BF-PGC-PR12 Purchasing Card (ProCard) Program

Responsible Officer: Chief Financial Officer & Vice President
Sponsoring Department: Procurement Services
Revision Date: 29 January 2019
Errors or changes to: aim@uta.edu

CONTENTS
Procedure Objective
Rationale
Scope
Related Statutes, Policies, Requirements or Standards
Contacts
Definitions
Responsibilities
Procedures
Section I. Obtaining a ProCard
Section II. Training
Section III. Choice of Vendor - HUB
Section IV. ProCard Use and Disallowed Purchases
Section V. Recordkeeping
Section VI. Disputing a Transaction
Section VII. Reporting a Lost or Stolen ProCard
Section VIII. Billing, Payment, and Account Distribution
Section IX. ProCard Reviews
Section X. Monitoring Requirements
Section XI. Cardholder Termination or Transfer
Section XII. No Transaction Activity Card Cancellation
Section XIII. Minimal Activity Card Cancellation
Section XIV. Exceptions to This Procedure
Forms and Tools/Online Processes
Appendices
Website Address for This Procedure

PROCEDURE OBJECTIVE

This procedure provides guidelines for obtaining a purchasing card (ProCard) for the purchase of certain low-value items, maintaining required records associated with using the card, making approved purchases within allowed dollar limits, disputing ProCard transactions, providing notification of changes in ProCard and cardholder information, and reporting the loss or theft of a ProCard. Specific restrictions, such as the disallowance of card-sharing, are included in this fiscal procedure.

RATIONALE

The ProCard program is authorized by the Texas Comptroller’s Statewide Procurement Division through a contract with Citibank. UT Arlington ProCards are Citibank MasterCards.
The ProCard program is designed to delegate authority and capability to purchase certain low-value items directly to the departmental account manager. Use of the ProCard significantly reduces the acquisition time and labor costs associated with the requirement to obtain purchase order numbers, process invoices for payments and prepare large numbers of voucher/payment documents. Procedures for using the ProCard and maintaining the required documentation must be strictly followed.

SCOPE

All UT Arlington employees participating in the ProCard program and employees participating in these procedures.

RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS

<table>
<thead>
<tr>
<th>UT System Administration Policies &amp; Standards</th>
<th>Other Policies and Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Administrative Code (TAC Title 34 Part 1, Chapter 5, Subchapter E, Rule 5.57)</td>
<td></td>
</tr>
<tr>
<td>Use of Payment Cards by State Agencies</td>
<td></td>
</tr>
<tr>
<td>State of Texas Commercial Charge Card Program</td>
<td></td>
</tr>
<tr>
<td>Cell Phone Issuance Procedure (Procedure 4-29)</td>
<td></td>
</tr>
<tr>
<td>Best Value Purchasing Procedures (Procedure 4-2)</td>
<td></td>
</tr>
<tr>
<td>Discipline and Discharge Policy (Procedure 3-27)</td>
<td></td>
</tr>
<tr>
<td>Contract with Historically Underutilized Businesses (HUB) (Procedure 4-28)</td>
<td></td>
</tr>
</tbody>
</table>

CONTACTS

If you have any questions about this procedure, contact the following departments:

<table>
<thead>
<tr>
<th>Subject</th>
<th>Office Name</th>
<th>Telephone Number</th>
<th>Email/URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>All topics in Procedure</td>
<td>Payment Card Services</td>
<td>(817) 272-2194</td>
<td><a href="mailto:paymentcard@uta.edu">paymentcard@uta.edu</a></td>
</tr>
<tr>
<td>Website access</td>
<td>Administrative Information Management</td>
<td>(817) 272-0222</td>
<td><a href="mailto:aim@uta.edu">aim@uta.edu</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><a href="http://www.uta.edu/aim">http://www.uta.edu/aim</a></td>
</tr>
<tr>
<td>Disputes</td>
<td>Citibank Customer Service</td>
<td>(800) 248-4553</td>
<td>N/A</td>
</tr>
</tbody>
</table>

DEFINITIONS

**Controlled Assets:** Assets that qualify as property but do not meet the capitalization threshold and that must be secured and tracked due to the nature of the item. Controlled
assets consist of non-consumable items having a value of $500.00 to $4,999.99 per unit and firearms regardless of value.

**UTShare**: The financial system used at UT Arlington.

**HUBs (Historically Underutilized Businesses)**: Historically underutilized businesses that are certified by the State of Texas. Cardholders are strongly encouraged to identify and use HUBs whenever available and competitive.

**Statewide Procurement Division**: Awards and manages hundreds of statewide contracts on behalf of more than 200 state agencies and 1,700 local government agencies.

**Procurement Card Transactions Page**: Used to reconcile, manage, and approve procurement card transactions loaded into UTShare.

### RESPONSIBILITIES

#### Asset Management
- Provides instruction for purchase of controlled assets and capitalized equipment

#### Associate Vice President for Business Affairs and Controller, or designee
- Reviews requests for exceptions to these procedures

#### Department Head or Equivalent
- Assumes responsibility for any appropriate disciplinary action
- Reclaims ProCards from terminated or transferring employees
- Assumes responsibility to authorize employees to become cardholders within the department

#### Reviewer
- Reconciles the work completed by the Reconciler.
- After verifying accuracy of the reconciliation, approves the cardholders statements for payment

#### Reconciler
- Authorized to manage and reconcile cardholders Procurement Card Transaction Page, transaction log and carry over log
**Employee/Cardholder**

- Assumes responsibility for appropriate use of ProCard and all associated recordkeeping
- Activates ProCard and completes cardholder agreement
- Verifies receipt of materials and services
- Questions all unauthorized purchases
- Immediately reports fraudulent use and lost or stolen ProCards

**Citibank**

- Assumes liability for fraudulent use after a ProCard has been reported lost or stolen
- Provides transaction data and inactive card reports
- Provides customer service assistance

**Program Administrator/Senior Director of Procurement Services**

- Coordinates acquisition, distribution and termination of ProCards.
- Establishes and implements internal checks and balances for ProCard procedures
- Authorizes payment to Citibank
- Reports quarterly to University Compliance Services and the Compliance Executive Committee

**Payment Card Services**

- Conducts periodic reviews of departments using ProCards
- Provides training for cardholders
- Makes appropriate notifications regarding compliance issues

**Procurement Services**

- Processes payments to Citibank

**Provost or Applicable Vice President (or Designee)**

- Approves reactivation of inactive cards

**UT Arlington**

- Assumes liability for fraudulent use before a ProCard is reported lost or stolen
UT Arlington HUB Program

- Provides assistance in identifying HUB vendors

PROCEDURES

Section I. Obtaining a ProCard

A. Non-employees of the University are not eligible to be issued a ProCard. The employee requesting his/her first ProCard will complete a Purchasing Card Application (Form 4-8) and route the completed form to the Account Administrator for approval. The approved application will be forwarded to Payment Card Services in the Office of Procurement Services. Upon receipt of the application, Payment Card Services will forward the necessary information to Citibank for processing.

B. Citibank will send the ProCard(s) to Payment Card Services. This process normally takes about 5-7 days. Before taking possession of the new card, all approved applicants will be required to attend training to familiarize them with these Procedures, and complete the Cardholder Agreement (Form 4-11). Citibank MasterCards are issued in the cardholder's name with the State of Texas emblem and the wording "Official Use Only".

C. The cardholder will be responsible for activating the card. For each card and billing cycle, a separate log is maintained. The cardholder will be responsible for collecting required support documentation and reconciling the transaction log to the Procurement Card Transactions Page received at the end of each billing cycle, and by the assigned approval due date.

Section II. Training

A. New Cardholders

1. The New Cardholder Training is developed by Payment Card Services to familiarize cardholders with this Procedure.

2. Payment Card Services will hold monthly New Cardholder Training sessions, and notify new cardholders via email of those dates. These sessions are to be held at the Finance and Administration Annex.

3. New Cardholders must attend New Cardholder training before taking possession of the ProCard. Upon completion of the training, cardholders must complete the Cardholder Agreement (Form 4-11).

B. Existing Cardholders

Departments may schedule with Payment Card Services re-orientation training for cardholders determined to need reinforcement of this Procedure.
Section III. Choice of Vendor - HUB

A. Determine if a Historically Underutilized Business (HUB) can provide the needed services or goods. A HUB is a Texas business that has been certified by the State of Texas as being owned and operated by a minority, woman, or service disabled veteran. Cardholders are strongly encouraged to make purchases from certified HUBs that are available and competitive. A purchase made from these businesses gives "HUB credit" to UT Arlington, and the credit is recognized in the State's semiannual and annual HUB reports. An online list of HUBs is available on the UT Arlington HUB Program website. If a needed product or service is not listed on the website, contact the UT Arlington HUB Program Coordinator at extension 22140 or email hub_program_help@uta.edu for assistance. More information on the UT Arlington HUB Program can be found in Contract with Historically Underutilized Businesses (HUB) (Procedure 4-28).

Section IV. ProCard Use and Disallowed Purchases

A. ProCard Use

1. Authorized Users
   Only current UT Arlington employees may be issued a card. The ProCard should not be used by anyone other than the individual employee to whom the card is issued.

2. Authorized Business Use
   The ProCard is to be used for business purposes only and may not be used for personal purchases. Use of a ProCard for personal purchases for any amount may result in disciplinary action, up to and including termination of employment. Contact the prospective vendor to determine if the vendor accepts the ProCard. If no acceptable vendor for the services or products required accepts the ProCard, refer to Best Value Purchasing Procedures (Procedure 4-2).

3. Liability for Non-Business Purchases
   A cardholder making a non-business purchase will be held personally liable to reimburse the University for the full amount of purchase within ten (10) working days of discovery. If on the eleventh (11th) working day of discovery, the cardholder has not reimbursed the University, the card will be suspended pending a full investigation of the cardholder's transactions.

4. Maximum Purchase Amounts
   The maximum single purchase limit is $4,000, including freight. The maximum total amount of allowable purchases per month is $30,000 per card.

5. Warrant Hold Verification
   Check to be sure the vendor is not on the State of Texas "Warrant Hold" list. State agencies are not allowed to do business with or make payments to entities that are on "warrant hold", with the State of Texas until the hold is lifted. Purchases over $500 from a vendor based in the State of Texas requires
checking the vendor’s status prior to making the purchase. Vendor status information is available on the Texas Comptroller website. Enter the vendor’s name in the box provided and hit "search". If the vendor is on hold, the vendor’s name and address will appear. Document in the "Warrant Hold" box provided on the ProCard transaction log that the check was completed.

6. Receipt of Goods and Services
   a. The cardholder assumes responsibility for ensuring receipt of materials and services and shall follow up with vendors to resolve any delivery problems, discrepancies, and/or damaged goods.
   b. The cardholder should request that the vendor deliver the goods directly to the cardholder's physical business location (street address, building name and suite/room number) to preclude any delivery problems, discrepancies, and/or damaged goods. If materials are ordered by phone, require the vendor to include a sales receipt in the package with the filled order to provide documentation. The cardholder should also ask the vendor to mark the outside packaging label with the cardholder’s name, department name, phone number, and the code “PCP” (ProCard Purchase). This information will allow prompt delivery to the cardholder if the package is delivered to Central Receiving.
   c. If the cardholder is not available when purchased goods are delivered, someone else can sign for the delivery. The cardholder must sign the delivery document as soon as possible.
   d. The cardholder is responsible for coordinating returns directly with the vendor and for securing the appropriate credit. Documentation of returned items must be attached to the transaction log.

7. Purchase of Food and/or Refreshments
   When food and/or refreshments are purchased with the ProCard an Official Occasion Expense Form (Form 2-98) must be completed, signed, and dated by the cardholder or by a department official. This form must be kept on file with the receipt(s) and the ProCard transaction log. (Purchase of coffee or coffee service for office use, purchase of food for nursing instructional purposes, and purchase of food for animals and lab experiments are exempt from this requirement.)

8. Purchase of Controlled Assets
   The Office of Asset Management must be notified within forty-eight (48) hours of the purchase of any equipment that is deemed a controlled asset to insure proper coding, tagging, and reporting. The State Comptroller requires the reporting of controlled assets property to the State Property Accounting System.
   a. Complete an Asset Information Form (Form 2-49) and fax the form to the Office of Asset Management (fax # 22199) with the invoice, sales slip, or packing slip when property deemed to be a controlled asset is purchased.
b. File the original receipts and a copy of the Asset Information Form with the ProCard transaction log.

c. Change the default account number on the appropriate Reconcile Statement/Procurement Card Transaction Page to the correct controlled item account number as needed when the Reconcile Statement/Procurement Card Transaction Page is processed. (See Section VI. Billing, Payment, and Account Distribution.) Controlled asset account numbers are listed below. Note: all costs incurred, including freight, shipping, handling, etc., are considered as part of the total cost of the asset.

   I. Controlled Property Items $500.00 to $4,999.99:

      i. Account Number 63162: Sound systems, portable cameras, TVs, video players/recorders, and projectors.

      ii. Account Number 86401: Museum Artifacts

d. If further clarification is required please call the Office of Asset Management at extension 22191.

9. Purchase of Gift Cards / Gift Certificates

   Gift cards / gift certifications can be purchased for non-employees or university sponsored events only. The purchase of gift cards / gift certificates requires an approved exception "prior" to the purchase of the gift card(s) / gift certificate(s) (ref. Section XIV Exceptions to This Procedure). If an exception is approved, please follow these actions:

   a. The Gift Certificate Expense Form (Form 4-16) must have all information completed by recipient and department, and signed by recipient.

   b. The original Gift Certificate Expense Form must be submitted to the Office of Payroll, as this is a taxable benefit, regardless of the dollar value.

   c. A copy of the Gift Certificate Expense Form and exception must be attached to the Purchasing Card (ProCard) Transaction Log (Form 4-5).

10. Split Purchases

   a. Cardholders may not split or divide purchases into smaller amounts to circumvent the requirement to process a purchase order.

   b. Cardholder transactions will be reviewed monthly for split purchases. If apparent splits are identified, the cardholder will be notified via email by Payment Card Services. Cardholders found in violation of this policy will receive a written warning. A second violation will result in the card being suspended.
11. **Taxes**
ProCard purchases are exempt from all federal excise taxes as well as state and city sales tax. The cardholder must advise the vendor of the tax-exempt status. If necessary, a *Texas Sales and Use Tax Exemption Certification*(Form 2-5) may be provided to the vendor. If state sales taxes are charged, it is the cardholder's responsibility to work with the vendor to get credit for the charges. Payment Card Services will review cardholders' transactions monthly for sales taxes paid. If payment of sales tax is apparent, an email will be sent to the cardholder directing them to contact the vendor. In accordance with the *Cardholder Agreement*(Form 4-11), the cardholder is personally liable for any unauthorized charges, including tax.

**B. Disallowed Purchases**

1. The ProCard cannot be used to pay for the items listed below.
   a. Airlines
   b. Automobile rentals
   c. Hotels and motels
   d. Eating places, i.e. restaurants and fast food
   e. Catering
   f. Bars, taverns, nightclubs
   g. Package stores, beer, wine, liquor
   h. Truck stop transactions
   i. Travel and related expenses
   j. Cash advances, travelers' checks, deposit accounts, i.e. purchase of credits, etc.
   k. Radioactive materials
   l. Firearms
   m. UT Arlington tuition and/or fees
   n. Internet provider service
   o. University parking decal fees
   p. Charitable donations
   q. Tours, sporting events, and entertainment events
   r. Traffic citations
s. Toll tags

t. Insurance

u. Gifts over $100

v. Desktop computers, laptop computers, and tablets

w. Any third party service (including cloud services) that involve the creation, transfer, storage, manipulation, processing or other handling of University data.

x. Gift Cards/gift certificates for University employees - regardless of dollar amount (Not subject to the Exception Process, Section XIV)

y. Prescription drugs, controlled substances, and medical services may not be purchased with a ProCard except when purchased by Student Health Services and Intercollegiate Athletics for students and student athletes.

z. Animals may be purchased with a ProCard only if purchased by the Departments of Biology or Bioengineering, or by the Office of Regulatory Services.

aa. Veterinary Services, medical or surgical, by a health professional that specializes in animals, may only be purchased by the Office of Regulatory Services.

bb. Consulting and personal services may not be purchased with a ProCard.

c. Ammunition may only be purchased by the UT Arlington Police Department.

dd. No purchases may be made on behalf of students.

e. Wireless communication devices and service fees, i.e. cell phones, PDAs, iPhones, and wireless communication adapters/internet cards, may not be purchased with a ProCard. Purchase of software applications for these devices and software applications for iPads and all SmartPhones is also prohibited.

Section V. Recordkeeping

A. Purchasing Card Transaction Log

A Purchasing Card Transaction Log (Form 4-5) must be set up and maintained to document all activity associated with the use of the card. A separate log is maintained for each card. Entries to the log must be made as transactions occur.
1. To facilitate recordkeeping and reconciliation processes, each cardholder must maintain current transaction log information, including the following items:

   a. Department Name
   b. Cardholder Name
   c. Last 4 Digits of Card Number
   d. Billing Cycle Dates
   e. Transaction Date
   f. Vendor Name
   g. Description of Purchase
   h. Transaction Amount
   i. Warrant Hold (N/A or OK)
   j. Reconciled (yes or no)
   k. Support Attached (yes or no)
   l. Comments
   m. Cardholder Signature and Date Signed
   n. Reconciler (if applicable) Signature and Date Signed
   o. Reviewer Signature and Date Signed

2. For recordkeeping purposes, an itemized document for each item that was purchased, returned or credited must be maintained with the transaction log. Acceptable documents are:

   a. Sales receipts
   b. Credit memos
   c. Packing slips (cost information must be on packing slip)
   d. Required forms and Exceptions

B. Carry Over Transaction Log

Due to transaction posting periods determined by vendors, the transactions on the transaction log and Procurement Card Transaction Page may not match at the end of the billing cycle. If this occurs, the cardholders are required to prepare a Purchasing Card Carry Over Log (Form 4-4).
1. The reconciliation log must contain the following:
   a. Cardholder Name
   b. Billing Cycle Dates
   c. Last 4 Digits of Card Number
   d. Items not on Transaction Log which are causing out of balance
   e. Items not of Procurement Card Transaction Page which are causing out of balance
   f. Cardholder's Signature and Date
   g. Reconciler Signature (if applicable) and Date
   h. Reviewer Signature and Date

C. ProCard Files - Scanning Documentation

1. Purchasing Card Transaction Log (Form 4-5) and itemized documentation for each item that was purchased, returned or credited must be scanned and attached to the UTShare Procurement Card Reconcile Statement. Acceptable documents are sales receipts, credit memos, packing slip (cost information must be on packing slip), forms and exceptions. All the documentation must be scanned into one (1) file and attached to single transaction line on the cardholder's online statement in UTShare. If a cardholder has multiple ProCards, the documentation cannot be mixed in with different cards. All documents for a particular ProCard must be attached to a transaction for the card the transactions occurred on.

2. Cardholders that do not scan and attach documents will receive an initial written warning. After the consecutive third month of not attaching the documents, an onsite review of the cardholders previous calendar year’s ProCard transactions will be conducted by University Compliance Services. After the fourth month of not attaching the documents, the card will be suspended for three (3) months. During this time, the department cannot request additional ProCards. If, after the three (3) month suspension, documents are not attached, the card(s) will be canceled

3. The cardholder and/or department must review all scanned documents to ensure legibility and accuracy of the scan. Once the scanned documents have been verified, the cardholder and/or department must document, and retain this certification, that all scanned images are true and accurate prior to the destruction of the hard copies. All documents must be disposed of in accordance with the University’s State-certified Records Retention Schedule.
Section VI. Disputing a Transaction

Any charge that appears on the monthly statement may be disputed if it is in error.

A. If there is a charge that is not recognized, or it appears to be incorrect, the cardholder will first contact the vendor to try to resolve the dispute.

B. If an agreement cannot be reached with the vendor, the cardholder will contact Citibank Customer Service at 800-248-4553.

C. If the dispute cannot be resolved on the phone, the cardholder will ask the bank to send a dispute resolution form.

D. Disputes must be processed within 60 days of the statement date on which the transaction posted, even if the merchant is working on resolving the dispute.

Section VII. Reporting a Lost or Stolen ProCard

A. The University will be liable for any charges made with the card before the card is reported lost or stolen.

B. If the ProCard is lost or stolen, the cardholder must do the following:

   1. Notify the UT Arlington Police Department immediately at 817-272-3381 to have a police report filed.

   2. Notify Citibank that the card is lost or stolen at 800-248-4553. Representatives are available 24 hours a day, 7 days a week. Citibank will immediately suspend the ProCard and issue a new one.

   3. The cardholder will also notify the department head and the ProCard Program Administrator in Payment Card Services.

C. New cards are sent to Payment Card Services. Once the Procard is received, Payment Card Services will notify the cardholder that the card is available.

Section VIII. Billing, Payment, and Account Distribution

A. Citibank transmits transaction data for purchases made during the billing cycle from the 4th of each month through the 3rd of the following month electronically to UT System. UT System then makes the data file available to UTA Procurement Services. Payment Card Services in Procurement Services uploads the data into UTShare, which distributes the statements to the departments. Procurement Services notifies Business Affairs Training of the reconciliation deadline and Business Affairs Training distributes the deadline notification for review and processing via the BATraining listserv to departments. Procurement Services receives notification of delinquent Reconcile Statement/Procurement Card Transaction Page that have not been processed by the assigned due dates.
B. When the Reconcile Statement/Procurement Card Transaction Page is received it is reviewed and approved by the cardholder and the reconciler within the specified deadline. The cardholder assumes responsibility for verifying all purchases and transactions listed on the monthly Reconcile Statement/Procurement Card Transaction Page.

1. The reconciler will first reconcile the charges on the ProCard Transaction Log to the Reconcile Statement/Procurement Card log. If the reconciler of the transaction log is different from the cardholder, the reconciler will need to sign and date the transaction log as well as the cardholder.

2. The cardholder will replace the default account numbers with correct numbers, make any necessary changes to the cost center, and ensure that detailed receipts that support all transactions are available. Procedures for changing the account numbers are available on the *UTShare website: click on "UTShare Financial Topics", scroll to "Purchasing Card (ProCard)", and click on "Training Guide. For training on the Reconcile Statement/Procurement Card Transaction Page, contact Business Affairs Training at extension 22155.

3. When the reconciliation is complete, the reconciler will note "yes" in the "reconciled" column of the transaction log to indicate that the item posted to the Reconcile Statement/Procurement Card Transaction Page matches the entry in the log.

4. Any discrepancies should be PROMPTLY investigated with "action taken" recorded in the "comments" section. When the charges have been reconciled to the Reconcile Statement/Procurement Card Transaction Page and the transaction log, the cardholder will sign and date the transaction log and route the log and supporting documentation to the reviewer.

5. The reviewer will review, date, and sign the log and then electronically approve the Reconcile Statement/Procurement Card Transaction Page. This must occur by the due date indicated when the original notification for the Reconcile Statement/Procurement Card Transaction Page was received. Failure to approve the Reconcile Statement/Procurement Card Transaction Page for three (3) consecutive months will result in a warning letter sent to the cardholder with a copy to the department head or equivalent. Failure to approve the Reconcile Statement/Procurement Card Transaction Page for four (4) consecutive months will result in suspension of the card.

C. Carry Over Transaction Log:
The Carry Over Transaction Log is designed to keep track of transactions that are made in one month, but are reflected on the Reconcile Statement/Procurement Card Transaction Page in a different month. This occurs due to the difference in the actual transaction date and the date the vendor posts the transaction to the bank. Use of this form will aid in the discovery of potential fraudulent charges that may occur.

1. If the transactions of the Reconcile Statement/Procurement Card Transaction Page and the transaction log do not match, the cardholder will prepare a *Purchasing Card Carry Over Transaction Log and Example (Form 4-4). The transaction log and the carry over log, along with supporting documentation, will be routed to the reviewer for review. The reviewer will then review, date, and
D. Procurement Services will process payment to Citibank using the default information for each card and any changed information received by the deadline. If the primary cost center cannot accept the charge, Procurement Services will contact the cardholder for a cost center that will accept the charge.

Section IX. ProCard Reviews

A. Representatives from Payment Card Services will periodically review transaction logs, receipts and documentation for each cardholder to assess compliance with this Procedure.

B. A department summary email will be sent to the department head or equivalent, reviewer and cardholders. All instances of non-compliance with this procedure will be notated in the email. The department head or equivalent is required to provide a Certification of Completion that describes all corrective actions taken. Validation of the Certification will occur during the next ProCard review by Payment Card Services.

C. Results of Payment Card Services review may be forwarded to Internal Audit for further evaluation.

D. Results of the ProCard review are reported quarterly to University Compliance Services and the Compliance Executive Committee

E. Cardholders with documented instances of non-compliance in two (2) consecutive review periods are tabled for special discussion by the Compliance Executive Committee.

F. Disciplinary actions that may be taken are consistent with those found in the Discipline and Discharge Policy (Procedure 3-27).

Section X. Monitoring Requirements

Payment Card Services reviews transaction data for evidence of possible non-compliance issues. Scanned documents in the UTShare ProCard statement will be used to validate compliance (ref. Section V. C.)

If Non-compliance / high risk transactions are identified, a notification will be sent to the cardholder and department head requesting corrective action.

In order to meet compliance requirements, Payment Card Services will provide each cardholder the following timeline for corrective action to be made:

<table>
<thead>
<tr>
<th>Notification</th>
<th>Deadline</th>
<th>Notification Sent To</th>
</tr>
</thead>
</table>
1st | 10 working days | Cardholder and Department Head
2nd | 5 working days | Cardholder and Department Head
3rd | 5 working days | Cardholder, Department Head, Provost/Applicable Vice President

Failure to comply by the deadline of the Third Notification will result in the incident being reported to the Executive Compliance Committee for further review

Section XI. Cardholder Termination or Transfer

A. When a cardholder terminates employment with the University, the department head or equivalent has the specific obligation to reclaim the ProCard from the employee and return the card to the Program Administrator prior to the employee’s termination date. Failure to return the card promptly may result in revocation of all departmental ProCard privileges.

B. When a cardholder transfers from one department to another, the ProCard will be cancelled. The department head or equivalent of the department that the employee is transferring from must notify Procurement Services to initiate the cancellation of the ProCard. To take the appropriate actions for the employee to receive a new ProCard for the new department, please see Section I of this procedure.

C. Payment Card Services will receive a copy of the Employee Clearance Form by email when employees terminate employment or change departments.

Section XII. No Transaction Activity Card Cancellation

Citibank provides Payment Card Services with a semiannual listing of cardholders whose accounts have had no transaction activity for six (6) months. Payment Card Services will advise the listed cardholders that their ProCards will be cancelled unless written justification for retention, approved by the provost or applicable vice president or designee, is provided.

Section XIII. Minimal Activity Card Cancellation

At the beginning of each calendar year, Procurement Services will review all cardholders’ transactional history for the previous year. Cardholders that have 24 or less transactions will be advised that their ProCards will be cancelled. If the department head, or equivalent, does not want the card cancelled, a written justification for retention will need to be provided to and approved by the provost or applicable vice president or designee.
Section XIV. Exceptions to This Procedure

All requests for exceptions to this procedure must be in writing and approved by the requestor’s department head or appropriate supervisor and final approval by the Associate Vice President for Business Affairs and Controller. The request must be submitted using the BA Exceptions Tracker Request menu located in UTA SharePoint. Each request should include a detailed justification for the exception and the benefit to the University if the exception is granted. The Associate Vice President for Business Affairs, or designee, will review each request on an individual basis. The approval of an individual request for an exception to this procedure does not change the procedure. If the exception involves a weekly or monthly reoccurring charge, the exception must be renewed annually, no exception will last longer than one year from the approval date. Documentation of the request and its disposition will be maintained in the Business Affairs online policy exceptions files, including any file attachments provided at the time of exception request.

FORMS AND TOOLS/ONLINE PROCESSES

- Asset Information Form (Form 2-49)
- Cardholder Agreement (Form 4-11)
- Gift Certificate Expense Form (Form 4-16)
- Official Occasion Expense Form (Form 2-98)
- Purchasing Card Carry Over Transaction Log and Example (Form 4-4)
- Purchasing Card Transaction Log and Example (Form 4-5)
- Texas Sales and Use Tax Exemption Certification (Form 2-5)
- HUB Program
- Business Affairs Training and Development - Training Resources

APPENDICES

None

WEBSITE ADDRESS FOR THIS PROCEDURE

https://www.uta.edu/policy/procedure/4-11