

Campus Specific Provisions: University of Nebraska-Lincoln

This section details campus-specific modifications to the University of Nebraska Purchasing Card Policy and Procedures.

There are two purposes to UNL's additional information. First, to explain any departures from the system-wide standard policies and procedures. Second, to provide additional detail regarding the program policies and procedures.

The P-Card program is guided by doing what is in UNL's best interests as we pursue our mission of teaching, research and service. This requires an appropriate balance among providing an efficient and effective service to cardholders, minimizing the administrative burden of the program on University resources, and reasonably limiting the risk of error or inappropriate activity given the circumstances of UNL's operations.

1. Responsibilities (see "Procedures" Sections 5 & 6) & P-Card Controls (see "Procedures" Section 10)

In addition to identifying cardholders and reconcilers, departments are responsible for selecting and authorizing approver(s) for each cardholder. The Division of Business & Finance must be notified of any changes in a department's approver role(s) resulting from a change in department, separation from the University or a change in duties. The department should maintain awareness of its approvers and reconcilers and ensure the delegation of authority is adequate and properly approved.

When departments set more restrictive P-Card guidelines, it is the department's responsibility to notify its cardholders, approvers and reconcilers of those restrictions. Each P-Card charge requires an approval. Additional approvals are at the department's discretion.

Approving Official's Responsibilities

The approving official cannot be supervised by the cardholder. This is to assure independent authorization of transactions. An approving official may not delegate his/her role to another who is not specifically trained as an approver in the P-Card program.

The approving official is responsible for seeing that the following are done:

- a. Complete the University P-Card training;
- b. Sign the P-Card approving official agreement;
- c. Ensure compliance with P-Card policies and procedures;
- d. Review, approve and sign individual transactions, vouchers or SAP summary of cardholder transactions;
- e. Ensure that purchases are within the limits assigned to the card (i.e., no "pyramiding");
- f. Ensure improper sales tax charges are identified and properly resolved;
- g. Ensure that only allowable purchases are made on the card. Policy exceptions requests should be submitted in writing in advance to the Division of Business & Finance;
- h. Ensure that the card is used only by the person named on the card;

- i. Ensure that adequate and complete documentation, including a documented business purpose, is provided in support of all P-Card transactions and that the transactions are for appropriate University business purposes;
- j. Ensure that purchases are not for the personal benefit of any person;
- k. Ensure delegation of responsibility is made to an individual trained in the program;
- l. Forward documentation to the reconciler on a timely basis;
- m. Notify the Department of Business & Finance of his/her change of duties, change in department or separation of employment;
- n. Address noncompliance issues with the Division of Business & Finance; and
- o. Address any questions regarding the use of the P-Card to the Division of Business and Finance.

2. Authority over Purchasing Cards (see “Policy” Section 3)

The Vice Chancellor for Business and Finance has delegated authority for the P-Card Program to the Assistant Vice Chancellor – Financial Services.

3. Purchasing Card Utilization (see “Procedures” Section 4)

UNL reviews open accounts at least annually and typically closes those with insufficient activity. The risk of error with inactive or low activity accounts is higher than with active accounts because the processes and limitations are not applied often enough to recall with a high degree of certainty. If the business needs of a former cardholder change such that sufficient P-Card activity will be incurred, a new card may be obtained at the completion of training. Units with multiple cardholders are encouraged to consolidate purchasing to fewer persons with higher volumes. E-mail notification of cancellation will be sent to the cardholder. One example of insufficient activity is no purchases in three to six months.

4. Allowable Purchases (see “Procedures” Section 12)

Hazardous Materials Defined

Use of certain potentially hazardous materials is a necessity for some departments at UNL. Allowable materials are those that a retail outlet normally makes available as a consumer commodity. These include, but are not limited to, items such as

- gas and fuel for non-licensed vehicles only
- sand
- cooking oils and greases
- propane cylinders and aerosols
- paints and solvents
- automotive, equipment and machinery lubricants and fluids (e.g., motor oil, grease, hydraulics, antifreeze, coolants)
- unrestricted pesticides
- mercury-containing items (e.g., thermometers, switches, fluorescent light bulbs)
- electronics (e.g., computers/accessories, televisions, desk and cell phones, calculators, flashlights, printers, fax machines, clocks, audio/visual equipment, smoke detectors)
- batteries

- fertilizers, except ammonium nitrate fertilizers with a nitrogen content of 23% or greater
- janitorial/maintenance cleaning agents
- refrigerant-containing appliances (e.g., refrigerator, air conditioner, dehumidifier)
- over-the-counter veterinary and human first-aid supplies

Food

Use of certain food, beverage and grocery items is a necessity for some departments. Food is defined as humanly edible products. Beverages provided should comply with the University's current exclusive soft drink provider contract. Items which support the following are allowed. For any others, please contact the Manager of Card Programs or the Card Programs Coordinator for guidance.

- Research & Lab (i.e., supplies, diagnostic testing, etc.)
- Student Functions (i.e., events, programs, recruitment, etc.)
- Teaching & Classroom Purposes (i.e., educational, instruction, demonstrations, etc.)
- Camps (i.e., 4-H, summer, etc.)
- Resale (i.e., concessions, gift shop, vending, Union, Dairy Store, Museum, etc.)
- Medical Purposes and Clinical Use (i.e., UNL Health Center, etc.)
- Public & Health Safety (i.e., lack of public water, bio-secure environments, etc.)
- Not for Human Consumption (i.e., vinegar for cleaning, peanut butter for animal diet/bait, etc.)
- Artist & Stage Supplies (i.e., artist hospitality, stage props, etc.)
- Childcare Center Supplies (i.e., activity supplies, snacks, etc.)

5. Prohibited Purchases (see "Procedures" Section 13)

The following types of expenses are prohibited:

- a. Travel related expenditures (e.g., airline, seat upgrade, auto rental; housing/lodging; room hold, fuel for vehicles, Air Ambulance program, bus, rail, shuttle, and taxi, etc.);
- b. Recruiting expenditures (e.g., meals and entertainment);
- c. Gift cards;
- d. Small animals with vertebrae;
- e. Amusement and entertainment expenses for non-student events;
- f. Partial payments and deposits;
- g. Raffles, prizes and drawing expenses for non-student events; and
- h. Employee recognitions.

A cardholder should keep business accounts separate from personal accounts with online vendors such as Amazon.com, Barnes & Noble, etc. A University e-mail address should be used for business accounts while a personal e-mail address should be used for personal purchases. Maintaining separate accounts will ensure the P-Card is not inadvertently used for personal purchases and that the items ordered are sent to a University address rather than a home address.

6. Purpose for Merchant Category Codes (see “Procedures” Section 16)

Changes to Merchant Category Codes (MCC) may be temporary or permanent. Individuals able to request a Merchant Category Code change include the cardholder, Department Head, Chair, Dean or Director or the Approving Official. The request should be addressed to the Manager of Card Programs or the Card Program Coordinator. One example of a change in a MCC is “opening” MCC 8062, Hospitals, which is normally restricted, for a health center employee wanting to register for a medical conference hosted by a hospital.

7. Refresher Training

Program participants may be required to complete periodic training as deemed necessary by the Division of Business & Finance. This practice ensures all program participants are kept informed of current policy and best practices. If the refresher course is not completed, the person’s role within the program may be suspended until course completion. Advance notification will be provided to allow adequate time for course completion.

8. Preferred Vendor Contracts

Procurement Services is responsible for managing prime and preferred vendor contracts. Refer to Procurement Services’ website, <http://procurement.unl.edu/contractsprime> for additional information or contact them directly at 402-472-2126.

9. Program Resources

The P-Card program offers a variety of resources to assist the program community and business offices with material and guidance. Some examples of available tools include:

- “Points to Ponder” newsletter;
- Centralized e-mail, pcard@unl.edu; and
- Web-site, <http://accounting.unl.edu/accounts-payable/purchasing-card-other-card-programs>, containing forms, policies, newsletter, training, contact information, FAQs, University purchasing ethics, account guidance, etc.