



# STATE OF MISSOURI

**Cardholder  
Purchasing Card  
Training & Certification**

# TRAINING CERTIFICATION

- Per the State of Missouri Purchasing Card Policy & Procedures Manual, training is required for all new cardholders.
- Training and recertification is also required on an annual basis for all cardholders.
- Upon completion of Annual Training, a test must be passed in order to receive certification.

# WHAT IS A PURCHASING CARD?

- ⦿ A Purchasing Card (P-Card) is a VISA credit card that may be used to purchase goods or services.
- ⦿ The issuance of a P-Card to an employee does NOT appear on their individual credit report.
- ⦿ The P-Card is for business-use ONLY. Personal items are not allowed to be purchased on the P-Card.

# P-CARD PROGRAM FACTS

## ◉ Program Intentions

Establish a more efficient, cost effective method of purchasing and paying for goods and services within established limits

Reduce the number of purchase orders and checks issued

Streamline process for purchasing most small and limited large dollar transactions

# P-CARD PROGRAM FACTS (CONT.)

- The program is NOT intended to:
  - Avoid/bypass State Procurement or payment policies and procedures
  - Be used for interagency payments
  - Be used for entertainment purposes
  - Replace the Personal Liability VISA Business Travel Card
  - For personal use
  - To pay in-hand invoices (direct billed)

# PROGRAM ADMINISTRATION

- The program is administered by OA Division of Accounting:

Statewide P-Card Administrator:

Amanda Locke

Statewide P-Card Administrator Assistant:

Shawn McCauley

Statewide P-Card Coordinator:

Sriparna Tarafdar

- The program is contracted with UMB Bank:

UMB Administrators:

Bill Shacklady, Ron Sager, Kayla Miller

# PROGRAM ADMINISTRATION (CONT.)

- ◉ Agency Purchasing Card Coordinator(s)
- ◉ Division Purchasing Card Coordinator(s)
- ◉ Chain of Command

The P-Card Policy & Procedures Manual indicates which administrator is to be contacted in most instances that may occur

# TYPES OF P-CARDS

- Standard P-Card

This type of card allows for non-travel related purchasing needs in order to procure commodities and services for official state business.

- Travel P-Card

This type of card allows travel related purchases for official state business.

- Dual P-Card

This type of card allows both travel and non-travel purchases necessary for official state business.



# HOW MUCH CAN I SPEND?

- Each cardholder should only be assigned one P-Card unless an exemption has been granted.
- Each P-Card is assigned a per transaction limit and monthly credit limit determined by the **cardholder's supervisor and P-Card Coordinator**.  
Transaction limits are typically set at \$1,000, \$1,500, \$3,000, and \$5,000, with higher limits based on business justification.
- Permanent and temporary increases to transaction and credit limits can be requested by filling out the Account Action Request Form and **forwarding it to the cardholder's supervisor and P-Card Coordinator** for approval.

# DAILY LIMITS

- ◉ A cardholder can make any purchase necessary in one day as long as each purchase does not exceed the per transaction limit or all purchases combined do not exceed the overall credit limit.
- ◉ If a purchase greater than a transaction limit or credit limit needs to be made, contact your P-Card Coordinator via email for a transaction lift or temporary increase.
- ◉ **Cardholders must not “split” purchases in order to bypass their transaction limits.**
- ◉ Bids must be done prior to making any purchase of \$3,000 or higher unless the purchase is for a contract item.

# WHERE CAN I USE MY P-CARD?

- P-Cards may be used for payment to any merchant that accepts VISA.

If a merchant does not accept VISA, contact the P-Card coordinator who will take further action to work with UMB in getting the vendor to accept P-Cards.

- Purchases may be made in person, over the internet, via the phone, or by fax utilizing **the State of Missouri's 3<sup>rd</sup> Party Authorization Form.**

# ALLOWABLE PURCHASES

- ◉ Agency provided food in compliance with Statewide Policy 5
- ◉ Building repair and maintenance supplies and services
- ◉ Bulk postage - for use in postage meters
- ◉ Custodial, housekeeping, laundry, and kitchen supplies and services
- ◉ Fuel - Bulk purchases and non-motor vehicle use only
- ◉ Information technology and telecommunication supplies and services
- ◉ Items on state contracts or price agreements (including blanket price agreements)

# ALLOWABLE PURCHASES (CONT.)

- ◉ Laboratory supplies and services
- ◉ Large truck repairs
- ◉ Memberships, agency and individual employee
- ◉ Office supplies and services
- ◉ Other technical and specific use supplies
- ◉ Printing and photography supplies and services
- ◉ Publication subscriptions
- ◉ Small tools
- ◉ Travel expenses (lodging, airfare, rental car, taxi, etc. except meals in travel status) compliant with Statewide Policy 6
- ◉ Vehicle repairs supplies and services
- ◉ Utilities

# UNALLOWABLE PURCHASES

- ◉ Alcoholic beverages
- ◉ Cash advances
- ◉ Employee meals while in travel status (Unless a waiver has been received)
- ◉ Gasoline (Except bulk purchases and non-motor vehicle)
- ◉ Gift cards
- ◉ Hospitality and entertainment
- ◉ Interagency payments
- ◉ Personal items

# UNALLOWABLE PURCHASES (CONT.)

- ◉ Postage Stamps (Except bulk purchases in metered machines)
- ◉ Purchases involving trade-ins
- ◉ Purchases that bypass existing procurement and payment policies and procedures
- ◉ Splitting a purchase into two or more transactions to bypass transaction and credit limits
- ◉ Missouri State Sales Tax
- ◉ Weapons and ammunition (Except for use by authorized personnel within Public Safety divisions)

# SURCHARGE OR CONVENIENCE FEES

- ◉ Merchants may include a surcharge or convenience fee.
- ◉ The decision to use a P-Card on a purchase that will incur a surcharge or convenience fee should be based on rare and extenuating circumstances.

## Examples of circumstances:

- Timeliness of payments to avoid late fees
  - Urgency of the needed item or services
  - Lack of other vendors
- ◉ Carefully evaluate the necessity of P-Card transactions which are subject to surcharge or convenience fees.



# WHY CAN'T I USE MY P-CARD?

- Some purchases may be declined due to the vendor having a blocked Merchant Category Code (MCC).

A MCC is a code established by the vendor when they get setup to accept credit card payments with their bank. Coordinators cannot change a **vendor's MCC**.

Examples of blocked vendors include bars, liquor and tobacco stores, gun and archery vendors, and international vendors.

# WHY CAN'T I USE MY P-CARD?

## (CONT.)

- Other reasons you P-Card may be declined are:

Purchase is over your per transaction or overall credit limit

Vendor entered wrong account number or expiration date or security code

Your card has been suspended due to an outstanding past due balance or a suspected fraudulent transaction

The vendor is located outside of the United States

# THIRD PARTY PAYMENT PROCESSORS

- ◉ A third party payment processor is a company appointed by a merchant to handle credit card transactions. (Example: PayPal)
- ◉ Exercise extreme caution when using a third party payment processor and make sure all policies and procedures according to both the Statewide and Agency manuals are being followed.
- ◉ Obtain detailed receipt documentation.
- ◉ NEVER save P-Card information when using third party payment processors or making any other online payments.

# DECISION TO USE THE P-CARD

- ◉ The P-Card should be used at the time of purchase (not for direct billed invoices).

Paying an invoice already in-hand (direct billed) with a P-Card jeopardizes internal controls and increases the risk of duplicate payments.

- ◉ Preference should be given to Missouri Vendors.

# CARD CHANGES

- ◉ Division-level approval is required for all of the following:

- All temporary increases

- All permanent increases

- Temporarily opening a card: Blocked Merchant Category Code or an out-of-country purchase

Note: Temporary changes should be done via email **through the cardholder's P-Card Coordinator**

# CARDHOLDER RESPONSIBILITIES

- ◉ It is ultimately the responsibility of the cardholder to ensure all purchases made on the P-Card are in compliance with the P-Card Policy & Procedures Manual as well as procurement and payment regulations.
- ◉ If you are unsure whether or not an intended purchase will be in compliance, contact your supervisor BEFORE making the purchase.
- ◉ Thoroughly review/document all transactions shown on the cardholder statement and document these transactions on the transaction log. A transaction log is required even if there were no purchases on the statement. Forward the completed and signed transaction log to your supervisor along with the detailed receipts and P-Card statement.

# CARDHOLDER RESPONSIBILITIES (CONT.)

- ◉ If a receipt has been lost, you must first contact the vendor for the replacement. If they are not able to provide you with one, an affidavit must be completed and included with the P-Card log and statement.
- ◉ Obtain receipts from vendors and attach them to the statement in the same order as listed, along with supporting documentation and the P-Card transaction log.

# CARDHOLDER RESPONSIBILITIES (CONT.)

- ◉ Cardholders must not give their P-Card to another employee - or anyone else - to use.
- ◉ **If the cardholder's name, work address, or division changes, the P-Card Coordinator should be notified of these changes in writing, and the cardholder's supervisor should be copied.**



# CARD ISSUANCE

- Upon receipt of a signed Purchasing Cardholder Application and a Purchasing Card Training Certificate, a card will be ordered.
- The card will be mailed to the P-Card Coordinator within 5 to 7 business days.
- The P-Card Coordinator will distribute the card to the cardholder to the address provided on the application.

# ACCESSING ACCOUNT INFORMATION

- For questions about your P-Card account, please contact your P-Card Coordinator.

# REPLACEMENT CARDS

- ◉ Replacement cards are issued the month your P-Card expires.
- ◉ UMB will send a new card with the same account number 2 weeks before the end of the month.
- ◉ The card will initially be sent to the P-Card Coordinator and then mailed to the address on file with your account.
- ◉ Your card is valid until the last day of the expiration month.

# RECEIPT DETAIL

- ◉ Your receipt/invoice should contain the following information:

**Vendor's name and address**

Description of goods or services purchased

Quantity, unit price, and date

Grand total of expenditures, without Missouri  
State sales and use tax

# CARDHOLDER STATEMENTS

- Each month the bank will provide an account statement to the cardholder.

If there is no activity, a statement will not be provided.

- The statement is a summary of all transactions made within the statement cycle.
- Review the statement for accuracy by going through and checking all transactions.
- Review both the current and any past due balances.
- Report errors to your supervisor or P-Card Coordinator for assistance and instructions regarding the handling.

# ACCOUNT RECONCILIATION

- ◉ Complete, sign, and date the P-Card transaction log to certify the charges are accurate and complete.
- ◉ All receipts must be turned in with the statement.
- ◉ Submit the monthly statement, followed by all itemized receipts in order of the shown statement, followed by the completed P-Card transaction log form all stapled together.
- ◉ Cardholders should forward statements to their supervisor within 3 business days of receipt.

# DISPUTED TRANSACTIONS

- ◉ If you have a transaction on your statement that you do not recognize, contact the vendor and obtain a credit. If the vendor will not credit the transaction, complete a dispute form and submit it to the P-Card Coordinator.

The P-Card Coordinator must have this dispute form sent to UMB within 60 days of the statement date in which the transaction occurred.

## Examples of reasons for disputed charges:

Unknown Vendor

Incorrect Amount

- ◉ Contact your supervisor or P-Card Coordinator for additional assistance and instruction regarding disputes.

# SALES & USE TAX

- ◉ The P-Card is exempt from the Missouri State Sales and Use tax ONLY. It is not exempt from County, City, Lodging, or any other local or state tax.
- ◉ The P-Card contract is administered through the State of Missouri Office of Administration (OA). **Therefore, OA's tax exemption number is printed on the back of the card.**
- ◉ Cardholders must communicate to all vendors that their agency is a tax exempt entity.
- ◉ Carry a tax exemption certificate with you at all times.



# SALES & USE TAX (CONT.)

- ◉ If you have been charged sales or use tax, contact the vendor to obtain a credit for the amount of the tax.
- ◉ The cardholder must make every attempt to obtain the credit for all state sales tax.
- ◉ Some internet sites may not allow you to designate your purchase as tax exempt.
- ◉ **If the option is available, enter “Tax Exempt” and the tax exemption certificate number in the “Comments” section when entering your purchase.**

# UMB CARD SECURITY

- ◉ **UMB Bank's Security Team (Falcon)** may contact cardholders regarding transactions that are unusual or not typical for a particular account. They will have the transaction information and ask questions related to the transaction(s).
- ◉ Do NOT provide your card number or 3-digit security code.
- ◉ You will not be able to use your card until you return the call to Falcon. You can reach Falcon at 800-337-3392.

# REPORTING A LOST OR STOLEN CARD

- If your card is lost or stolen, immediately notify all of the following:

The Agency Purchasing Card Coordinator

The Division Purchasing Card Coordinator

UMB Security at 800-821-5184

- Each of these accounts must take place to ensure fraudulent activity does not occur.

# CARDHOLDER SECURITY & LIABILITY

- ◉ Each cardholder is responsible for the security of his/her card and transactions made against it.
- ◉ Responsibility of the P-Card should not be taken lightly!
- ◉ Cardholders can monitor their account activity online.
- ◉ NEVER hand your card to another person or even a co-worker to use.
- ◉ Do not copy the card or fax a copy of the card to vendors. Instead, utilize the Third-Party Authorization form.
- ◉ The P-Card must be surrendered to your agency upon separation of employment with your agency.
- ◉ Employees on extended leave should also turn in their cards to the appropriate coordinator so that cards can be temporarily suspended during your absence to mitigate fraud risk.

# INAPPROPRIATE USE BY CARDHOLDER

- ◉ Inappropriate use of the P-Card, including personal transactions, are not allowed on the P-card.
- ◉ Improper use of the P-Card may cause revocation of the card, disciplinary action up to and including termination, and may subject cardholders to criminal prosecution.
- ◉ Amounts attributable to improper use by the cardholder may be required to be refunded or repaid, or may be withheld from the **cardholder's paycheck.**

# SUPERVISOR RESPONSIBILITIES

- **Review the cardholder's statement and sign/date the P-Card transaction log.**

**A supervisor's signature on the transaction log** certifies that all purchases are accurate, complete, for official State of Missouri business, and in accordance with purchasing and payment policies and regulations.

If the cardholder has left employment, the supervisor must reconcile and sign the transaction log with a notation that the cardholder is no longer employed and is not available to sign/date the transaction log.

# SUPERVISOR RESPONSIBILITIES (CONT.)

- ◉ Assist the cardholder with reconciling disputed transactions.
- ◉ Notify the P-Card team upon the transfer, resignation, retirement, or termination of a cardholder.
- ◉ Destroy cards that are no longer needed and email the P-Card Coordinator with verification of the terminated cardholder and request that the account be closed.

**ALL terminated cardholders' accounts must be closed immediately after receiving notification.**

# ANNUAL TRAINING QUIZ

There are (20) multiple choice questions that must be answered in order to receive a certificate of completion for P-Card Training.

Please complete the Cardholder Quiz at <https://oa.mo.gov/accounting/state-employees/purchasing-and-travel-cards>