding the acceptance of additional terms and conditions must either be stricken through before signing or not signed at all. **If striking through the language is not acceptable to the Vendor, the Cardholder may not proceed with the purchase until it is reviewed and approved by the Director of Procurement and Contract Services. In the absence of the Director of Procurement and Contract Services, you should request a review from the Office of the General Counsel.**
- All fully signed contracts, maintenance agreements, and terms and conditions signed by the **Director of Procurement and Contract Services must be uploaded to the transaction.**
- Any transactions that contain contracts, maintenance agreements, and/or terms and conditions that have been signed by any individual, other than the **Director of Procurement and Contract Services**, will be denied.

12.6 NON-MONETARY AWARDS

Awards must result from a contractual obligation (enrolled in, entered in, participated in, etc.) of the following criteria:

- Exists before an individual's performance (not to be confused with work-related service),
- Is based on predetermined objective standards, and
- Is subject to a stated maximum amount

Examples of an award are as follows: recognition for some special achievement, special skill, special acknowledgment, special recognition, or an award in a contest.

Nonmonetary award items such as a graduation cord, trophy, plaque, or nameplate that is under \$25, can be purchased without additional review or the use of Southern Miss Foundation funds or Office of Research Administration funds (grants).

In the event the Cardholder is purchasing nonmonetary award items such as diploma frames, photo frames, or extravagant award items with a cost above \$25, the award payment **must be** processed using Southern Miss **Foundation or Office of Research Administration funds (grants) if allowable.**

For more guidance, please contact Tax Compliance (6-4102) or review the Tax Compliance information on the [Office of the Controller's](#) website.

12.7 CONFERENCE REGISTRATION FEES

(See [Section -14.5 Approved P-Card Expenses for Travel](#))

13. PROCUREMENT CARD VIOLATION POLICY

The P-Card is a corporate charge card. It is the Cardholder's and Department's responsibility to ensure that the card is used within the stated guidelines of the P-Card Program as well as policies and procedures relating to the expenditure of University funds. These Procurement Policies and Procedures include IRS Guidelines, State Bid Guidelines, and Spending Policies. The P-Card must never be used to purchase items for personal use or non-University purposes even when the Cardholder intends to reimburse the University.

More information:

PROCEDURE FOR POLICY VIOLATIONS

1. Any transactions that have not been reconciled and/or any recycled transactions that have not been fully corrected before monthly close will be sent to the respective dean/VP's budget failure default (BFD) budget of each violating Cardholder. It will then be up to the Cardholder to clear this transaction from their dean's budget.
2. Clearing of transactions from the dean's budget does not absolve the Cardholder from ensuring that all required documentation is uploaded to the SOARFIN transaction and that their Signature Authority has signed off on their monthly signature report. **NOTE: For auditing purposes, both still must occur each month.**
3. Below is a sample listing of violations that would cause the transaction to be sent to the Cardholder's BFD or immediately suspended if the original transaction is not worked or the recycled transaction is not corrected before monthly close. A Cardholder has a maximum of three (3) times that their transactions are sent to the BFD, per fiscal year, before the card is suspended for 30 days. Upon reinstatement, should a fourth (4th) violation occur, a Violation Notice will be issued to the Cardholder.

Copies of an issued Violation Notice will also be forwarded to the Vice President of Finance and Administration, the Internal Auditing Department, the Purchasing Department, and the Cardholder's supervisor. The Violation Notice serves as a final warning; if another violation occurs on a particular card, the card will be revoked. Mandatory retraining and a memo from the Director, Dean, or appropriate Vice President will be required to reinstate a Cardholder.

Note: Transactions that have not been approved by the P-Card Administrator before the month-end closing are still subject to auditing after closing. Transactions that are not corrected by the next month's closing will also be subject to this violation policy and Cardholders will have a

maximum of three (3) times to be notified of after-close violations before the card is suspended for 30 days.

SAMPLE CARDHOLDER VIOLATIONS (INCLUDE, BUT ARE NOT LIMITED TO):

VIOLATION
Not properly cross-referencing original and credit transaction numbers when reconciling.
Itemized Receipt and/or justification for purchase (business purpose statement) is missing.
Failure to upload Permission to Travel (PTT) that has been approved by Travel for Conference Registration.
Charging International Conference Registration fees to the P-Card.
Sales tax was paid and full credit was not obtained.
Purchase of Restricted Item(s).
Failure to acquire and upload required prior approvals.
Failure to upload supplemental documentation requested by P-Card Administrator.
Incremental / Split Transaction used to circumvent the limitations of the P-Card including the use of another Cardholder's P-Card.
Failure to reconcile all transactions before close.
State Competitive Bid Law Violation (Purchases over \$100 must be purchased from State Contract and can only be purchased from another Vendor after verifying that the item(s) cannot be found on the state contract or the identical item(s) are less than the state contract rates. A note must be added to the transaction advising if these item(s) have been reviewed against the state contract and whether they were not found or found for less.
Personal Purchase. (possible card suspension)
Failure to upload receipts before the close deadline.

Failure to upload receipts **by the post-close deadline. (Immediate suspension of card)**

✓ *Department of Procurement and Contract Services reserves the right to require retraining or to revoke cards for repeat violations.*

14. COMPLETING A PROCUREMENT CARD TRANSACTION

14.1 GENERAL

Determine whether the P-Card is the most appropriate process to use for the purchase:

- Check the list of **Procurement Card Restrictions** ([Figure PC-6](#)) to make sure it is not a restricted item.
- Determine if the intended transaction is for travel. If so, the transaction must follow [Section 14.5 - Approved P-Card Expenses for Travel](#) guidelines.
- Identify whether a State Contract is available that could apply to your purchase. **State Contract information is available on [MS DFA's website](#) or by contacting the [Buyer](#) who is responsible for the item(s) you wish to purchase. All University contracts must be honored.**
- Determine whether any pre-approvals are required before purchase may be made (see [Section 12 - Items that Require Prior Approval before Purchase](#) for more information).
- **Sales and Use Tax:** The Cardholder should advise the Vendor of our tax-exempt status and should monitor the purchases to verify that no tax is charged (see [Section 14.3 - Taxes](#) for more information).

Determine if the intended transaction is within the single transaction limit, and ensure it does not exceed any other monthly authorized P-Card transaction limits.

14.2 BUSINESS ACCOUNT SET-UP

- Only business accounts may be utilized for Southern Miss purchases.
- Official Southern Miss credentials must be utilized for the set-up of Business Accounts.
- Usage of the following will convert business purchases to a personal purchase and lead to the possible loss of P-Card privileges. Note: Cardholders may also be held personally liable for these purchases.

- Adding personal information to business account setups (phone number, address, email, etc.)
- Utilizing personal accounts for Southern Miss purchases (online, local, etc.)
- Utilizing or Linking Personal Items with Southern Miss Business accounts (Discount Cards/Reward Points (Ex. Office Depot); Shopping Club memberships (Ex. Sam's); Amazon Prime Accounts; etc.)
- Shipping to non-Southern Miss locations (Ex. personal addresses, 3rd party addresses)
- Neither Procurement nor Tax Compliance assists with the set-up of business accounts. It is solely the Cardholder's responsibility to contact the Vendor to determine said Vendor's respective requirements and procedures for account setup and tax exemption.
- Below are the only University-wide accounts for P-Cards at this time. If you do not see instructions listed for your Vendor, cardholders must contact the Merchant directly.
 - Walmart - Tax Exemption #5870
 - Office Depot – Contact P-Card Administrator for instructions.
 - Amazon – Please contact Amazon directly for Business Account setup.

14.3 TAXES

Per Section 27-65-105(a) of the Mississippi Code of 1972, Annotated, state agencies are exempt from state sales tax. This section provides that sales of tangible personal property or services made to the United States Government, the State of Mississippi, and its departments, institutions, counties, and municipalities or departments or school districts of said counties and municipalities are exempt from sales taxes. **As a prerequisite to an exemption, the sale of property or charge for services must be sold directly to, billed directly to, and paid for directly by the exempt entity.** Invoices and receipts should be reviewed to ensure that the vendor did not charge sales tax.

- The tax exemption letter and certificate for Southern Miss may be found on the [Controller's website](#). Please keep in mind that while the information is public, it is up to you to be mindful stewards of this information and ensure proper use of Southern Miss' tax exemption status while the procurement card is in your care.
- Should the tax be assessed on a transaction, it is solely the Cardholder's responsibility to promptly contact the Vendor for credit of any sales tax paid.

- In cases where the credit cannot be obtained from the Vendor, the Cardholder or their Department **must** reimburse the P-Card for any assessed tax. Reimbursement may be completed by making a deposit at the Business Services Office and uploading a copy of the deposit slip to the original transaction.

NOTE: The University of Southern Mississippi tax exemption letter and certificate may only be used for official Southern Miss business. Misuse of The University's tax exemption letter or certificate, in any way, may result in penalties assessed against the University and/or loss of our tax exemption status.

14.4 CONTRACTUAL SERVICES

Payments in advance of goods and/or services not yet received are generally prohibited; however, the convenience of having a P-Card program allows for orders to be placed in advance of items shipping or services being rendered, such as online purchases. Although this convenience comes with added oversight, the advantages often outweigh the additional steps required to remain compliant.

Please do not give your card number to a Vendor for a recurring monthly charge. You may use your card for payment of these services as long as you are invoiced and have control over the payment process. We do not want Vendors to have the ability to charge our card monthly without prior knowledge.

14.5 APPROVED P-CARD EXPENSES FOR TRAVEL

- The rental of vehicles using the procurement card must be for official University business. You must list any additional drivers when renting a vehicle. When using your procurement card to rent the vehicle, you will be considered the primary driver. If you allow someone else to drive the vehicle, they need to be listed on the paperwork as well. Only those directly carrying out University business are allowed to be listed as additional drivers. Non-employee spouses, family members, or other non-employees are not allowed to be listed as additional drivers.
- If you rent a Full-Size Car, Luxury Car, or Sport Utility Vehicle (SUV), A WAIVER IS REQUIRED. The waiver must be uploaded to your SOARFIN transaction when submitting it for payment. The Waiver Request Form is found on the P-CARD [website](#).
- For more information regarding rental vehicles on the P-Card, please see "[SOARFIN Vehicle charges not allowed on P-Card](#)" found on Travel's "[Vehicle Rental Information](#)" web page.
- Conference registration fees (DOMESTIC ONLY) are allowable on the procurement card. However, you must first process a Permission to Travel and send it to the Travel Office for approval **before** you pay your registration fees

with the P-Card. The approved Permission to Travel must be uploaded with an itemized receipt in SOARFIN for the registration fees. For instructions or restrictions on charging registration fees to the P-Card, [click here](#).

All other travel charges are not allowed on the P-Card.

14.6 PLACING YOUR ORDER

- Determine the items to be ordered, pricing for each, and Vendor.
- Call, visit, email, or fax your order to the Vendor that you selected.
- Identify yourself as a University of Southern Mississippi employee. State that you are making a tax-exempt purchase using a University VISA Procurement Card (P-Card). For telephone or fax orders, state the Cardholder name, VISA account number, and expiration date. Remind the Vendor that VISA regulations stipulate that Vendors are to ship orders before processing transactions for payment. Confirm the pricing, availability, and expected ship date. Fax or email tax-exempt certificate to the Vendor if necessary. The Tax-exempt Certificate is available on Tax Compliance's [Sales Tax Exemption Certificate](#) web page.

14.7 BILLING INSTRUCTIONS

- Identify the Southern Miss billing address associated with your card to the Vendor. No personal information should be used for Southern Miss purchases.
- **An Itemized Receipt is required for all P-Card Purchases.** Emphasize to the Vendor that an **itemized** receipt should be emailed to you immediately upon processing the payment (preferably), included with the shipment, or mailed to YOUR department billing address, not to the University's Accounts Payable office. Receipts can also be faxed to your department's fax number.

14.8 SHIPPING INSTRUCTIONS

It is very important to provide clear and specific shipping and mailing instructions to the Vendor to ensure receipt of your order. Always ask how the order will be shipped. All orders are to be delivered directly to Receiving and should be addressed as follows:

The University of Southern Mississippi
ATTN: **Your Name**/ USM Receiving
Your Building Name and Room Number
2609 W. 4th Street
Hattiesburg, MS 39406

- If the purchase is made by fax, retain a copy of the order form and fax confirmation for your records. If the purchase is made over the internet, print a

copy of the summary page for your records. Some internet Vendors will email an itemized receipt to you.

- Ask the Vendor to provide a “priced packing list” with each shipment.
- Provide the Vendor with your name, department name, phone number, and complete delivery instructions.
- Retain a copy of the P-Card sales slip and original itemized receipt for each in-person purchase that requires shipping to the university.
- After the order is placed, provide all transaction information to the Reconciler.

Goods ordered and paid using the Southern Miss P-Card may **only** be shipped to the Southern Miss Receiving, department's campus address/business address, satellite campus, or off-campus leased facility. **Goods may not be shipped to or received at a non-Southern Miss off-campus address** (e.g., Cardholder's home, etc.).

14.9 ACCEPTABLE DOCUMENTATION

- Each transaction on the P-Card must be represented by an itemized receipt or another acceptable form of documentation that verifies the date of purchase, the Vendor name, itemized list of each item purchased, dollar amount of each item, total transaction amount, whether shipping and taxes were or were not assessed, and that payment has been rendered for this purchase. For record-keeping purposes, the following items should be maintained:
 - ✓ Itemized sales receipts
 - ✓ Itemized **paid** invoice (with payment information or zero balance)
 - ✓ Itemized priced packing slips
 - ✓ Credit card slips and itemized invoice
 - ✓ Itemized order confirmation
 - ✓ Other information related to the purchase
- When an itemized receipt is not available, itemized supporting documentation must be secured. In many cases, when placing orders by telephone or fax, the packing slip may provide the itemization needed.
- When ordering on the Internet, a print screen of the order request before submission may provide necessary supporting documentation because the confirmation/receipt may not have detailed price information.

- If documentation has been lost or misplaced, contact the Vendor for a duplicate copy. If a duplicate copy is impossible to obtain, complete a **Missing Document Affidavit (Figure PC-13)** and forward it to the Reconciler (Proxy) for uploading to your transaction. NOTE: Repeated use of this method may subject the Cardholder to loss of privileges. Each department will be required to maintain a file of all documentation associated with the P-Card activity.

14.10 RECEIVING YOUR SHIPMENT

- Open and inspect all shipments promptly.
- Make sure the Vendor correctly filled your order and that all items are in good condition. Verify that you have received all of the items in the quantities specified on your P-Card receipt or priced packing list. Mistakes or damages should be reported to the Vendor immediately.
- Verify that sales tax was not charged. Southern Miss is not liable for sales tax in the state of Mississippi. The University's tax liability in other states differs from state to state. Sales tax charges will be monitored and questioned. If you are charged sales tax in error, request a credit.
- Save the P-Card sales slip, itemized receipt or priced packing list, and shipping documentation.
- Always retain boxes, containers, special packaging, packing slips, etc. until you are certain you are going to keep the goods. Most items cannot be returned without the original packing materials. Also, most Vendors have a thirty-day return policy. After that period, you may not be able to return your items, or you may be charged a restocking fee.
- Forward the required documentation to your Reconciler (Proxy) within 72 hours of the purchase transaction.

14.11 RETURNS, DAMAGED GOODS, CREDITS

The Cardholder is responsible for working with the Vendor for the return of incorrect, duplicate, or damaged merchandise purchased with a P-Card.

- Read all enclosed instructions carefully. Often a customer service telephone number and other instructions are included on the packing slip or receipt for returns.
- Many Vendors require a "Return Merchandise Authorization Number" (RMA) before they will accept a return. If you fail to obtain this return authorization from the Vendor when it is required, the package may be refused or no credit issued to your account.

- In some cases, there may be a restocking fee. If the Vendor is responsible for the error or problem, you should not have to pay this or any other fee. However, if they are not responsible, they may subtract the restocking fee from your credit or you may have to pay it. You may use the P-Card to pay this fee as long as it does not exceed any of your limits. Documentation regarding the restocking fee must be uploaded to your transactions.

14.12 ORDER ENTRY, RECONCILIATION, AND APPROVAL WITHIN P-CARD SOLUTIONS MANAGEMENT SOFTWARE

The University implemented the SOARFIN P-Card Management system in November of 2017 to help Cardholders manage their P-Card transactions online, as well as, to improve the functionality of processing those transactions to General Ledger (G/L) each month. All Cardholders at Southern Miss are required to process and manage their P-Card Transactions with this tool.

Cardholders and Reconcilers (Proxies) are required to complete training to learn how to use the SOARFIN program.

The billing cycle for all purchases with a University issued P-Card is from the first to the last day of each month. The Controller's Office sets a date each month for all financial transactions from the prior month to be entered so that the prior month can be closed in SOARFIN. Procurement Services will generally set the deadline to manage all P-Card transactions in SOARFIN approximately two (2) days before the deadline established by the Controller's Office. This is necessary to allow time to resolve budget check issues for transactions that post late in the billing cycle. The Controller's Office generally sets the deadline for the close of financials on or around the **5th working day** of each month. Therefore, the deadline for P-Card transactions will generally close the **3rd working day** of each month **at 5 pm**, to meet the Controller's deadline. Once the Financial Close date is known, the P-Card Administrator will send an e-mail to all Cardholders and Reconcilers notifying them of the deadline to have all P-Card transactions reconciled in SOARFIN.

There are five (5) processes that must be completed in SOARFIN for every P-Card transaction.

1. Expense Account(s) and budget strings must be assigned;
2. Itemized receipt(s) and any other required documentation (prior approvals, supplemental documentation requested by P-Card Administrator, etc.) must be uploaded;
3. The Signature Authority must approve the transaction;
4. Monthly Signature Reports should be printed each month. Original receipts and all other documentation (approvals, forms, ads, graphics, etc.) should be stapled to the signature

report. The report should then be signed by both the Cardholder and Approver. All signed reports and backup documentation should be filed away for auditing purposes. Do not send to Procurement and Contract Services; and

5. The P-Card Administrator will provide a full audit of monthly P-Card transactions within SOARFIN for all new Cardholders for three (3) consecutive months and provide a random audit of monthly credit card transactions for all other Cardholders within SOARFIN.

The above items should be accomplished before the deadline established to manage the prior month's transactions in SOARFIN. Online training manuals are available on the Department of Procurement and Contract Services website for individuals who may need a refresher on how to [reconcile](#) or [approve](#) a transaction within SOARFIN.

It is important to understand that until an expense account is assigned and a receipt has been attached, the transactions may not be sent to the workflow for approval from the appropriate Signature Authority. Therefore, Cardholders and Reconcilers (Proxies) should not wait until the last minute to assign accounts and upload receipts.

It is also important to understand that while you can log in and upload receipts, as well as approve transactions after the close process has been run, you cannot assign an expense account after that point. The system expenses the transaction to a dummy account code and your Dean's/VP's default budget string once the close process is run. The only way to correct the expense account at that point is with an Interdepartmental Invoice (II). **The processed II and all supporting receipts/documentation must also be uploaded to the SOARFIN Transaction.**

Cardholders with issues outstanding after the SOARFIN closing deadline will then be subject to the terms outlined in the Violation Policy. (see [Section 13 – Procurement Card Violation Policy](#))

14.13 RECORDS RETENTION

All but the last 4-digits of P-Card numbers appearing on documentation (e.g., receipts, statements) that will be stored for record retention purposes must be blackened out before attachment to the Monthly Signature Report.

1. GRANT-RELATED MONTHLY SIGNATURE REPORTS

Monthly Signature Reports that solely contain grant-related financial source documents must be retained for ten (10) years.

2. NON-GRANT-RELATED MONTHLY SIGNATURE REPORTS

Monthly Signature Reports that solely contain non-grant-related financial source documents must be retained for three (3) years

3. CO-MINGLED MONTHLY SIGNATURE REPORTS

Departments will be allowed discretion when determining the optimal “co-mingled” option for their respective area. They will have the option of separating the non-grant-related financial source documentation from the grant-related financial source documentation and shred said non-grant-related source documentation after the required three (3) year retention period or they may retain the entire report for the required grant-related retention period of (10) years.

14.14 DISPUTED/FRAUDULENT TRANSACTIONS

If there is a discrepancy within your SOARFIN P-Card transaction, you should first contact the Vendor to try to resolve the problem. If it is resolved, verify that the correction/credit has been posted to SOARFIN and reference the original transaction number that corresponds to the corrected/credit transaction.

If it is found that a transaction is fraudulent:

- The Cardholder must notify his/her Reconciler (Proxy) and the P-Card Administrator of the fraudulent transaction at the first opportunity during normal business hours.
- The Reconciler (Proxy) must reconcile all fraud charges as if they were normal charges so that the P-Card Administrator can close out the month. Please assign the charge(s) to an account code and budget string that can carry the charge(s) until the credit(s) have been issued.
- If any of the fraudulent charges have been posted to the Cardholder’s account, Regions Bank will cancel the old card, issue a new card, and open a fraud case. Once the case is open, Regions will send case documentation to the P-Card Administrator in the next week or so.
- The P-Card Administrator will provide initial information on the fraud case documentation and forward it to the Cardholder to complete and sign.
- The completed fraud case documentation should then be sent back to the P-Card Administrator and also uploaded to any transaction that pertains to the fraud or closing of the old P-Card.
- The P-Card Administrator will verify fraud case documentation for completeness before forwarding it to Regions Bank.
- Upon receipt of the case documentation, Regions Bank will start working to recover all fraudulent charges.

14.15 ERRONEOUS DECLINES

A situation may occur in which a Vendor receives a transaction-declined message at the point of sale when processing a P-Card transaction. If you do not know the reason for the decline, contact the P-Card Administrator for assistance. If the purchase is being made outside of normal business hours, the employee must find an alternate payment method or cancel the purchase and contact the P-Card Administrator during normal hours.

14.16 CONTROLS

The University's P-Card program uses both internal management controls and management reports designed to ensure the proper use of P-Cards. Procurement Services, Accounts Payable, and Internal Auditing uses both internal management controls and management reports to monitor card use for compliance with University policies and procedures and state law. Personal use of the P-Card is not allowed. All purchases made on the P-Card must be for Official University business and misuse of the P-Card may result in revocation of the card, disciplinary action up to termination, and possible filing of criminal charges.

P-Cards are immediately canceled and destroyed if the P-Card Administrator is notified that:

- Cardholder terminated employment
- Cardholder no longer requires a P-Card
- Cardholder reports the loss or theft of P-Card
- Cardholder misuses the P-Card

14.17 DEPARTMENT CONTROL ENVIRONMENT

Each department is responsible for establishing an appropriate internal control environment for University P-Card responsibilities, including approvals, audit ability, adjustments, record keeping, reporting, reconciliation, segregation of duties, and supervision.

14.18 CANCELING AN ACCOUNT

When a Cardholder leaves a department or separates from the University, the Signature Authority or Approver must provide immediate notification to the P-Card Administrator. The Cardholder is required to return the card and all current outstanding documentation on the account to the assigned Reconciler before final separation. The Cardholder is responsible for ensuring all SOARFIN transactions are reconciled before final separation. The Signature Authority or Approver shall shred

the P-Card and send a completed *Cardholder Update Form* ([Figure PC-4](#)) to the P-Card Administrator requesting that the card is canceled.

14.19 CHANGES TO AN ACCOUNT

All changes to a Cardholder's information must be promptly reported to the P-Card Administrator, including changes to name, campus location, campus telephone number, Reconciler (Proxy), or default budget string, by submitting a completed *Cardholder Update Form* ([Figure PC-4](#)) to the P-Card Administrator.

14.20 RENEWAL OF EXISTING PROCUREMENT CARDS

A new P-Card will automatically be sent to the P-Card Administrator within a month of the current card's expiration date. Cardholders will be contacted to pick up their new card at that time.

14.21 REGIONS BANK CUSTOMER SERVICE

Regions Customer Service is available 24 hours a day, 365 days a year, at 1-888-934-1087 for reporting a lost or stolen card.

15. EQUIPMENT PROCUREMENT CARD

Procurement and Contract Services has developed an Equipment Procurement Card (E-Card) which is for equipment purchases.



The definition of equipment as it relates to State property and the purpose of this card is as follows:

Property (Equipment) is defined as all furniture, vehicles, equipment, and other State property having a useful life expectancy of at least one year and an acquisition cost of \$1,000 or more. Not all items with an acquisition cost under \$1,000 were placed enter into our tracked inventory, except for specialty items. The equipment exception list may be found in USM's Property Manual at: https://www.usm.edu/procurement-contract-services/documents/property_manual_updated_060414.pdf

The application for the E-Card is on the Procurement and Contract Services website under the Purchasing Card section. The application process and reconciliation process are identical to the Procurement Card application process. Limited E-Cards are issued per campus unit. The card is in the responsible person's name.

The Card is to be used ONLY for equipment purchases. Non-equipment items directly related to the equipment purchase are allowable. For all other non-equipment purchases, please use your Procurement Card. If you are unsure whether an item is considered equipment, please contact Property Control for verification of whether or not the item(s) in question are considered equipment.

Bear in mind that the E-Card is simply the method of payment. All state procurement laws and university policies and procedures should be followed. Once those requirements are satisfied, and if the supplier will accept payment via credit card, then pay with the E-Card can be used instead of submitting a requisition for a purchase order.

There will be a default account code (606498) assigned to all purchases made with the E-Card. When completing your month-end reconciliation, you will be required to change the equipment account code to reflect the specific item purchased.

A limited Account Code list has been built into SOARFIN for E-Card reconcilers to use when reconciling transactions. If you are unsure of the specific account code, please contact Procurement and Contracts.

- Items that have been inventoried in the past (computers — ≥\$250, cameras — ≥\$250, lawn equipment — any cost, furniture — ≥\$1,000+, etc.) where the cost per item is under \$5,000 can be purchased with the E-Card. If the per-item cost exceeds \$5,000, once quotes or bids are received per state procurement law, the E-Card can then be used.
- For equipment, exceeding \$5,000 the originating must consult with a Buyer in Procurement by either providing evidence of multiple quotes or a state contract number or initiating the sealed bid or sole source process, whichever is applicable.

15.1 OFFICE OF RESEARCH ADMINISTRATION APPROVAL

The Equipment Card may be utilized for purchases on grant funds. Careful judgment must be exercised before you purchase grant funds. You must clearly understand what constitutes an allowable charge to your particular sponsored project.

Definition: Sponsored Project is a grant, contract, or other arrangement formalizing the transfer of money from a sponsor to the university with the intent to either carry out a public purpose or provide a direct benefit for the sponsor.

*Purchases are permitted if the item purchased is an allowable charge to the project.

- Must meet the terms and conditions of the award

*Departments should include in reconciliation comments the purpose and direct benefit of E-Card purchases to the sponsored project.

*The restricted sponsor fund cannot be used as a clearing account for card purchases.

*The account code assigned to the purchase must accurately describe the expenditure.

*The invoice date must be within the period of performance.

Please refer to the Office of Research Administration (ORA) [website](#) to consult with an Accountant on the determination if your purchase is allowable for the grant you have chosen.

In the event ORA deems your purchase is not allowed, the expense must be moved to another budget or risk being moved to your Dean's default budget.

15.2 EQUIPMENT CARD PURCHASE LIMITS

The E-Card should be the first and primary method of payment for equipment purchases (under or over \$5k) without processing fees. Procurement competitive bid laws still have to be

followed for any equipment purchase over \$5k. Whether it's getting the required minimum of two quotes (5,000.01 to \$50,000), issuing bids through Procurement (over \$50,000), completing the sole source process, or verifying that the equipment is on a current state contract (where quotes or bids are not generally required). Procurement staff is available to assist with verifying those state contracts. Cardholders should make sure to document what process they used and it is uploaded to the E-Card transactions in Soarfin. Samples of documentation include uploading the quotes with our receipt, notating the bid number, a bid tabulation of the pricing received (Procurement should have the bid on file).

15.3 PROPERTY ACCOUNTING

Property Accounting will only be able to pull transactions for equipment purchases through reports in SOARFIN. Please provide when requested an itemized receipt. To expedite the tagging of items, contact [property accounting](#) to have your items tagged before their contacting you.

16. WHOM TO CALL?

Regions Bank Customer Service Representative

Card Activation – 1-800-716-8003

Lost or Stolen Cards - 1-888-934-1087

VISA PROGRAM CARD TEAM

Rayonne J. Grant, Procurement Card Administrator (All Campuses)

Telephone: 601.266.6711, Fax: 601.266.5182

rayonne.j.grant@usm.edu

- P-Card Training/Testing
- Download VISA Transactions
- Audit Daily Transactions
- Establish New Accounts / Account Changes
- Declines
- Lost or Stolen Card Notification
- Cancellations

Paula Cassidy, Assistant Procurement Card Administrator (GCRL)

Telephone: 288.818.8001, Fax: 228.818.8023

paula.cassidy@usm.edu

- P-Card Training/Testing
- Audit Daily Transactions
- Establish New Accounts / Account Changes
- Declines

- Lost or Stolen Card Notification
- Cancellations

Martha Greene, Back-up to Procurement Card Administrators (All Campuses)

Telephone: 601.266.4131, Fax: 601.266.5182

sandra.berry@usm.edu

- Audit Daily Transactions
- SOARFIN Inquiries

Sheila Sims, Manager Accounts Payable & Travel

Telephone: 601.266.4131, Fax: 601.266.5182

shelia.sims@usm.edu

- Prepare Statement for ACH Payment
- Receive, Review, & Reconcile Regions Bank Master Statement
- Audit VISA Accounts
- Notify Accounting that the Master Statement is ready for payment

Steve Ballew, Director of Procurement & Contract Services

Telephone: 601.266.4131, Fax: 601.266.5182

steve.ballew@usm.edu

- Approval of Contracts
- Approval of Terms and Conditions

PROPERTY ACCOUNTING TEAM

Physical Address: USM Property Control Division 2609 West 4th Street
Hattiesburg, MS 39401

Mailing Address: USM Property Control Division 118 College Drive# 5086
Hattiesburg, MS 39406

[Donnie Robbins](#), Property Control Manager, 601.266.4302

[Bill Bailey](#), Property Accounting Supervisor, 601.266.4439

[Charles Thompson](#), Senior Property Clerk, 601.266.6274

[Todd Hawkins](#), Receiving Supervisor, 601.266.5431

[Becky Riles](#), Inventory Clerk, 601.266.4658

Fax 601.266.6137

Card Program web address:

https://www.usm.edu/procurement-contract-services/procurement_card.php

Card Email address: pcard@usm.edu

17. GUIDANCE IN THE PROCUREMENT FUNCTION

The use of the University VISA Procurement Card at the Cardholder level includes responsibilities and accountability. The Procurement function is being conducted in a decentralized manner by an increasing number of individuals. The following code of ethics, modeled after the National Association of Educational Procurement's Code of Ethics, is being offered to guide the procurement function.

CODE OF ETHICS

Give first consideration to the objectives and policies of my institution.

Strive to obtain the maximum value for each dollar of expenditure.

Decline personal gifts or gratuities in connection with the procurement function.

Refrain from entering into purchasing contracts with students, faculty, and staff or members of their immediate families unless full disclosure of the background facts is presented in writing to the Procurement Department.

Grant all competitive Vendors equal consideration insofar as state or federal statute and institutional policy permit.

Conduct business with potential and current Vendors in an atmosphere of good faith, devoid of intentional misrepresentation.

Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.

Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.

Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of a controversy with a Vendor.

Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.

Cooperate with trade, industrial and professional associations, and with governmental and private agencies to promote and develop sound business methods.

Foster fair, ethical, and legal trade practices.

18. FREQUENTLY ASKED QUESTIONS (FAQS)

18.1 WHAT TYPES OF ITEMS ARE CONSIDERED EQUIPMENT?

[Special Inventory Items](#) define what is considered equipment; however, if there is some question as to whether what you are buying is or is not equipment, we recommend that you contact [Property Control](#) for a concise answer to this question.

18.2 WHAT ITEMS ARE AVAILABLE ON THE STATE CONTRACT?

Go to the [State Contract Website \(State Contract Listing\)](#) to see all available items.

18.3 [CAN I BUY FOOD OR DRINK ON THE PROCUREMENT CARD?](#)

Yes. However, along with prior email approval, the **Food Purchase Form (Figure PC-11)**, must be completed and submitted with the **itemized** receipt. Also, food can **only** be purchased for official university purposes. See **University Catering, Hospitality and Snack Policies** on [Department of Procurement & Contract Services](#) website.

18.4 CAN I USE MY PROCUREMENT CARD TO BUY STAMPS OR TO MAIL A LETTER FROM THE UNITED STATES POST OFFICE?

The procurement card can be used at any Federal Post Office to purchase stamps, mail packages, or purchase box rentals. The Postmaster will not allow a Visa card to be used as a method of payment for postage that is to be applied to a postage meter.

18.5 [CAN I USE THE PROCUREMENT CARD TO PURCHASE SOFTWARE?](#)

Yes, the single-use software can be purchased using the procurement card. However, software license agreements cannot be purchased on the card.

18.6 CAN I PAY FOR FILM PROCESSING WITH MY PROCUREMENT CARD?

An exception has been made by the Office of Procurement and Contract Services to allow Cardholders to use the procurement card to pay for film processing.

18.7 CAN I PURCHASE JUMP DRIVES OR KEY DRIVES?

Yes. These items are not considered equipment by Property Control.

18.8 CAN I BUY SUBSCRIPTIONS TO SCHOLARLY JOURNALS? HOW ABOUT SINGLE, BACK ISSUES?

Yes, you may buy a subscription if it is being used for official University business. You may also purchase single back issues of any journal. Your official Southern Miss

credentials must be used for all subscriptions. Use of personal information, in any way, will invalidate the purchase, and restitution must be made to the card.

18.9 [CAN I USE THE CARD TO MAKE COPIES AND OBTAIN BINDING SERVICES?](#)

Yes, but **ONLY** after receiving written approval from University Communications or the Copy Center. **All** copy and printing services **must** have approval from University Communications uploaded to the transaction. You are also required to use the Copy Center for such work if they are capable of meeting your requirements.

18.10 [MAY I REORDER USING THE ORIGINAL UC APPROVAL?](#)

No, University Communications requires that all reorders be resubmitted to their office for approval.

18.11 [CAN I USE THE CARD TO BUY T-SHIRTS FOR MY DEPARTMENT?](#)

All apparel purchases must adhere to apparel purchase guidelines and attain prior email approval from the P-Card Administrator by submitting an ***Apparel Purchase Form (Figure PC-12)***.

18.12 [CAN I USE THE CARD TO BUY TROPHIES, PLAQUES, OR AWARDS?](#)

See [Section 13 – Procurement Card Violation Policy](#)

18.13 CAN I PAY TO PLACE A JOB ADVERTISEMENT IN A SCHOLARLY JOURNAL?

Yes. To ensure consistency in advertising vacant positions, all ads posted to external publications must include the exact language from the Human Resources Job Applicant System approved job postings. Feel free to shorten for size accommodation by lifting specific text; making sure not to change the verbiage. You are encouraged to include only the summary statement. Please refer applicants to the active link to apply and to learn more about the position. Currently, all PeopleAdmin postings are listed in HigherEdJobs at no cost to the Departments. All fees associated with other Vendors are the responsibility of the hiring department, and a copy of the ad must be uploaded to your SOARFIN transaction.

18.14 CAN I USE THE CARD TO PAY FOR MEMBERSHIPS IN PROFESSIONAL ORGANIZATIONS?

Yes, but only if the membership promotes the advancement of the University's mission. Your official Southern Miss credentials must be used for all memberships. Use of personal information, in any way, will invalidate the purchase, and restitution must be made to the card.

18.15 CAN I USE THE CARD TO PAY FOR GAS?

No, the procurement card may not be used to purchase gas unless special permission is given, in advance, by the P-Card Administrator. All university-owned vehicles should have a Fuelman card associated with them. This card should be used to fuel these vehicles. If a rental vehicle is used, the individual must pay for the gas and be reimbursed through **Travel**.

18.16 WHO DO I CONTACT WITH QUESTIONS ABOUT SOARFIN?

See [Section 15 - Who To Call?](#)

18.17 WHO SHOULD I CONTACT IF THE CARD IS STOLEN OR LOST?

Cardholders are required to immediately report any lost or stolen P-Card directly to Regions Bank at 1-888-934-1087 (24 hours a day, 365 days a year). The Cardholder must also notify his/her Reconciler (Proxy) and the P-Card Administrator about the lost or stolen card at the first opportunity during normal business hours. (See [Section – 14.14 Disputed/Fraudulent Transactions](#) for how to rectify any fraudulent transactions that have been posted to your account.)

18.18 HOW CAN I OBTAIN A VISA PROCUREMENT CARD?

You must follow the steps described in [Section 3 - How to Become a Cardholder](#) at the beginning of this manual.

18.19 WHAT DO I DO IF A VENDOR CHARGES SALES TAX?

The Cardholder is responsible for obtaining credit from the Vendor for the amount of the tax. The University's [Tax Exemption Letter](#) is located on the [USM Tax Compliance](#) website. If there is a problem obtaining credit for the tax charged, please contact Procurement Services for assistance.

18.20 DO I HAVE TO BREAK OUT SHIPPING AND OTHERS EXPENSES?

Shipping expense is only required to be broken out when utilizing Grant funding (GRxxxxx) and purchasing equipment.

18.21 WHEN ARE TRANSACTIONS REQUIRED TO BE COMPLETED IN SOARFIN EACH MONTH?

The billing cycle for all purchases with a University issued P-Card is from the first to the last day of each month. The Controller's Office sets a date each month for all financial transactions from the prior month to be entered so that the prior month can be closed in SOARFIN. Procurement Services will generally set the deadline to manage all P-Card transactions in SOARFIN approximately two (2) days before the deadline established by the Controller's Office. This is necessary to allow time to resolve budget

check issues for transactions that post late in the billing cycle. The Controller's Office generally sets the deadline for the close of financials on or around the **5th working day** of each month. Therefore, the deadline for P-Card transactions will generally close the **3rd working day** of each month **at 5 pm**, to meet the Controller's deadline. Once the Financial Close date is known, the P-Card Administrator will send an e-mail to all Cardholders and Reconcilers notifying them of the deadline to have all P-Card transactions reconciled in SOARFIN.

18.22 WHAT DO I DO WITH MY ORIGINAL RECEIPTS AFTER I HAVE UPLOADED THEM INTO SOARFIN?

Itemized paid invoices/receipts are uploaded to SOARFIN, Monthly Signature Reports should be printed at the end of each month. Original receipts and all other documentation (approvals, forms, ads, graphics, etc.) should be stapled to the signature report. The report should then be signed by both the Cardholder and Approver. The final signed report and backup documentation should then be filed away for auditing purposes. Do not send to Procurement and Contract Services.

18.23 WHAT DO I DO IF I WAS CHARGED MORE THAN ONCE FOR THE SAME ORDER?

Notify the Vendor and have them issue a credit for the duplicate order. You will need to process both charges. When the credit is issued, you will need to upload the credit receipt in SOARFIN and add a note within each P-Card transaction to cross-reference the charge and credit transaction numbers (See [Section 14.11 - Returns, Damaged Goods, Credits](#))

18.24 WILL MY ACCOUNT REMAIN OPEN IF I DO NOT USE THE CARD?

If you have 12 months of inactivity, the card is automatically canceled on the 13th month.

18.25 WHAT DO I DO IF I LOSE A RECEIPT OR DO NOT RECEIVE ONE WITH MY ORDER?

If you lose a receipt or do not receive one with your order, contact the Vendor for a replacement copy. If the Vendor is not able to supply a replacement, please complete the *Missing Document Affidavit* ([Figure PC-13](#)).

18.26 WHAT ACCOUNT CODE(S) SHOULD I USE?

A complete [listing of available account codes](#) has been provided on the [Office of the Controller](#) website. Please be sure to check with your Budget Managers to ensure that the selected account code has been set up on the budget string used for your transaction.

18.27 WHERE CAN I PRINT TAX EXEMPTION INFORMATION?

A link to the [Tax Exemption Certificate](#) is provided in the [USM Tax Compliance](#) section of the [Office of the Controller](#) website.

18.28 HOW WILL THE RECEIVING DEPARTMENT KNOW WHERE TO DELIVER MY ITEMS IF THERE IS NO PURCHASE ORDER ASSOCIATED WITH THE DELIVERY?

See [Section 14.8 – Shipping Instructions](#)

18.29 CAN I PURCHASE FROM INTERNATIONAL VENDORS?

Yes. Please note that currency conversion fees from Regions Bank may apply for international purchases.

18.30 MAY WE USE THE P-CARD FOR TEAM BUILDING ACTIVITIES?

Social team building activities including, but not limited to, dinners, lunches, trampoline parks, zoos, and laser tag are not allowed on the P-Card. Personal or foundation funds should be used for these activities.



THE UNIVERSITY OF
SOUTHERN MISSISSIPPI.

Procurement Card

ATTACHMENTS

FIGURE PC-1 [\[PROCUREMENT CARD APPLICATION\]](#)



APPLICATION FOR PROCUREMENT CARD

Cardholder Information

Cardholder Name: _____

Date of Birth: _____ Employee ID: _____

Email address: _____

Department Information

Department Name: _____

Department Mailing Address: _____

Department Phone No: _____

Default Budget : _____
(Main FUND, DEPT ID, PROGRAM, AND/OR PROJECT ASSOCIATED WITH CARD)

Proxy/Reconciler Name: _____
(The person uploading the transactions into SOARFIN. Might be cardholder in rare cases)

Proxy/Reconciler Emplid: _____

Text on Card: _____

- I have completed [SOARFIN Budget Report Training](#)
- I have completed [SOARFIN P-Card Reconciliation Training](#)
- I am also an approver (NOTE: Separate Proxy/Reconciler must be identified)

Other Information

Spending Limit: \$ _____ (not to exceed \$20,000)
Single Transaction Limit: \$ _____ (not to exceed \$5,000)
Daily Spending Limit: \$ _____ (not to exceed \$10,000)

Cardholder Signature Date

Budget Authority Signature Budget Authority Name (print)

*Completed forms must be returned to: Procurement Card Administrator at Box 5003
or email to: pccards@usm.edu*

For Internal Use Only
Date Received:
Date Processed:

Issue Date:
Card Account No:

Updated 1/11/2018

8.50 x 11.00 in

FIGURE PC-1A [EQUIPMENT CARD APPLICATION](#)



APPLICATION FOR UNIVERSITY CHARGE CARD

Select the type of card Equipment Card Procurement Card or Both

Cardholder Information

Cardholder Name _____

Date of Birth (mm/yyyy) _____ Employee ID: _____

Campus Email Address: _____

Department Information

Department Name: _____ Box # _____

Department Mailing Address: _____

Department Phone Number: _____ Alternate _____

Department Budget: _____
(Main FUND, DEPT ID, PROGRAM, AND/OR PROJECT ASSOCIATED WITH CARD)

Proxy/Reconciler Name: _____
(The person uploading the transactions into SOARFIN. Might be cardholder in rare cases)

Proxy/Reconciler Emplid: _____

Card Embossing: _____

- I have completed [SOARFIN Budget Report Training](#) Date: _____
- I have completed [SOARFIN P-Card Reconciliation Training](#) Date: _____
- I am also an approver *(NOTE: Separate Proxy/Reconciler must be identified)*

Credit Levels (if blank, default to be assigned)

	<u>Procurement Card</u>	<u>Equipment Card</u>
Monthly Spending Limit:	\$ _____ (Max \$20,000)	\$ _____
Single Transactions Limit:	\$ _____ (Max \$5,000)	\$ _____
Daily Spending Limit:	\$ _____ (Max \$10,000)	\$ _____

Cardholder Signature _____ Date _____

Budget Authority Signature _____ Name (Print) _____

Return form to: Procurement Card Administrator, Box 5003 or email to: pcard@usm.edu

For Internal Use Only

Date Processed _____ PCard# _____ Ecard# _____

BFD: _____

Updated 2020-05

FIGURE PC-2 [\[PROCUREMENT CARDHOLDER AGREEMENT\]](#)

Update 7/1/17



The University of Southern Mississippi
Small Purchase Procurement Card Program
Cardholder Agreement

I hereby agree to comply with the terms and conditions of this Procurement Cardholder Agreement and [Procurement Card Procedures](#).

I hereby agree to use my best effort to minimize exposure from lost, stolen, or otherwise compromised procurement cards. I agree to properly use the procurement card. I understand that my department may be held responsible for unrecoverable charges due to exposure from lost, stolen, or otherwise compromised procurement cards. I understand that the University WILL audit the use of the procurement card. I understand that I CANNOT use the procurement card for personal transactions or for any restricted purchases, even if reimbursed.

Requirements and Responsibilities:

- Must be a current employee of USM.
- Assure that the commodities/services purchased are required for bona fide university purposes.
- Assure that the prices are fair and reasonable.
- Notify the merchant that the purchase is being made in the name of a government entity, which is exempt from state and local taxes. If taxes are charged, obtain credit immediately.
- Obtain itemized receipts from vendors.
- All items are received (no back orders allowed).
- Assure that state contract items are purchased only from the state contract vendor at or below the state contract price.
- Assure that the purchases are within the limits set and available budget authority (single transactions must be less than \$5000 – unless approval for higher amount is granted from Procurement and Contract Services.)
- Do not split purchase into several transactions to avoid the \$5000 limit.
- Do not use the Procurement Card for travel expenses, i.e. hotels, airline tickets. [Rental cars per the state contract](#) may be paid and conference registration fees may be paid with approved Permission to Travel.
- No purchases are to be made from hotel, motel, or restaurants for travel related expenses.
- Purchases of food are only allowed if for business (no receptions or parties). Prior email approval and [Food Purchase Form](#) is required for all such purchases. Please refer to the [University Catering and University Snack Policy](#) as guidance on acceptable food purchases.
- No cash advances.
- Do not purchase equipment or inventory items (see [Special Inventory List](#) or contact Property Accounting for guidance) – unless prior approval is obtained.
- Do not purchase radioactive materials.

I hereby understand that improper use of the procurement card may result in disciplinary and legal actions, including but not limited to restitution, forwarding information to the appropriate authorities for criminal prosecution, and possible termination of employment.

I hereby understand that the University may terminate my right to use this procurement card at any time and for any reason or no reason whatsoever. I hereby agree to return the procurement card to the University's Procurement Card Manager or my department supervisor immediately upon request from the University, when changing department, or upon termination of employment.

Department Applicant Signature Date Department Applicant Printed Name

Department Head/Administrator Signature Date Department Head/Admin Printed Name

FIGURE PC-3 [\[PERSONAL RECEIPT OF PROCUREMENT CARD\]](#)



Personal Receipt of USM Procurement Card

The responsibility for procurement card control ultimately rests with the purchasing card user. The policies contained in this user's packet are designed to protect both the user and the University. It is considered a privilege to participate in this program and it is expected that these policies will be followed. I understand that I will be responsible for my use of the card.

I have received a copy of the university's Procurement Card Program that the Purchasing Department presented to me when I received my new procurement card and will adhere to all policies and procedures that govern the use of the card.

I understand that I will be held responsible for my use of the card and that all purchases made on the card should be for official University business only. Misuse may result in revocation of the card, disciplinary action up to termination, and possible filing of criminal charges.

Signature of Cardholder: _____ Date: _____

Printed Name of Cardholder: _____

Updated 7/1/17

FIGURE PC-4 [\[CARDHOLDER UPDATE FORM\]](#)



CARDHOLDER UPDATE FORM

Cardholder Name (as it appears on front of Procurement Card) Emplid: _____

Type of Request:

Account Closure

Reason: _____

Note: Card should be destroyed, DO NOT send card with this form.

Default Account change (Please include Fund-Dept-Program-Project)

Name Change

Change spending limit (increase/decrease):

- Single Limit (not to exceed \$20,000)
- Single Transaction limit (not to exceed \$5,000)
- Daily Spending Limit (not to exceed \$10,000)

Suspend Account

Approximate time period for which account will be suspended: _____

Re-activate Suspended Account

Other: _____

Current Information:

New Information:

Cardholder Signature Date

Budget Authority Signature Budget Authority Name (print)

*Completed forms must be returned to: Procurement Card Administrator at Box 5003
or email to: pcard@usm.edu*

Updated 12/13/17

FIGURE PC-5 [\[RECONCILER \(PROXY\) UPDATE FORM\]](#)



RECONCILER/PROXY UPDATE FORM

Cardholder Name: _____ EmplID: _____
As it appears on front of Procurement Card

Last Four digits of P-Card#: _____

Please add/remove the following as my Reconciler/Proxy: **(Cardholders Use Only)**

- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____

Please add/remove me as Reconciler/Proxy for the following Cardholders:
(Reconciler/Proxy Use Only)

- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____
- Add Remove Name: _____ Emplid: _____ Email: _____

Cardholder Signature Date

Proxy/Reconcile Signature Print Name Date

*Completed forms must be returned to: Procurement Card Administrator at Box 5003
or email to: pcard@usm.edu*

Updated 12/13/17

FIGURE PC-6 [\[PROCUREMENT CARD RESTRICTIONS\]](#)

Prohibited Purchases

The following purchases are prohibited with the Procurement Card:

- **Ammunition, Firearms**
- **Alumni Gifts**
- **Amazon Prime Accounts** – (Free 2-day shipping provided on order over \$49 with business account)
- **Apparel that will not remain the property of USM** (Must be purchased with Grant or Student/Participation Fees **and** prior approval from P-Card Administrator required)
- **Cash Advances**
- **Catering** – (Prior approval required from Aramark and P-Card Administrator)
- **Cellular Phones and Service**
- **Coffee, Cream, Sugar, Soft Drinks, Cups, Napkins, etc.** – (When intended predominantly for consumption by University employees)
- **Conference Registration** – (For foreign travel only)
- **Contracts/Consulting for Professional Services**
- **Donations/Contributions/Sponsorships**
- **Entertainment or Related Expenses** – (Related to receptions, retirements, department Christmas parties, and the like are NOT allowable)
- **Equipment Purchases not on the Equipment Exception Listing** – (See [Figure PC-8 – Equipment Items and Exceptions](#))
- **Gasoline**
- **Gift Cards**
- **Greeting, Holiday, Thank You Cards**
- **Items for non-University Purposes**
- **Items on backorder**
- **Leases**
- **Legal Services**
- **Maintenance or Service Agreements**
- **Meals for University Travel**
- **Money Orders**
- **Party Supplies / Holiday Decorations and Supplies**
- **Personal Expense / Purchases** including, but not limited to:
 - **Apparel** (T-shirts, stoles, robes, etc.)
 - **Appliances**
 - **Awards**
 - **Commodities**
 - **Floral Arrangements**
 - **Framing Services**
 - **Laundry and Cleaning**
 - **Memberships**

- **Subscriptions**
- **Pre-paid Services**
- **Printing** – (Requires prior UC / Copy Center approval)
- **Prizes / Gifts / Awards / Plaques, or other taxable expenses** when not justified as benefiting the University. (Must comply with Tax Compliance [Nonmonetary Awards](#) guidelines.)
- **Purchases over \$5,000 without prior Procurement & Contract Services' approval**
- **Radioactive, explosive or other hazardous material**
- **Sales Tax**
- **Sam's Club Memberships**
- **Snacks** – (Must be for official Southern Miss business purpose and requires pre-approval from P-Card Administrator)
- **Social Team Building Expenses** – Dinners, Lunches, Trampoline Parks, Zoo, Laser Tag, etc. (Personal or foundation funds should be used)
- **Splitting transactions to bypass the bid process, state contracts or credit limits**
- **Travel related expenses** – (Except auto rentals through state contract Vendor and conference/registration fees)

FIGURE PC-7 [\[PROCUREMENT CARD ALLOWABLES\]](#)

Allowable Purchases

The following purchases are allowable with the Procurement Card:

- **Admission or entry fees for academic student trips** – (social functions prohibited)
- **Advertisements**
 - **Job Ads** – (Departments are responsible for ensuring HR guidelines are followed, and copy of the ad must be upload to the transaction)
 - **Social Media Ads** – (Requires prior UC approval and copy of the ad must be upload to the transaction)
- **Apparel and Uniforms that will remain the property of USM** – (Must have prior approval from P-Card Administrator. See [Section 12.3 - Apparel Purchases](#))
- **Auto Rentals** – (state contract Vendors only)
- **Commodities**
- **Conference/Registration Fees** – (For domestic travel only with Permission to Travel)
- **Equipment** – Qualifying Items that Total \$999.99 or less (See [Figure PC-8 – Equipment Items and Exceptions](#))
- **Equipment Rental**
- **Exhibition Booth Rental**
- **Floral Arrangements for Official University Functions Only** – (i.e., Commencement)
- **Food/Snacks** – (Must have prior approval from P-Card Administrator).
- **Framing Services for Official University Purpose Only** – (Must include description of item being framed)
- **Memberships Dues** – (University and Department only)
- **Photographic Film and Slide Processing**
- **Postage and Shipping Expenses** – (USPS, FedEx, UPS, etc.)
- **Prizes / Gifts / Awards / Plaques, or other taxable expenses that benefit the University** – (Must comply with non-monetary award guidelines.)
- **Promotional Items with printing** – (i.e., Pens, USB thumb drives, cups; must include written UC approval and copy of the approved artwork)
- **Rental Equipment**
- **Reprints (journals)**
- **Services**
- **Software** – provided you are not signing a Licensing Agreement
- **Space Rental at Conferences/Conventions**
- **Student Events** – (Such as Orientations, Receptions, Residence Hall programs, Recruitment, and Homecoming with supporting documentation – refer to University Expenditure Guidelines)
- **Subscriptions/Publications** – (University and Department only)

FIGURE PC-8 EQUIPMENT ITEMS AND EXCEPTIONS

EQUIPMENT THAT MUST BE TAGGED AND INVENTORIED

A. Equipment with a cost of \$1000 or More

B. EXCEPTIONS to the \$1000 rule (ALL considered inventory and must be tagged):

1. WEAPONS
2. CAMERAS and CAMERA EQUIPMENT WITH A COST OF \$250 or More
3. TWO WAY RADIO EQUIPMENT
4. TELEVISIONS WITH A COST OF \$250 or More
5. LAWN MAINTENANCE EQUIPMENT
6. CELLULAR TELEPHONES
7. MAJOR COMPUTER COMPONENTS:
 - o PRINTERS AND MULTI-PURPOSE MACHINES WITH A COST OF \$250 or More
 - o EXTERNAL HARD DRIVES
 - o CPU's
8. IPOD'S WITH A COST OF \$250 OR MORE
9. CHAINSAWS
10. AIR COMPRESSORS
11. WELDING MACHINES
12. GENERATORS
13. MOTORIZED VEHICLES

C. Former Exception Items Now Only Subject to the \$1000 Rule:

1. RECORDERS
2. MP3 PLAYERS
3. TYPEWRITERS
4. APPLIANCES (AIR CONDITIONERS, REFRIDGERATORS, MICROWAVES, ETC...)
5. VCR'S
6. STERLING SILVER
7. SCANNERS
8. DICTATING EQUIPMENT
9. ANTIQUES
10. MODEMS

FIGURE PC-9 [PROCUREMENT CARD SIGN OUT SHEET]



PURCHASING CARD SIGN OUT SHEET

CARDHOLDER _____

LAST FOUR DIGITS OF CARD _____

Date	Time Out	Name	Signature	Date	Time In	Signature	Expenditure	Vendor	Receipt Received Y/N	
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							\$			
							TOTAL	\$		

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FIGURE PC-10 DELEGATION OF AUTHORITY FOR VISA PROCUREMENT CARD



DELEGATION OF AUTHORITY FOR VISA PROCUREMENT CARD

By taking possession of The University of Southern Mississippi VISA Procurement Card to make an official University purchase, you assume the responsibility to protect the University from unauthorized and improper use of the p-card.

In recognition of this responsibility, I, the undersigned, acknowledge receipt of VISA Procurement Card No. _____ (last 4 digits) held by _____ (cardholder) and hereby agree as follows:

I shall protect and properly use the VISA Procurement Card in accordance with University policies, and the laws of the State of Mississippi. I agree that I cannot, and promise that I shall not, use the p-card for personal purposes or make any personal purchases whatsoever for me or any other person.

I will review the receipt before signing to ensure that I am only signing for processing of the purchase against the p-card. I understand that I am not authorized to accept any Terms and Conditions on behalf of the University and that I should strike through any reference of Terms and Conditions before signing any documentation, and that I should cancel the purchase if the vendor requires my signature as acceptance of Terms & Conditions.

I will obtain a cash register receipt or a priced in-store receipt that itemizes the products purchased and return the VISA Procurement Card with the receipt(s) during the same business day that I receive them. I understand that if I make any improper or personal purchases, I will reimburse the University, and will be subject to disciplinary actions up to and including termination.

_____	_____	_____
Signature of Secondary User	Date	Print Name
_____	_____	
Signature of Cardholder	Date	

Updated 7/1/17

FIGURE PC-11 [FOOD PURCHASE FORM]



FOOD PURCHASE FORM

DATE OF EVENT: _____ DEPARTMENT: _____

TIME OF EVENT: _____ CONTACT NAME: _____

CARDHOLDER: _____ CONTACT PHONE: _____

RESTAURANT/VENDOR: _____

CHECK BOX THAT APPLIES: MEETING/EVENT BULK FOOD PURCHASE:

WILL TAKE PLACE: ON-CAMPUS OFF-CAMPUS

ESTIMATED AMOUNT OF PURCHASE: _____

NAMES OF PARTICIPANTS	TITLE/AFFILIATION
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

GROUP ATTENDING: _____

PURPOSE: _____

** If more than 10 people were present, give a general description of who attended the meeting/event with the name or names of the people leading the event. ** If the purchase is a bulk food purchase be sure to include a purpose for the purchase. ** If the purchase is for a meeting be sure to include a copy of the meeting agenda.

I certify that this purchase complies with the [University Catering, Hospitality and Snacks Policies](#).

Signature of Requesting Individual Cardholder Date

Signature of Budget Authority/Department Head Date

Updated 7/1/17

FIGURE PC-12 [APPAREL PURCHASE FORM]



APPAREL PURCHASE FORM

DATE OF PURCHASE: _____ DEPARTMENT: _____

CARDHOLDER: _____ CONTACT NAME: _____

CONTACT PHONE: _____

MERCHANT: _____

ITEMS TO BE PURCHASED: _____

ESTIMATED AMOUNT OF PURCHASE: _____

Business related apparel acquisitions must comply with the below guidelines.

IRS GUIDELINES

- The employee will wear the apparel as a condition of employment for:
 - Identification purposes
 - Safety
 - Protective clothing
- The clothes are not suitable for everyday wear.
- The University will retain protective clothing and outerwear after termination of employment.

Note: Identification purposes relates to those individuals needing to be identified for a legitimate business purpose. For example, a reason such as "to wear on Fridays" is not sufficient justification to permit the expenditure of University funds for apparel.

UNIVERSITY GUIDELINES

- The Department, unit, or event name is screen printed or embroidered on the garment and prior UC approval has been obtained.
- The purchase is for a University sanctioned student-focused and/or public-oriented event that would require employees to be identifiable to the public.
- The Department or unit will require the apparel purchased to be turned back in and maintained by the Department after the event.
- The Department will maintain inventory records of the items in the event auditors request this.
- The apparel will not be purchased for personal use or as gift.

Choose One:

- I certify that the apparel purchased meets the guidelines above and will remain the property of USM.
- Student exemption to retain apparel– I certify that student and/or participation fees will be utilized for the apparel purchase. I also certify that the apparel purchase meets all other guidelines listed above.

Signature of Requesting Individual Cardholder Date

Signature of Approving Signature Authority Date

Updated 7/1/17

FIGURE PC-13 [\[MISSING DOCUMENT AFFIDAVIT\]](#)



PROCUREMENT CARD
MISSING DOCUMENT AFFIDAVIT

CARDHOLDER: _____, ACCOUNT NUMBER: _____

Signature of Department Supervisor: _____

Item Description	Date of Purchase	VENDOR	Cost
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Detailed explanation of missing documentation:

The undersigned employee responsible for said missing documentation hereby states that the above facts are true and correct to the best of his/her knowledge.

DATE: _____; SIGNATURE OF EMPLOYEE _____

This Date Personally Appeared Before Me, the undersigned authority, in and for _____ County, State of Mississippi, the above named employee, who, being first duly sworn, state on his/her oath that the above facts are true and correct to the best of his/her knowledge.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the ____ day of _____, 20

Notary Public

NOTE: This affidavit shall be attached to the Cardholder's statement and filed with the Approving Official.

Updated 7/1/17