



# **Purchasing Card**

## **Guidelines**

September 2023

# PURCHASING CARD PROGRAM

## GUIDELINES

### PREFACE

It is the intent of this university to use a commercial purchasing card (Pcard) to facilitate the acquisition of lower dollar goods and services needed for conducting official university business. The Pcard is to be issued to selected university employees. The cardholder is responsible for and accountable to the university for all charges made with the Pcard. Use of the Pcard is solely for official university purchases. Personal purchases are strictly prohibited and may result in disciplinary action.

These guidelines are intended to be a tool to ensure the university complies with State statutes regarding purchases.

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## Pcard Program Contacts

### **Langston University Pcard Coordinator: To be Announced**

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Langston University  
Fiscal Affairs, 124 Page Hall  
Langston, OK

<https://www.langston.edu/about-us/administration/fiscalaffairs/purchasing>

This individual is the Pcard point of contact on the Langston Campus. He is responsible for securing and providing pickup for newly issued Pcards. He also keeps Pcard Forms available for distribution. Forms include Pcard/Works Applications, Change Forms, Tax Exemption Certificate, and Prepayment Forms.

### **Pcard Administrator: Carla James**

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Office of Central Procurement  
1224 N. Boomer Road  
Stillwater, OK 74078

(405) 744-8408  
[carla.james@okstate.edu](mailto:carla.james@okstate.edu)

The Pcard administrator is responsible for the management of the purchasing card program, including assisting departments in determining how to use the Pcard to fit its needs, planning and coordinating training, customer service, processing Pcard request forms, processing changes in cardholder information (name, address, increase or decrease in card limits, etc.), deleting user access and Pcards, assisting with disputed transactions, and transaction review.

### **Compliance Accountant: Becky Hergenreder**

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Office of Central Procurement  
1224 N. Boomer Road  
Stillwater, OK 74078

(405) 744-3446  
[rdherge@okstate.edu](mailto:rdherge@okstate.edu)

The compliance accountant is responsible for the desktop and field audits, including planning and scheduling reviews of departmental internal controls and transaction detail. She also addresses compliance issues with departments and makes recommendations for improvements which are included in the compliance review reports.

### **Bank of America**

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The cardholder must call Bank of America at (888) 449-2273 immediately upon discovering the card has been lost or stolen. This same number may be called for questions or to discuss denied purchases. Outside the US, call (509) 353-6656.

## How to Get a Pcard

Eligible employees must complete Pcard training and submit the required forms for approval.

### Eligible Employees

Cardholder must be a Langston University full-time, permanent employee (.75 FTE and above).

### Required Forms

The required forms for applying for a Pcard are located at <https://www.langston.edu/about-us/administration/fiscalaffairs/purchasing>. Once completed, the forms must be submitted to Fiscal Affairs and then to the Office of the President for final approval and processing.

- 1) Application Form for Pcard or Works User Access
  - Must be signed by the cardholder, approver, accountant, appropriate administrators, and the Office of the President.
  - Department administration is to establish spending limits for each cardholder. (Refer to Card Spending Limits on page 9.)
- 2) Conflict-of-Interest Form
  - Documents any outside financial interest, which may affect purchasing decisions. (Refer to Conflict-of-Interest purchases on page 19.)
  - Attach the initial form to the application.
  - Cardholders must fill out a new form by August 31 of each year or when an interest becomes reportable. The subsequent forms are to be kept on file by the Langston University Pcard Coordinator and by Pcard administration.
- 3) Employee Agreement Form

### Training

#### Initial Training

All cardholders and individuals in assigned roles must complete training before a card will be issued and access granted to Works.

#### Refresher Training

All cardholders and Works users must complete annual refresher training to retain their Pcard and access to Works.

## Issuance of Pcard

The Pcard is issued by Langston University in coordination with the Bank of America. The Pcard will include the institution's name, FEI number, the cardholder's legal name, cardholder's department, and a unique individual 16-digit account number. All cards are shipped to the Office of Fiscal Affairs at a central university address and distributed to cardholders.

## Security

### Safeguard the Card

The cardholder must always safeguard the assigned Pcard and account number. To prevent unauthorized use and limit the potential for fraud, the cardholder should use the security measures outlined below:

- Keep the Pcard and account number in a secure location and safeguard it.
- Do not loan or share the Pcard or the number with others, including co-workers. Sharing may result in card revocation.
- Sign Off and reconcile your transactions in a timely manner and watch for unauthorized charges.
- Not signing off in a timely manner may cause:
  - overlooked fraud resulting in loss to the university,
  - transactions posting to an incorrect fund number,
  - reconciliation problems for Grants and Contracts, and
  - increased contacts from Pcard compliance.
- Do not share your logon credentials for any **merchant website**. Do not attach your Pcard to a merchant account where others can access your Pcard.
- Do not share your login credentials for any **Pcard-related program** with anyone.
- Immediately, upon discovering a Pcard is stolen, the cardholder must personally notify Bank of America at (888) 449-2273. Outside the U.S., call (509) 353-6656. These phone numbers are available 24 hours per day. The bank will block the use of the card, and a replacement card will be issued. If fraudulent charges have appeared on the card, the cardholder will be asked to sign an affidavit confirming which transactions are fraudulent so credit can be issued for those charges.
  - Once the bank has been contacted, notify the Pcard Administrator and Pcard Coordinator.



## Spending Controls

Controls, including merchant category restrictions and credit limits, have been applied to all Pcard accounts.

### Merchant Activity Type Limits

A Merchant Category Code (MCC) is a four-digit number assigned by the credit card industry to every business that accepts credit cards. The code corresponds to the type of business or service the company offers. Langston University prohibits the use of Pcards for certain types of goods and services; therefore, the Office of Central Procurement defines groups of unallowable MCC codes and restricts Pcard use with those merchants.

### Card Spending Limits

University administration is to establish spending limits for each cardholder. Limits are to be specified on the Pcard Application and must be reasonable and in-line with the cardholder's duties and expected spend.

- Single Transaction Limit shall not exceed \$5,000.
- Monthly Cycle Limit shall not exceed \$10,000. Departments will be required to provide justification for any monthly credit limit over \$10,000. Limits shall not exceed \$50,000.
- Card Limit Increases. To increase card limits, a Pcard Change Form is required, and the Pcard must be in good standing. The form must be signed by all required parties.
  - To be in good standing,
    - 1) All transactions from previous billing cycles must be complete. This includes:
      - a) all signoffs executed by the cardholder, approver, and accountant as well as
      - b) all required documents uploaded to Works.
    - 2) All past-due compliance inquiries must be resolved.

## Limiting Exposure to Fraud

### Leave of Absence / Card Suspension

If a cardholder is away for an extended time (i.e., 30 days or more), the department must contact the LU Pcard Coordinator. The card will be placed in suspension to protect against loss and fraudulent charges. Upon return, the department is to contact the LU Pcard Coordinator, and the card will be restored to its previous limits. Depending on the circumstances, a Pcard Change Form may be required to reinstate limits.

### Card Spending Limit Recertification

Card limits should be consistent with the spending needs of the cardholder. Having excessive available credit increases the potential loss should the card be compromised.

- Cardholder limits may be reviewed annually to determine whether actual usage is consistent with assigned spending limits.
- If usage is consistent with spending limits, there will be no change to the card limits.
- If usage is not consistent with the spending limits, the Pcard administrator may recommend an adjustment to the card limits or recommend an inactive card be canceled.

## Using the Pcard

### Decision to Use Pcard / OK Corral

- All purchasing, regardless of dollar volume, should start with a search in OK Corral. The Corral contains competitive bid contracts that exist to promote efficiency in business transactions and provide cost savings for all departments.
  - According to board policy 2.07 (8(C)(ii)) *“When established purchasing contracts exist, purchases should be made from such contracts.”*
  - Procurement Guidelines for the Oklahoma Agricultural and Mechanical Colleges state, *“Purchase cards should not be utilized when suppliers will accept purchase orders through OK Corral. The OK Corral is the best method to purchase goods and services because the approval workflow and encumbrance process proceeds the purchase and the efficiency by electronic receipt verification and invoicing. Purchase card is an option primarily due to it being some supplier’s choice to receive payment.*  
<https://airs.okstate.edu/okcorral/guidelines.html>
- Review the lists of prohibited and restricted purchases to ensure the purchase is allowable.
- Be sure the total amount including shipping will not exceed the single transaction or cycle limits.
- Neither Works nor Pcard perform a budget check. Ensure you have sufficient funds before making purchases.

### Methods of Purchasing with a Pcard

As with any credit card, the Pcard may be used to purchase over the counter, by mail, phone, fax, or through the Internet.

- Verify no Oklahoma sales tax is included in the purchase.
- Some out-of-state, online vendors collect Oklahoma tax. Work with the merchant to make a tax-exempt purchase; otherwise, the Pcard must not be used for the transaction.
- Use a reputable merchant and ensure internet purchases are made from a secure site.
- Obtain a complete, itemized receipt and any supporting materials. If purchasing through the internet, it may be necessary to take screenshots of the order.

### Delivery Address

- Items purchased with the Pcard should always be delivered to a university address.
- Any exception must be approved in advance. If there is a business reason for having items shipped to a non-university address, written preapproval must be obtained from the Chief Financial Officer (CFO) and the Office of the President. The documentation must be attached to the corresponding receipt. Upload the receipt and shipping preapproval to Works.

## **Card Denied**

- Cardholders should contact Bank of America at the phone number on the Pcard. The bank can provide the reason it was denied. The bank may request the address or phone number listed on the Pcard application or the Verification ID, which is 9 followed by the cardholder's CWID.
- Cardholders can also check the Authorization Log in the Works system to determine the reason the transaction was denied.

## **Returns, Damaged Goods, and Credits**

- Work with the merchant to resolve the problem.
- If the merchant is responsible for the problem, you should not pay a restocking fee. If the merchant is not responsible, you may have to pay the restocking fee. A Pcard may be used to pay this fee provided it does not violate policies.
- Request a credit receipt for returned items if possible.
- Be sure the credit is posted to your Pcard.

## **Resolving Disputes with Vendors**

- Fiscal Affairs will make timely payment to Bank of America for all credit card purchases without regard to individual discrepancies in transaction billings.
- In the event of an erroneous charge, the cardholder must contact the merchant and attempt to resolve the problem. The communication should be documented in writing and include the date, people involved, a brief description of the problem, and the outcome.
- If the cardholder is unable to resolve the dispute with the merchant, a dispute may be filed by contacting the Bank of America at the phone number printed on the Pcard.

## Card Maintenance and Management

### Canceling a Pcard

- Pcards are the property of Langston University.
- The card must be surrendered upon the request of the cardholder's supervisor, Fiscal Affairs, the Pcard administrator, or the Office of Central Procurement.
- Upon termination, transfer, or retirement, the card must be surrendered to the Office of Fiscal Affairs, which will destroy the card.
- The cardholder's accountant or department is to notify Fiscal Affairs in a timely manner, so the card can be canceled, and the user removed from Works.

### Card Expiration/Renewal

Prior to a Pcard's expiration date, the bank will issue a replacement card and send it directly to the Office of Fiscal Affairs. If not used regularly, the bank may not automatically send a replacement card.

### Defective Pcards

Pcards may be replaced when defective or mutilated. Contact the LU Pcard Coordinator for assistance. The damaged card must be destroyed by LU Pcard Coordinator.

## Works

Works is an internet-based platform supplied by the Bank of America. Pcard transactions download into Works, which enables users to approve, reconcile, and oversee spend. The university has developed a hierarchy of groups and roles within the system. Each group in the hierarchy must have an owner, one or more cardholders, approvers, and accountants. The setup allows Works to route purchases through a predefined workflow. Once a purchase is made and posted in Works, the transaction routes to the cardholder, the approver, and then the accountant for review, document upload, and sign off.

### **Works Role Eligibility and Responsibility**

#### Cardholder

- Cardholder is an authorized purchasing agent for the university.
- Must be a full-time, permanent university employee designated by the Vice President, Dean, or Department Head to execute purchases.
- Being issued a Pcard does not imply prior approval of all purchases. The cardholder must follow applicable university policies and procedures, departmental procedures, and any departmental pre-approvals.
- Accept responsibility for ensuring unallowable, prohibited, or restricted items are not purchased.
- Ensure appropriate documentation, including the original receipt is received and maintained for each purchase.
- Must not purchase from friends, family, from a company owned by any university employee, or from companies where the cardholder has a financial interest.
- Must not accept gifts or gratuities from any merchant when offered, or appears to be offered, to influence the cardholder's decision regarding a purchase.
- Must protect the Pcard and its number. The cardholder is the only person authorized to make purchases with the card or its 16-digit number.
- Contact the bank and email the LU Pcard Coordinator if the card is compromised or stolen.
- The department is responsible for processing a Change Form if there are changes to card information, including but not limited to name, credit limit, default chart/fund, etc.

- Transaction Processing in Works
  - Review transactions, upload required materials, and sign off on transactions in a timely manner.
  - Verify transactions are legitimate and in compliance with policy and procedures.
  - Enter a description and business purpose in the description field. Update the chart/fund and account numbers if required.
  - At the end of each billing cycle, reconcile receipts and supporting documentation with transactions in Works, and forward the paper documents to the accountant.
  - **If the cardholder, approver, and accountant do not sign off on a transaction, the card limit will not refresh for the dollar amount of the transaction.**
    - Previous Pcard Cycle
      - Signing off on transactions posted to a previous Pcard cycle will immediately refresh the card limit. The limit will only refresh for the dollar amount of those transactions.
    - Current Pcard Cycle
      - For transactions posted during the current Pcard cycle, limits will refresh after the last day of the Pcard cycle and after the sign off process is complete.

#### Approver

- Must be a full-time, permanent university employee designated by the Vice President, Dean, or Department Head.
  - Should have knowledge of what is an appropriate, reasonable, necessary, and legitimate transaction for the cardholder and department.
  - Should review cardholder transactions and question any purchase for which the business purpose is unclear and notify administration of any purchase appearing to be questionable.
  - Report violations to the cardholder, department administration, and the Pcard administrator. Discussions should be documented, and materials attached to the receipt. Failure to do so may result in disciplinary action up to and including termination of employment.
- Transaction Processing in Works
    - Update chart/fund and account fields in Works, if needed.
    - Sign off on the cardholder's transactions in Works. Approver may not sign off on his/her own transactions. Each transaction must be signed off by three different individuals. Sign offs must be completed in a timely manner.
    - **If the cardholder, approver, and accountant do not sign off on a transaction, the card limit will not refresh for the dollar amount of the transaction.**
      - Previous Pcard Cycle
        - Signing off on transactions posted to a previous Pcard cycle will immediately refresh the card limit. The limit will only refresh for the dollar amount of those transactions.
      - Current Pcard Cycle
        - For transactions posted during the current Pcard cycle, limits will refresh after the last day of the Pcard cycle and after the sign off process is complete.

### Accountant

- Must be a full-time, permanent university employee designated by the Vice President, Dean, or Department Head.
- Reviews transactions for compliance with policy and procedures.
- Questions any purchase for which the business purpose is unclear and notifies administration of any purchase appearing to be questionable.
- Reports violations to the cardholder, department administration, and the Pcard administrator.
  
- Transaction Processing in Works
  - Confirms the description in Works matches the Level 3 detail (if provided).
  - Reconciles transactions in Works to the corresponding receipts and supporting documentation and ensures the chart/fund and account are correct.
  - Sign off on the cardholder's transactions in Works. The accountant may not sign off on his/her own transactions. Each transaction must be signed off by three different individuals.
  - **If the cardholder, approver, and accountant do not sign off on a transaction, the card limit will not refresh for the dollar amount of the transaction.**
    - Previous Pcard Cycle
      - Signing off on transactions posted to a previous Pcard cycle will immediately refresh the card limit. The limit will only refresh for the dollar amount of those transactions.
    - Current Pcard Cycle
      - For transactions posted during the current Pcard cycle, limits will refresh after the last day of the Pcard cycle and after the sign off process is complete.

## Reconciliation

### Receipt Requirements

The cardholder is responsible for obtaining original receipts, packing slips, and other required documentation from the merchant to support each purchase. Receipts should include:

- Date
- Merchant Name
- Itemized list of purchases
- Itemized pricing
- Total, including shipping and handling. (Must match the transaction amount in Works.)

Original packing lists, shipping documentation, and any other supporting documents should be maintained with the official receipt.

### Lost Receipts

If a receipt has been lost, the cardholder must contact the merchant and request a duplicate receipt. If a purchase was made online, the cardholder may be able to obtain a receipt from an order history or order status tab on the merchant's website. Repeated loss of receipts may be grounds for disciplinary action or cancellation of the Pcard.

### Billing Cycle

Billing cycle dates usually run from the 5th of the month to the 4th of the following month. If the 4th falls on a weekend or a holiday, the billing cycle ends on the previous business day. Transactions made at or near the end of the billing cycle may not post until the next billing cycle; therefore, these transactions may appear on the next billing cycle's bank statement.

### Reconciliation Process

Pcard transactions are available electronically on the Works system to the cardholder, approver, and accountant daily as the transactions are received by the bank. A login ID and password will be assigned to each cardholder and user of Works. Transactions must be reviewed in a timely manner. Receipts and other required documentation must be attached to the transactions in Works by the cardholder and submitted to the cardholder's accountant at the end of the billing cycle. Departments may establish procedures for the cardholder to submit receipts and other required documentation to the accountant on a daily or weekly basis. The accountant is responsible for reviewing documentation for completeness and compliance, ensuring transactions are coded appropriately, and maintaining appropriate documentation.



## **Chart/Fund and Account Changes**

All chart/fund and account changes must be completed no later than the cutoff date provided by the Pcard administrator. This date is usually around the 12th of the month.

## **Record Retention**

### **Location of Original Records**

Original Pcard records shall be maintained in a central location within the department and be made available for review by Pcard staff at any time. Records shall include but are not limited to:

- Receipts,
- Invoices,
- Charge slips,
- Credits,
- Packing lists,
- Preapprovals,
- Travel authorizations,
- Other travel materials,
- Prepaid Registration Forms,
- Dispute documents retained to support charges incurred by the university, and
- Other pertinent documents whether in paper or electronic form.

### **Length of Retention**

All records shall be maintained as prescribed in university policy and procedures. Pcard records must be retained in the department for seven years and then may be destroyed provided all audits have been completed and all applicable audit reports have been accepted and resolved by all applicable federal and state agencies and provided no legal actions are pending. If legal action is pending, records may be destroyed two years after exhausting all legal remedies, provided records meet all stipulated retention requirements.

## **Destroying Original Records and Electronic Imaging**

Before destroying any records, a written request must be submitted to the university's Record Retention Officer. No original records may be destroyed until approval is granted. The destruction of paper copies and electronic storage of documents must follow university policies and guidelines. Below is additional information regarding electronic imaging and destruction of documents.

The State Archives and Records Commission, in the General Records Disposition Schedule for State Universities and Colleges states in Schedule 5-116 that the disposition guideline of State Pcard records is 'Retain in office for seven (7) years, then destroy after all audits have been completed and all applicable audit reports have been accepted and resolved by all applicable federal and state agencies, provided no legal actions are pending. If legal action is pending, destroy two (2) years after exhaustion of all legal remedies, provided records meet all stipulated retention requirements.'

If your department is imaging records, Schedule 5-116 has also been approved for continuous records destruction. Should you wish to include your Pcard records as a part of your continuous records destruction process, you should contact the Records Retention Officer to make that request. At NO time should imaged documents be saved on a personal computer hard drive. The State of Oklahoma must be able to access imaged records in an environment which is saved and backed up routinely.

## **Cardholder and Departmental Compliance**

### **Compliance Reviews**

The Office of Central Procurement conducts ongoing desktop reviews of transactions appearing on the Works system. Cardholders and/or departments may be contacted for copies of receipts and/or an explanation of purchases.

The Office of Central Procurement or the LU Pcard Coordinator may conduct unannounced on-site compliance reviews of departmental Pcard purchases as necessary. Reviews will determine departmental compliance with university policies and procedures and Pcard guidelines, verify all required documentation is present, and confirm the appropriateness of purchases.

### **Pcard Violations**

Misuse of the Pcard in any manner by a cardholder may result in revocation of the privilege to use the Pcard, disciplinary action, termination of employment, and/or the pursuit of any legal action available to the university.

## Prohibited and Restricted Goods and Services

Certain types of purchases are prohibited by the State of Oklahoma. Some purchases may be allowable if processed on a requisition but are not allowed on Pcard. If goods or services are not initially allowed on the Pcard, they must not be purchased with the Pcard, even if they will be reimbursed later.

Ref.	Subject	Information
1	<b>Alcohol</b>	Prohibited.
2	<b>Backorders</b>	Prohibited. No charges should be incurred for backorders. Charges may only be posted for items received by the university or shipped from the merchant's dock. ( <i>Reference: Oklahoma State Statutes 74 O.S. § 85.44B.</i> )
3	<b>Cash, Cash Advances, Automated Teller Machine (ATM) Transactions</b>	Prohibited.
4	<b>Certifications &amp; Licenses</b>	<p><b>Must have written preapproval by the LU Pcard Coordinator.</b></p> <p><u>General guidelines:</u> For license or certification fees required as a condition of employment and required before hiring (i.e., in job posting), the employee must pay for the license/certification. Includes initial purchase plus renewals.</p> <p>If a license or certification was not required as a condition of employment (i.e., in job posting) but became a requirement at a later date, Langston University may pay the initial fee. Renewals are the responsibility of the employee.</p> <p>Note: Notary fees are typically allowed on the Pcard.</p>
5	<b>Clothing</b>	Prohibited on Pcard. Langston University requires <u>all</u> clothing and/or uniforms for employees and students to be purchased through OK Corral. In OK Corral, approval is required from the department head, Vice President, and Office of the President.
6	<b>Computers and Computer Components</b>	Computers and computer components should be purchased through OK Corral. Pcard purchases must be preapproved by the LU Pcard Coordinator.
7	<b>Conflict-of-Interest Purchases</b>	Prohibited on the Pcard. Cardholders may not purchase from themselves or a member of their immediate family or realize personal gain on a transaction. Any purchase from any company owned by any university employee must be bid.

8	<b>Credit Card Processing Fees (aka convenience fees, credit card fees, up-charges, surcharges, processing fees, non-cash fees, etc.)</b>	<ul style="list-style-type: none"> <li>• Credit card processing fees are not allowed on Pcard except where there are specific contractual arrangements with Langston University to do so.</li> <li>• If the vendor accepts a purchase order, the purchase must be processed through OK Corral.</li> <li>• Exceptions must be preapproved by the LU Pcard Coordinator.</li> </ul>
9	<b>Data Plans</b>	A data plan may be purchased for a university-owned device.
10	<b>Decorations</b>	Prohibited on the Pcard. Purchases for decorations must be processed in OK Corral where they can be audited for compliance prior to purchase. Any exception must be preapproved by the LU Pcard Coordinator and the President's Office.
11	<b>Deposits and Prepayments</b>	Prohibited. Violates State statutes. See separate sections for subscriptions, registration fees and lodging deposits. ( <i>Reference: Oklahoma State Statutes 74 O.S. § 85.44B.</i> )
12	<b>Donations</b>	Prohibited.
13	<b>Employee Service and/or Incentive Awards</b>	Not allowed on Pcard. Must be processed on a requisition. This includes, but is not limited to, plaques, trophies, framing, certificates, etc. Some awards could have income tax consequences and must be processed on a requisition.
14	<b>Equipment / Fixed Asset</b>	Langston University requires equipment and fixed assets to be purchased through OK Corral.

15	<b>Food and Food-Related Items</b>	<p>For certain types of food purchases, specific requirements and conditions must be met to use the Pcard. Food purchases not in compliance with the following food guidelines, must be preapproved in writing by the Office of the President and Chief Financial Officer (CFO) <b>prior to purchase</b>. The preapproval must not be signed by a delegate. Tips are limited to 20%.</p> <p>Food may only be purchased:</p> <ul style="list-style-type: none"> <li>○ For food service or food sales areas, <b>or</b></li> <li>○ When specifically included in a Fund 5 grant or contract budget and approved by a sponsoring agency, <b>or</b></li> <li>○ When required for an instructional and/or research purpose, <b>or</b></li> <li>○ When participants pay a fee and the documentation specifically indicates the fee will cover the food/meal (<i>Langston University prefers these types of food purchases be made from Campus Dining,)</i> <b>or</b></li> <li>○ When all conditions of the Office of Management and Enterprise Service’s Policy on the Payment for the Purchase of Refreshments are met. (<i>Langston University prefers these types of food purchases be made from Campus Dining.</i>) <ul style="list-style-type: none"> <li>• MEETING REFRESHMENTS – OMES Policy: <i>Light food and drink items (e.g., doughnuts, cake, coffee, tea, soft drink, etc.) used as refreshments and <b>required</b> in connection with meetings or similar type activities <b>held/conducted for and in the interest of the general public.</b> May also include related service items (e.g., disposable plates/flatware, stirrers, sweeteners, etc.).</i></li> <li>• <b>NOTE: Meetings as used in this definition do not include those activities and functions related to or associated with the day-to-day internal operations of an agency (e.g., staff meetings, staff retreats, employee training sessions/seminars, etc.). Inappropriate purchases of coffee and other refreshments outside of the “Refreshment Policy” listed above could be considered purchase of gifts under prohibited acts.</b></li> </ul> </li> </ul> <p><u>If you make a food purchase, you must justify the purchase in writing and attach a copy of the justification to the invoice requisition prior to processing payment to the vendor. The written justification must include how the food purchase complies with one of the policies and guidelines provided above. You are responsible for ensuring the justification meets the requirements of the policies and guidelines. As you are determining whether to purchase food from any funding source, keep in mind that you may be asked by an auditor and/or reporter how and why you justified the purchase.</u></p>
16	<b>Food and mileage while in travel status</b>	Per diem (meals/food) and mileage are not permitted on the Pcard.

17	<b>Furniture</b>	Furniture should be purchased through OK Corral. Pcard purchases must be preapproved by the LU Pcard Coordinator.
18	<b>Gasoline / Fuel</b>	<ul style="list-style-type: none"> <li>▪ <u>Personal vehicles</u> – Prohibited. Request reimbursement on a travel claim.</li> <li>▪ <u>University vehicles</u> – Prohibited. Use the gasoline credit card provided in the automobile.</li> <li>▪ <u>Lab Equipment</u> – Use the university’s fuel card.</li> <li>▪ <u>Rental Car</u> – May be allowed. See page 29.</li> </ul>
19	<b>Gifts in Any Form</b>	<p>Prohibited on Pcard. Violation of State statutes. (<i>Reference: Const. Art 10, Sec. 14 &amp; 15 and A.G. Opinion 79-078, 79-263, and 82-071.</i>)</p> <p>Gifts authorized in a grant must be purchased through OK Corral.</p>
20	<b>Grants and Contracts, Purchases on</b>	Purchases made by Pcard on a grant or contract account must comply with the terms and conditions of the award, award budget, <b>and all Langston University policies and procedures</b> . Purchases must be made within the appropriate time frame of the award. If a sponsored account supports any purchase that is otherwise restricted (i.e., food), upon request, the cardholder must provide a copy of the approved grant or contract, the approved budget, and the page describing the otherwise unallowable purchase. As a part of the documentation maintained for food purchases for meetings, luncheons, etc. allowable under the grant or contract, the cardholder should maintain the receipt for the purchases, dates of the meeting, and a list of attendees. The agency award requirements will dictate record retention requirements. Any Pcard purchase determined by audit, or otherwise, to be unallowable on a grant or contract, will be transferred to the employee’s departmental chart/fund.
21	<b>In-State Sales Tax</b>	All Oklahoma sales tax is prohibited. This applies to purchases made from vendors in-state, out-of-state, or on the internet. Langston University is not exempt from sales tax collected <u>for</u> other states or countries.
22	<b>Insurance</b>	Prohibited. Insurance must be processed on a requisition.
23	<b>Items that do not Serve a Business Purpose</b>	Prohibited. Examples include flowers, candy, meals, greeting cards, health care items, hygiene items, personal medical devices, etc.
24	<b>Lab Supplies</b>	See Scientific Lab Supplies & Equipment.
25	<b>Late Fees or Finance Charges</b>	Not allowed on Pcard. Invoices with late fees or finance charges must be paid on a requisition in OK Corral.

26	<b>Maintenance, Lease/Rental, and Service Agreements for Office or Scientific Equipment</b>	Langston University requires these types of purchases to be completed in OK Corral. Preapproval from the Vice President and the Office of the President would be required.
27	<b>Memberships</b>	<ul style="list-style-type: none"> <li>○ <u>Personal/Individual Memberships</u> – Prohibited. Violates State statutes. May be allowable if documented as transferable to another university employee. (<i>Reference: A.G. Opinion 63-247, 79-038, 80-059 and 80-261.</i>)</li> <li>○ <u>Amazon Prime memberships</u> are prohibited on Pcard.</li> <li>○ <u>Sam’s Club memberships</u> are prohibited on Pcard.</li> <li>○ <u>Institutional Memberships</u> – Langston University requires institutional memberships be processed in OK Corral.</li> </ul>
28	<b>Moving Expenses, Personal / Individual</b>	Prohibited on Pcard. Moving expenses could have income tax consequences and must be processed on a requisition.
29	<b>Office Supplies</b>	Office supplies should be purchased through OK Corral. Exceptions must be preapproved by the LU Pcard Coordinator.
30	<b>Personal Medical Devices</b>	<p>Prohibited on Pcard. These are items of a personal nature such as neck braces, knee braces, carpel tunnel braces, eyeglasses, etc.</p> <p>Back Brace: This is typically a personal expense, but if preapproved in writing by Fiscal Affairs, it may be purchased with Pcard. Cardholder must attach the preapproval to the Pcard receipt. If purchased with university funds, the item will remain university property.</p>
31	<b>Personal Protective Equipment</b>	Allowed on Pcard if preapproved by the LU Pcard Coordinator. Examples: Knee pads, ice cleats, muck boots, lumbar support, gloves, etc. These items will remain university property.
32	<b>Personal Purchases</b>	Prohibited on Pcard. Must not be used, under any circumstances, to purchase items for personal use. This includes but is not limited to reading glasses, personal medication, personal hygiene items, etc.
33	<b>Postage Stamps</b>	Prohibited on Pcard. ( <i>Reference: Oklahoma State Statutes 74 O.S. § 90.1</i> ). See below for shipping.

34	<b>Promotional Items</b>	Promotional items should be purchased through OK Corral. Pcard exceptions must be preapproved by the LU Pcard Coordinator. Promotional items should have Langston University's name or logo printed on the items.
35	<b>Rebates, Rewards, Cash Back, Gifts with Purchase</b>	Any monetary, cash or non-cash incentive, or other type of reward received because of a Langston University purchase becomes the property of the university. If the incentive received does not serve a university purpose, the department should not take advantage of the incentive. Examples include but are not limited to, rebates, gift cards, two-for-one purchases, coupons, game codes, spend rewards, and expendable or non-expendable supplies.
36	<b>Registration Fees</b> for conferences, meetings, seminars, training events, entry fees, booth rentals, and <u>similar events</u>	<p>The Pcard may be used to pay for registration at the time of the event or after the event has taken place. <b>A Travel Request must be approved by the Office of the President prior to making the purchase.</b> Event registration may be paid in advance if the following criteria are met and documented prior to purchase:</p> <ul style="list-style-type: none"> <li>○ <u>Option 1</u> <ol style="list-style-type: none"> <li>1. A discount for early registration must be received, <u>and</u></li> <li>2. If the registered participant cannot attend, someone else may attend in his/her place, <u>and</u></li> <li>3. If the event is canceled, Langston University will receive a 100% refund.</li> </ol> </li> <li>○ <u>Option 2</u> <ol style="list-style-type: none"> <li>1. Prepayment is required in order to attend the event <u>and</u></li> <li>2. Purchase orders are not accepted.</li> </ol> </li> </ul> <p>A Prepayment Registration Form may be found at <a href="https://www.langston.edu/about-us/administration/fiscalaffairs/purchasing">https://www.langston.edu/about-us/administration/fiscalaffairs/purchasing</a></p>
37	<b>Resale, Items purchased for</b>	Only authorized areas holding a sales tax permit may purchase items for resale.
38	<b>Salary / Wages and/or Benefits</b>	Prohibited on Pcard.
39	<b>Scientific Lab Supplies &amp; Equipment</b>	Scientific lab supplies and equipment should be purchased through OK Corral. Pcard purchases must be preapproved by the LU Pcard Coordinator.



40	<b>Service Fees/ Professional Services</b>	<p>Langston University does not allow fees for services on the Pcard. For additional information, contact Fiscal Affairs.</p> <p><u>Travel Expenses for Service Provider</u> For individuals receiving an honorarium or other compensation for their service, <b>Pcard must not be used to pay their travel expenses separately.</b> These expenses must be included in the provider's invoice.</p> <p><u>Tokens of Appreciation for a Service Provider</u></p> <ul style="list-style-type: none"> <li>○ Gifts are not allowed on the Pcard; however, a plaque or certificate may be permitted if the service provider received no compensation or paid travel.</li> <li>○ Promotional items may be given as tokens of appreciation. These should be of de minimis value of \$25 or less. Any exception must be preapproved by the LU Pcard Coordinator.</li> <li>○ Tokens of appreciation for Langston University <u>employees</u> are not allowed on the Pcard.</li> </ul>
41	<b>Shipping on Outgoing Items</b>	Not prohibited.
42	<b>Split Purchases</b> (purchase greater than \$5,000)	<p>Prohibited. Split purchasing means dividing or failing to consolidate a known quantity of goods or services for the purpose of evading the Pcard single transaction limit of \$5,000. Examples include, but are not limited to, splitting between two or more:</p> <ul style="list-style-type: none"> <li>○ Swipes of the card,</li> <li>○ Cardholders,</li> <li>○ Projects,</li> <li>○ Pcard cycles or months,</li> <li>○ Vendors, or</li> <li>○ Chart/funds.</li> </ul>
43	<b>Sponsorships</b>	Only allowed if the university receives something of value in return. This must be documented. Donations are prohibited.
44	<b>Student Awards</b> (Given in their capacity as a student.)	<ul style="list-style-type: none"> <li>● Nonmonetary student awards such as trophies, plaques, and certificates are allowed on Pcard.</li> <li>● Graduation stoles and cords are <u>not</u> allowed on Pcard and should be purchased with Foundation funds or another method.</li> </ul>
45	<b>Subscriptions</b>	May only be paid one year at a time. Multi-year subscriptions are not allowed. Renewals may only be paid up to 6 weeks prior to the expiration of the subscription.
46	<b>Tips</b>	Tips are limited to 20%.
47	<b>Trade-in's</b>	Purchases involving the trade-in of a university asset are prohibited on the Pcard. Process on a requisition.

48	<b>Travel Expenses</b>	See the section titled 'Payment of Travel Expenses with a Pcard' beginning on page 27.
49	<b>University Departments or University Businesses, Purchases from</b>	Prohibited on Pcard. When purchasing from a Langston University business, internal billing must be used instead of the Pcard. Langston University requires purchases from Alladin or the bookstore must be made through OK Corral.
50	<b>Weapons and/or Ammunition</b>	Prohibited. Must be purchased on a requisition. Includes but is not limited to weapons, firearms, ammunition, fireworks, explosives, and dangerous chemicals.

**Other Purchases not Permitted under University Policies and Procedures, Purchasing Policies, and State Statutes must not be paid with Pcard.**

## Payment of Travel Expenses with a Pcard

All Pcard Guidelines, University and Departmental Travel Policies and Procedures, and the State Travel Reimbursement Act apply to the payment of travel expenses using a Pcard. Travel requests must be approved by the Office of the President prior to making travel-related purchases. This includes all travel such as in-state, out-of-state, and out-of-country. This also includes virtual conferences and events. The following guidelines apply to travel-related purchases paid on Pcard:

### Travel for Service Providers/Honorarium Recipients

- Pcard must not be used to pay travel for individuals receiving an honorarium or any other type of compensation for a service. These expenses must be included in the provider's invoice.
- **Reference: 74 OK Stat SS 74-85.40 (2020).**

### Direct Purchase of Airfare and Baggage Fees with the Pcard

- The out-of-state/country travel must be approved by the President's Office prior to the purchase of airfare.
- Airfare should be purchased through the state-contracted travel vendor, Corporate Travel Planners (CTP).
- When searching, use parameters meeting your schedule needs. Purchase the lowest-priced reasonable flight.
- When purchasing through CTP, no additional quotes are required.
- Cardholders may purchase refundable or nonrefundable tickets.
- Options such as Early bird or upgraded seating, are considered luxury services and are prohibited without a legitimate medical or business reason.
- Baggage fees
  - Must not exceed the approved number of bags per travel rules.
  - No overweight or extra baggage for personal items.
- Airfare Receipt Must Include:
  - Vendor's name
  - Date
  - Total cost of ticket
  - Class accommodation
  - Name of traveler
  - Flight details
- Obtain and upload the following documentation for each airfare purchase:
  - Travel Request approved by the President's Office
  - CTP Airfare Receipt

## Direct Purchase of Lodging with the Pcard

### ▪ Prepaid Lodging

- When required by the lodging establishment, the lodging may be posted to the Pcard in advance, **provided the lodging is refundable upon cancelation.**
- **Documentation of the lodging establishment's cancelation policy shall be attached to the lodging receipt.**
- If lodging is prepaid but the traveler, cardholder, or department neglects to cancel the reservation correctly and Langston University is penalized or pays for an unused room, there could be personal or departmental financial consequences. If justification is documented and approved by the Chief Financial Officer and the Office of the President, reimbursement may not be required.

### ▪ Room Rate

- The room rate is limited to the federal lodging (GSA) rate.
- If lodging is overpaid without proper support, the traveler or cardholder may be required to reimburse the university. If attending an event such as a conference, we may be able to pay more, but this requires additional documentation.
- Supporting documentation for paying the higher room rate:
  - Designated Lodging  
When attending an event, the sponsor may arrange for a group of rooms at a designated rate, which may be more expensive than the GSA rate. Usually, the event sponsor will provide an advertisement, brochure, registration form, etc., which will identify the designated hotels and the cost of rooms. This documentation should support paying the higher room rate.
  - Conference Hotel  
In general, if the conference is held at the same hotel as the sleeping accommodations, you may stay there and pay the establishment's normal room rate even if it's greater than the GSA rate. The cardholder must document the event is held AT the hotel where the traveler stayed.

### ▪ Other Taxes and Fees

- When using the Pcard, no taxes should be paid on lodging in Oklahoma. Tax includes, but is not limited to sales tax, hotel occupancy tax, entertainment tax, city tax, etc.
- Tribal fees, which are sometimes called tribal taxes, are allowed.
- Tourism Improvement Fees (TID fees) are allowed.

### ▪ Obtain and upload the following documentation for each lodging purchase:

- Travel Request approved by the President's Office
- Detailed lodging receipt (such as a hotel folio)
- If prepaid, upload the hotel's policy showing the payment is refundable upon cancelation.
- If we paid more than the GSA rate, need documentation supporting payment of the higher room rate. (i.e., designated lodging documentation, conference hotel documentation, etc.)

## Other Travel Expenses

All other travel expenses including parking, out-of-state ground transportation, etc. must have an itemized receipt.

- Tips
  - Must not be greater than 20%.
  
- Ground Transportation (Taxi, shuttle, Uber, etc.)
  - Not allowed for in-state travel.
  - If any part of the use is personal, it must not be paid with Pcard.
  - Deposits and prepayments are prohibited.
  - Options such as priority pickup upgrades are considered luxury services and are prohibited without a legitimate medical or business reason.
  
- Car Rental
  - Deposits and prepayments are not allowed on the Pcard.
  - Not allowed for in-state travel.
  - Not allowed on the Pcard if the trip includes both business and personal travel. See below for additional information on personal travel.
  - Justification for the car rental is required for every purchase. See below for additional information on justification requirements.
  - If driving out of state instead of flying, need an airfare quote demonstrating the car rental is less expensive than airfare.
  - Rental car fuel is only allowed on the Pcard if it's used for an allowable car rental. In other words, if the car rental is prohibited on the Pcard, the fuel for that car must not be purchased with the Pcard.
  - If rental car collision insurance is not covered under contract, it may be paid on Pcard at the time the car rental is paid. Neither may be prepaid.

- Car Rental Documentation (*must be uploaded to Works*)
  - Travel Request approved by the President's Office
  - Car rental receipt
  - Written justification for the car rental.
  - Note: If personal miles were driven, the car rental should not have been paid with Pcard.
  - Personal Travel

When determining business miles versus personal miles, only miles between the airport, hotel, and conference location can be used. Business luncheons or dinners could be considered business miles but must be documented in a comment on the receipt. Other miles could be considered business depending on the nature and purpose of the trip, but these should also be documented. Examples of Personal Miles:

    - Driving to lunch
    - Meeting family or friends
    - Sightseeing or shopping
    - Vacation
    - Personal evening activities or entertainment
  - Justification for Car Rental

A comment must be provided explaining the business or emergency need for a rental car anytime it is used while on official university business. If the business reason is not sufficient, the traveler or cardholder may be required to reimburse the university for the purchase. Some common acceptable reasons for allowing rental car would be:

    - The closest airport to the business destination is in another city.
    - Multiple destinations/cities
    - Remote destinations
    - Group travel
    - Hauling equipment or business materials
    - Inclement weather or flight delays
    - Cost savings versus taxi, shuttle, or Uber
- Meals and Other Expenses
  - Per diem (meals/food) and mileage are not permitted on the Pcard. Allowable travel expenses not permitted on the Pcard may be submitted on a travel voucher.
- Documentation for Other Travel-Related Expenses (*must be uploaded to Works*)
  - Travel Authorization approved by the President's Office
  - Itemized receipt
  - List of Students Given Meals or Other Food – Meal List