



COLORADO

COMMUNITY COLLEGE SYSTEM

Handling PCard Purchases
January 2023

Mission Statement

- **The State of Colorado card program is a method of payment that is designed to:**
 - **Promote continuous improvement;**
 - **Demonstrate cost effectiveness; and**
 - **Ensure compliance to Fiscal rules, Procurement Code and other requirements of law.**



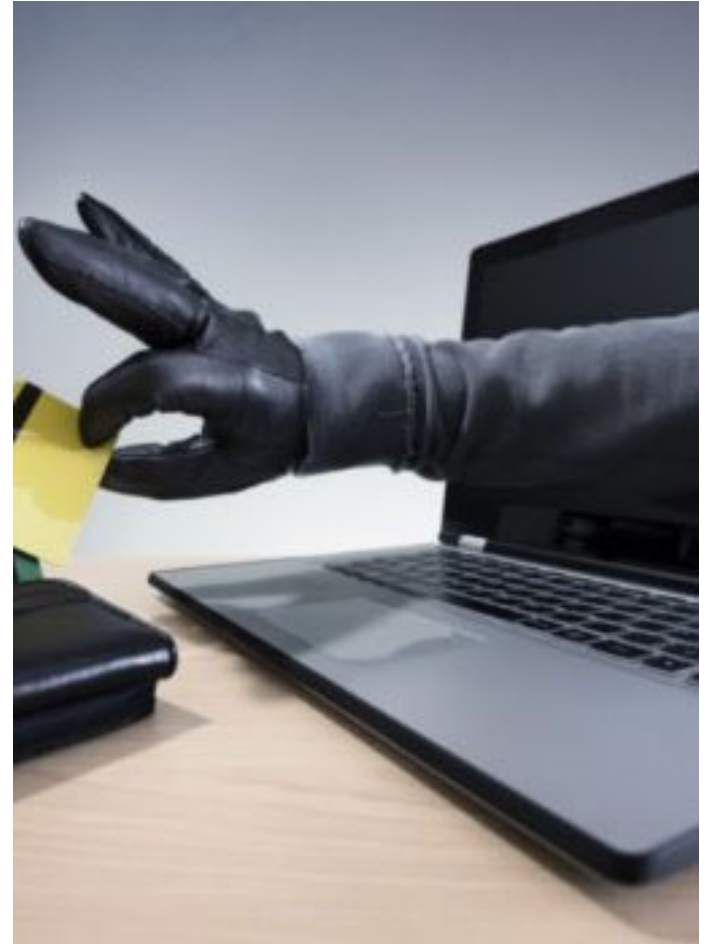


General Use of Card

- Always remember that we are spending taxpayer dollars!
- Is your purchase....
 - CCCS business?
 - In the best interests of CCCS and the State?
 - In compliance with applicable policies, laws, rules and regulations?
 - Within available budget of the org code?

Security Concerns

- **Never share your card with anyone else.**
- **Never email your full card number**
- **Don't give out your number by phone unless you initiated the call.**
- **Check for security certifications on websites.**



Lost or Stolen Cards

FIRST - Notify US Bank immediately by calling 800-344.5696.

**SECOND - Notify the PCard Administrator, Terry Hindsman
720-858-2772**



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Cardholder Responsibilities

- **Must be granted delegated authority by the appropriate VP – Org Code Owner Signature Delegation form**
- **Make Authorized purchases following the most current policies and procedures.**
 - Appropriateness
 - Allocations to correct org and commodity/account
 - Timeliness
 - Tax Exempt
- **The card is issued in your name – you are the only one authorized to use your card.**
- **Do not loan your card to a workmate. Do not give anyone your card number to use while you are on vacation!**
- **A misused or abused card will be cancelled and Cardholders are subject to disciplinary action, including personal liability and termination**



Approving Authority Responsibilities

- **Supervisors serve as Approving Authorities/Officials**
- **Must be granted delegated authority by the appropriate VP – Org Code Owner Signature Delegation form**
- **Monitor transactions as they occur – Banner email notice.**
 - Appropriateness
 - Reallocation to the correct org/account
 - Allowability for federal/grant funds
- **Review all transactions and sign the Monthly Certification and Approval form for each cardholder PCard packet**
- **Notify Purchasing of any violations**



Card Controls – Dollar Limits

- **\$2,000 single purchase limit**
- **\$5,000 cycle limit**
- **Cycle runs from the 26th through the 25th (or the next business day) of each month**
- **Temporary limit adjustments can be done with the approval of your Approving Authority & Purchasing**
 - **Send an email with details of the increase to your AA**
 - **Copy Purchasing**
 - **AA will Respond all with approval**
 - **Include a copy of the email string as backup**

Card Controls – Merchant Category Codes(MCC) Controls

- **MCC Codes are Standard Industry Codes which best describes the vendor's type of business.**
- **The State has established the MCC codes that are acceptable for inclusion when setting up PCard accounts.**
- **MCC Codes are assigned by the Program Administrator based on the cardholder's purchasing responsibilities for their department.**
- **For example:**
 - **MCC Codes for office supply companies and caterers are included**
 - **MCC Codes for financial institutions and travel related merchants are NOT included**



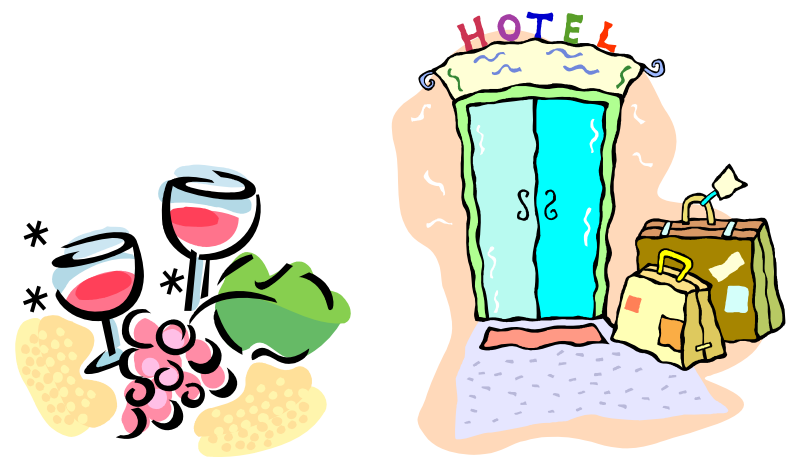
Required Pre-Approvals

- **Services – unless on Approved Vendor List**
 - Purchase Req to obtain a Payment Authorization for Services
- **Software, Hardware, Accessories**
 - Software/license subscriptions or applications
 - Keyboard, mouse, other electronic equipment
 - Contact ITPurchasing@cccs.edu
- **Anything requiring an ARF – Approval Request Form**
 - Official Functions/Trainings/Meeting
 - Conference Registrations
 - Classes and Webinars
 - Food
- **Foreign Vendors**
 - Contact the Grant and Tax Compliance Officer



Prohibited Transactions

- Personal Use Items
- Personal Purchases
- Cash-like Transactions
- Travel Related
 - Airfare
 - Hotel
 - Rentals and gas
 - Restaurants
- Entertainment Related
- Alcohol
- Click-through agreements
- Foreign Vendors



Split Purchases

Splitting a single purchase into multiple transactions in order to avoid a limit.

Remember – a temporary increase can be made to accommodate large purchases.



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CCCS IS TAX EXEMPT!


DR 0160 (02/16/11)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0013

CERTIFICATE OF EXEMPTION FOR STATE SALES/USE TAX ONLY

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION	ISSUE DATE
09815145	N 080179	Sep 01 2022

**THIS LICENSE IS
NOT TRANSFERABLE**

COLO DEPT OF HIGHER EDUCATION
ATTN: COLORADO COMMUNITY COLLEGE
SYSTEM
9101 E LOWRY PL
DENVER CO 80230-6011


Executive Director
Department of Revenue

- **Exempt from Colorado State Sales Tax**
- **If sales tax is included on your transaction, you must request a refund.**
- **Include a copy of the refund request with your backup**
- **Also exempt from Retail Delivery Fee. New as of 7-1-22.**

State Price Agreements

- www.bidscolorado.com
- State administered for common categories of goods and services
- Volume pricing
- Bid not required, regardless of dollar amount
- Check first before purchasing elsewhere
- Most Common
 - Office Supplies – Office Depot & Staples
 - Toner – Beyond Technology
 - Translation & Transcription
 - Advertising
 - Software and IT services

Price Agreements By Category	
+ Expand All - Collapse All	
Category	Agreement #
▶ Advertising and Marketing	
▶ Ammunition-Law Enforcement	
▶ Automobile Rental	
▶ Automotive Glass - Repair and Replacement	
▶ Background Screening Services	

Place your order

- Ask about any educational discounts
- Be sure to give vendor complete shipping address.
 - Ship to the office.
 - Exception for items intended for employees who live too far from the office to come in
- Require that vendor provide an itemized receipt or invoice.
- Don't forget!
 - Tax Exemption
 - Price Agreements first



Declined Charges

Common reasons

- MCC Code is excluded
- Incorrect expiration date
- Exceeds per transaction limit

Two options for handling

- Call US Bank – can tell you why, but may not be able to correct
- Call Terry Hindsman, during office hours

Disputed Charges

- **Contact the vendor and attempt resolution first.**
- **Contact US Bank within 30 days.**
- **Complete and submit “Dispute form” if requested by US Bank**
- **Notify Purchasing if fraud is determined and a new card will be issued.**



Supporting Documentation

- Detailed receipt/Invoice/Email Confirmation
 - Who?
 - What?
 - When?
 - Where?
 - How many?
 - Total amount (that matches statement)
 - Card number
- Order forms for dues, subscriptions, registrations, etc.
- **Why? Business Purpose – required for every transaction**



Official Functions, Conferences, Training

INCLUDE THE FOLLOWING:

- Receipts
- ARF
 - Check for all necessary signatures
 - Only need the first page with signatures
- If you have multiple transactions using the same ARF
 - Include one copy
 - Reference the ARF # on subsequent transactions



Receiving the Goods

- Inspect immediately!
- Work with merchant to correct problems
- Sign off on receipt or packing slip to document
- **For Returns, Exchanges and Refunds**
 - Deal directly with the vendor
 - Refunds/credits must be issued to your card. Never cash!
 - Obtain receipt or email documentation



Reallocating the Charge

- All transactions must be reallocated in Banner within 5 days
- Approving Authority will also receive an email for each transaction
- Ensure approvals for the orgs in use.
- Reallocate to appropriate org and commodity in FAAINVT and print copy of the reallocation screen

1/18/23, 10:48 AM

Application Navigator

Using Tools>Print Screenshot

1/18/23, 10:48 AM

Purchase Card Transaction Maintenance FAAINVT 9.3.16 (PROD) (CCCS)

Cardholder ID: Responsible Organization: Account Manager ID: THINDSMAN Business Manager ID: Type: All Transactions

Start Over

PURCHASE CARD TRANSACTION: ACCOUNTING INFORMATION

Cardholder ID	500010344	Teresa Ann Hindman	Vendor	PASCO SCIENTIFIC
Card Account Number	*****		Transaction Amount	523.00

DEFAULT ACCOUNTING DISTRIBUTION

COA	W	Index		Activ	
Fund	011010	Orgn	116200	Bank	W1
Acct	720320	Commodity	760130-01	Other Cap Equip Direct Purchase > \$5,000	
Prog	6000				

DETAILS

Sequence *	COA *	Index	Fund	Orgn	Acct	Prog	Activ	Locn	Proj	Bank	Percent	Amount or Percent
1	W		074501	174501	760130	7500				W1	<input type="checkbox"/>	523.00

1 of 1
10 Per Page

Using Ctrl+P

Whichever method you use, make sure it is legible.

You may have to adjust your window width to get the full screen.

1/18/23, 10:48 AM

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1 of 1
10 Per Page

Fund	Orgn	Acct	Prog
011010	116210	720300	6000



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Reconcile the Statement Packet

- **Bank statements are available on the 26th**
- **Download and Review the US Bank statement. Verify that each listed charge matches your back up documentation.**
- **Identify any disputed charge.**
- **Attach all back up docs and organize in the same order as the statement.**
- **Attach the Monthly Certification and Approval form and forward it to Approving Official for review and approval.**
- **Electronic signatures require email approval with explicit approval**
- **Submit to the fiscal department by the 15th of the month following the cycle close date.**



Organizing Back up Documents

Order each transaction
back-up documents in
this way:

- Reallocation screen
- Receipt
- ARF – if needed
- Other associated docs – emails, IT approvals, etc.



Think Like an Auditor!



Purchasing audits all transactions for compliance

- Email request for missing items or clarifications
- Cardholder will make corrections to the packet

CCCS Internal audit conducts spot checks of PCard transactions

State auditors also audit a selection of transactions.

ASK YOURSELF – Will everyone understand what you bought, how you bought it and why you bought it? Will an auditor be able to follow?



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Violation Policy

- **3 Strike policy – within fiscal year**
- **3 strikes = 3 month suspension & training**
- **Any cardholder may have his/her card suspended or revoked at any time at the discretion of the Purchasing Office, the Approving Authority, or CCCS Administration.**
- **Violations could also result in personal liability and termination.**
- **Major violations are reported to the State Controller's office – over \$500 or repeated**

Strikes may be issued for:

- Cash & Cash-like transactions
- Inappropriate/Prohibited Purchases
- Personal Purchases
- Travel & related expenses
- Sharing the card
- Lack of approval and/or delegation
- Missing documentation – receipts, ARF, signed packing slips
- Repeated late statement packet submission
- Split Purchases
- Services w/o PA and not on Approved Vendor List
- Repeated failure to complete reallocations resulting in journal entries.

KEEP IN MIND....



- All ARFs have signatures
- All documents are legible
- Only first page of ARF
- Transaction Backup is ordered: reallocation>receipt>ARF>additional docs
- Statement Packet is ordered: Monthly Certification>Bank Statement>transaction backup in the same order as the statement
- Receipt includes who, what, when, where, why, how much
- Documentation of receipt of goods
- Electronic signatures include email approval



Last but not least....

I am always available to answer questions and provide additional training as needed.

