Paying for Services on PCard

All services regardless of dollar amount are required to have a contract executed with the University Contracts Office (UCO) prior to purchase and attached to the transaction during the verification process. There is no minimum dollar amount that exempts a purchase from the contract requirement.

If you are making a purchase from a Preferred Supplier, the university has a signed contract already on file.

- Refer to “Preferred Supplier” in your business justification
- No contract needs to be attached to the PRC
- To see a list of Preferred Suppliers, reference Procurement Services

If you are making a purchase from a supplier with a Master Service Agreement (MSA), the university has a signed contract that agrees to terms and conditions. You need to have a statement of work that covers pricing.

- Refer to “MSA” in your business justification
- Retain signed contract in office – no need to attach to the PRC
- To see a list of suppliers with a MSA, reference University Contracts

NOTE: These are examples of commonly used services; however, it is not an all inclusive list.

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Allowable on PCard?</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catering</td>
<td>Yes</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Consulting Services</td>
<td>No</td>
<td>Never allowed on PCard</td>
</tr>
<tr>
<td>Design (web, graphic, design, artwork, custom items, etc.)</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Entertainment</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Event Rentals (tables, chairs, linens, floral arrangements, etc.)</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Local Transportation (limos, charter buses, tour services)</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Moves from one university office or lab to another university location</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Service</th>
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<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moves that include household relocation or from office to home</td>
<td>No</td>
<td>Never allowed on PCard</td>
</tr>
<tr>
<td>Off-site Event Facility Rentals</td>
<td>Yes</td>
<td>Unlimited amount</td>
</tr>
<tr>
<td>Photography/ Videography</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Printing &amp; Publishing</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Repair/Maintenance/ Installation</td>
<td>Yes</td>
<td>$2,499.99 limit</td>
</tr>
<tr>
<td>Temporary Staffing Services (external)</td>
<td>No</td>
<td>Never allowed on PCard</td>
</tr>
</tbody>
</table>

Professional services are never to be purchased with a PCard. These services include, but are not limited to:
- Independent contractors
- Consultants
- Speakers
- Honorariums
- Legal fees

Types of Suppliers

The following listing shows the types of suppliers that cardholders should be aware of:

<table>
<thead>
<tr>
<th>Supplier Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campus Supplier</td>
<td>Internal CMU suppliers (Bookstore, Dining Services, etc.)</td>
</tr>
<tr>
<td>Preferred Supplier</td>
<td>Suppliers with pre-negotiated pricing and terms for specific products and services. Use of a preferred supplier may limit additional documentation requirements (see Buyer Actions Matrix).</td>
</tr>
<tr>
<td>Contract Supplier (Master Agreements)</td>
<td>Suppliers with pre-negotiated contractual terms. Generally for services, buyers must negotiate scope and price.</td>
</tr>
</tbody>
</table>

For a complete listing of these suppliers, go to: https://www.cmu.edu/finance/procurementservices/supplier-directory/index.html

Quick Reference Info

- Lost or Stolen Card: 800-685-4039
- Questions about usage of card: x8-4666 or pcrdhelp@andrew.cmu.edu
- University Contracts Office (UCO): x8-2528 or university-contracts@andrew.cmu.edu
- Questions about Preferred Suppliers: x8-4309
- Questions about use of card: Division’s ALG member
- Questions about PCard audit violations: pcaudit@andrew.cmu.edu
- Missing Receipt Form, Billing Inquiry Form, etc.: http://www.cmu.edu/finance/forms/pcard1.html
The Purchasing Card (PCard) is designed for frequently purchased, low dollar items. All university policies and purchasing guidelines apply to purchases made on behalf of the university using the PCard. The university’s Business and Travel Expense Policy contains additional information about business expenses. The PCard is designed for use with a single set of books (ledger). If you need to charge transactions to different ledgers, you will need separate cards for each ledger or you should utilize a purchase order (PO) to transact this purchase.

### Cardholder Responsibilities

The cardholder is expected to be familiar with university policies, procedures, and guidelines that relate to procurement, such as:

- Business and Travel Expense Policy
- Purchasing Manual

### Appropriate Uses of Card

Appropriate uses of the purchasing card include, but are not limited to, the following types of transactions:

- Office and technical supplies;
- Books, periodicals and publications;
- Conference registrations;
- Non-capital equipment, software, or furniture (transaction total <$2,500); and/or
- Non-travel-related business meals.

### Transaction requiring additional documentation

**Gift Cards and Tangible Gifts** – Gift cards in any amount, and tangible gifts costing more than $75 are subject to tax reporting and must be treated as compensation. Cardholders must complete an Employee or Non-Employee Gift Form and attach to the PRC. The original forms should be sent to either Payroll Services (employee) or Accounts Payable (non-employee). See [Gift Website](http://www.cmu.edu/finance/taxation/policies) for more information.

**Awards & Prizes** – need to adhere to the university’s [Pledge and Award Guidelines](http://www.cmu.edu/finance/taxation/policies). Please note that the necessary forms need to be completed, original submitted and a copy attached to the PRC.

**Products with Trademarks** – need to follow the university’s [Trademark Policy](http://www.cmu.edu/finance/taxation/policies). Cardholders should be familiar with the applicable PRC.

**Non-travel Business Meals** – need to include itemized meal receipt along with valid business justification.

### Disputing Transactions

**Importance of verifying your transactions in Oracle**

The act of verifying your transactions in Oracle does not impact your available monthly PCard limit. Important: The act of verifying your transactions in Oracle does not impact your available monthly PCard limit.

**Verification of Transactions**

All transactions must be verified within 30 days of being posted to Oracle. When a transaction is unverified on day 31, the card is placed on hold and cannot be used for new charges, and violation points are assigned. Email notifications are generated to remind cardholders to verify their transactions. During verification, required receipts/documentation must be scanned and attached electronically in Oracle. Originals should be maintained in accordance with the university’s record retention policy. All transactions will be reviewed by a designated approver after verification.

**Disputing Transactions**

It is important to let PCard Help know when you are working with a vendor directly to dispute a charge. If you are unable to resolve the issue with the vendor, you must file a Billing Inquiry Form with PCard Help and they will work with PNC to resolve the dispute.

### Sales Tax Exemption

When making purchases with your PCard, you are paying the merchant directly with university funds. Your purchase should be exempt from sales tax in PA, as well as several other states, if you provide the supplier with the university’s exemption certificate. There are some taxes that the university still must pay, such as: Allegheny County alcohol tax and hotel occupancy taxes.

For detailed information about university sales tax exemption requirements, refer to the Taxation website: [http://www.cmu.edu/finance/taxation/policies-procedures/documents/sales-tax-information.html](http://www.cmu.edu/finance/taxation/policies-procedures/documents/sales-tax-information.html)

### Prohibited Transactions

**Personal Purchases** – even if you intend to repay the university.

**Cash Advances** – cards are blocked to prevent this.

**Alcohol** – if charging to Federal sponsor or Qatar.

**Equipment, Software or Furniture total or cumulative value – $2,500 and greater.**

**Services – $2,500 and greater** (see “Services on PCard” section).

**Professional Services** – including temporary services and consulting services.

**Leased space or facility agreements** – must be arranged through Campus Design and Facility Development.

**Travel/Entertainment/Meal expenses** – (transactions occurring 60+ miles from home campus) must be reimbursed via expense report. See [Business and Travel Expense Policy](http://www.cmu.edu/finance/taxation/policies).

**Gas Cylinders** – acquire through Mellon Stores.

**Hazardous Materials** – A purchase order is required, unless cardholder has an approved Hazardous Material exception.

**Live Animals** – A purchase order is required.

**Employee moves/relocations**.

**Warehouse Club Memberships**

**Cellular Devices, Voice and Data Services, Home Internet**

**PCard Point Program (violation program)**

The PCard Point Program assesses card penalties for violations of university policies and procedures in accordance with the severity of the violation. Complete information about the program is found in the Purchasing Card Guidelines.

### Self-Reporting Violations

Employees are encouraged to self-report any violations. In some instances, a self-reported violation is penalized less severely than an unreported one.

Violations can be self-reported by:

1. Completing the Purchasing Card – Personal Purchase form (Note: submission instructions on form);
2. Contacting PCard Help at pcaudit@andrew.cmu.edu;
3. Contacting Card Audit Services at pcaudit@cmu.edu.

### Automatic Card Suspension

Unreported personal purchases and/or the rental of facilities or leased space are grounds for automatic and permanent card suspension.

### Card Sharing

Purchasing cardholders may not share their PCard with other members of the campus community for the purpose of delegating their purchasing authority to another. This includes sharing of the physical card and the account number, expiration and security features. Sharing a card can result in violation points being issued to the cardholder.

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**NOTE:** Cardholders and/or suppliers should not split a purchase into multiple smaller dollar purchases to circumvent any of the above limits, as this is strictly prohibited.