



**Corporate Purchasing Card (P-card) Program
Policies and Procedures
User's Manual**

August 2025

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UMBC PURCHASING CARD PROGRAM USER'S MANUAL

PREFACE

UMBC's Department of Procurement and Strategic Sourcing participates in State of Maryland's Corporate Purchasing Card (P-card) Program. This program is designed for purchases with a value of \$5,000 or less, offering a streamlined process for smaller purchases. Implementation of this program results in significant reductions in paperwork and processing time for small purchases, including supplier's receipt of payment within three days of the purchase.

The State of Maryland's P-card Program is available to all State agencies. The UMBC Purchasing Card Program User's Manual is modeled after the State program and sets forth policies and procedures for the program which is consistent with those established by the State of Maryland. The program is governed by the terms and conditions of the agreement between the State of Maryland and the Purchasing Card Company.

Where the P-card may not be accepted or appropriate, a PAW Procurement System Requisition is recommended as the primary means for making small purchases outside of UMBC. Using the P-card and following the policies and procedures set forth in this User's Manual allows department to obtain many goods and services as needed.

STANDARD OF CONDUCT

Purchasing cardholders hold public trust; their conduct must meet the highest ethical standards. All cardholders shall use the P-card to purchase items of supply and services only as allowed by this program. Cardholders and P-card supervisors acknowledge that making false statements on P-card records may be grounds for discipline.

1. DEFINITIONS

Account Statement – a monthly listing of all transactions authorized for purchases and credits made by the cardholder and billed by the Purchasing Card Company.

Cardholder – the cardholder is the employee to whom a P-card is issued. The P-card bears the employee's name and may only be used by the named employee to make authorized purchases for the University.

Further the Business of the State – a purchase “further the business of the state” only when the purchase will promote or support the lawful operation of UMBC.

General Accounting Division (GAD) – this is the state agency that administers the P-card program at a state level. They establish and enforce standards for use of the P-card program.

Merchant Category Code (MCC) – this code generally categorizes the types of goods and services that are provided by a particular merchant. Each place of business chooses their MCC when they sign up to receive credit card payments through their bank. UMBC is unable to override these codes.

Monthly Card Limit – the amount of credit a cardholder has for any given month. These amounts start at \$5,000 and may be set for higher amounts.

Purchasing Card Company – the contractor who maintains the University's P-card accounts, issues cards, and provides reports for use by P-card cardholders, P-card supervisors and the PCPA(A).

Purchasing Card Program Administrator (PCPA) and Purchasing Card Program Administrator Assistant (PCPAA) – employees of the Department of Procurement and Strategic Sourcing who serve as primary contacts for cardholders and liaison between cardholders and the Purchasing Card Company and GAD. The PCPA(A) is the coordinator of applications, issuance and destruction of P-cards, establishment of reports, and administrative training; and coordinates, processes and monitors all disputed purchases, credits or billing errors not resolved by cardholders.

Purchasing Card Proxy – someone who can either review/approve or approve/allocate/reallocate P-card charges in PeopleSoft P-card. The ability to be a proxy is not permitted, though there are limited exceptions.

Purchasing Card Supervisor – this person may be the Department head or designee. The P-card supervisor is responsible for reviewing the cardholder's monthly statement of account to ensure purchases are made in accordance with policies and all other applicable procurement regulations. See Section 11 for additional responsibilities.

Single Purchase Limit – is a dollar amount limitation of procurement authority delegated to a cardholder. The single purchase limit for all cardholders is \$5,000.

Supplier – also referred to as vendor or merchant. An organization that provides goods or services to a customer and accepts payment for those goods and services. Supplier and vendor are common terms used by most Purchasing Agents. Merchant is a common term used within the banking industry for those vendors or suppliers who accept Corporate Purchasing Cards.

Unauthorized Use – use of the P-Card for meals, personal purposes, or purchases in excess of the single purchase limit. See Section 7 for Restrictions and Exclusions.

2. OVERVIEW OF P-CARD PROGRAM

2.1 PURPOSE

This program is designed to streamline the purchase of goods and services with a value of \$5,000 or less. The P-card simply provides an alternative method of placing orders and make payments. All purchases are required to comply with all USM and UMBC procurement and financial policies. It is highly recommended to first consider existing State of Maryland contracts, UMBC contracts or certified Minority Business Enterprises (MBE), Veteran, and Small Business Enterprise suppliers. However, the use of the P-card is not restricted to these contract suppliers. Except for the limitations addressed within this manual, the P-card may be used for any other items appropriate to the legitimate needs of the University and the using department. Use of the purchasing card will in no way impact or change an individual's credit history.

REMINDER: THIS P-CARD IS NOT TO BE USED FOR PERSONAL PURCHASES, OR AS PERSONAL IDENTIFICATION, UNDER ANY CIRCUMSTANCES. VIOLATION OF THIS PROVISION MAY RESULT IN DISCIPLINARY ACTION AGAINST THE CARDHOLDER, INCLUDING SUSPENSION, TERMINATION OF EMPLOYMENT, FINES, AND CRIMINAL PROSECUTION.

2.2 BENEFITS

The use of the P-card will provide the following benefits to the University:

- Allow employees to obtain many goods and services quickly and easily
- Reduces paperwork and processing time in the employee's department, as well as in Accounts Payable and Procurement and Strategic Sourcing
- Provides cost savings through consolidated payment (one monthly payment to the State of Maryland by UMBC versus multiple supplier payments)

Important benefits for suppliers include:

- Receive payment in three (3) business days
- Eliminates after-sale invoicing and collection activities
- No additional applications or paperwork necessary if the supplier is already a *VISA* merchant

3. RESOURCES FOR ASSISTANCE

3.1 UMBC PROCUREMENT AND STRATEGIC SOURCING

Purchasing Card Program Administrator (PCPA)

David Clurman, Contract Administrator
Administration Building 730
410-455-2071
clurman@umbc.edu

Purchasing Card Program Administrator Assistant (PCPAA)

Ann Fusselbaugh, Buyer 1
Administration Building 731
410-455-5640
fusselba@umbc.edu

The PCPA(A) will provide support and assistance to cardholders and campus departments, distribute/process new card applications, process changes in cardholder information (e.g. name, mailing address, increase or decrease in limits, etc.) and train all cardholders and P-card supervisors. In addition to the PCPA, the Senior Associate Vice President for Administration, or designee, may sign and approve all applications for new cardholders.

Forms referred to in this manual are available on [Procurement's website](#) in electronic format via DocuSign for ease of use and retention.

3.2 US BANK

Customer Service – 1-800-344-5696

Website – www.access.usbank.com

3.3 MANAGEMENT ADVISORY SERVICES

Management Advisory Services (MAS) is the department the campus community can rely on for assistance with issues surrounding all campus audits, assistance with compliance matters related to State laws and USM/UMBC policies, and/or assistance with the implementation/review of general business practices. They evaluate all University business practices and internal controls, including those around P-cards.

Phone – 410-455-1620

Website – mas.umbc.edu

3.4 UMBC P-CARD ADMINISTRATION

You can contact the PCPA(A) by email or telephone with questions about use of the P-card, requests for new cards, P-card and PeopleSoft P-Card training, questions about maintaining transaction logs, supporting documentation, required reconciliations and audit concerns. Failure to comply with P-card policies will result in suspension of the card until a determination is made regarding compliance with the mandated policies.

P-card holders and supervisors with concerns about potentially fraudulent activity should contact Management Advisory Services at masinquiry@umbc.edu.

4. CARDHOLDER POLICIES AND PROCEDURES

Forms referred to in this manual are available on [Procurement's website](#) in electronic format via DocuSign for ease of use and retention.

4.1 P-CARD ASSIGNMENT GUIDELINES

The following guidelines will apply to the assignment of the P-cards:

- a. Limited to State of Maryland employees. Part-time and contractual employees are allowed a card if they are paid by the Central Payroll Bureau. No other community member (e.g., volunteers, contractors, students) will be issued a P-card.
- b. Limited to employees who have not had personnel incidents which impact the use of the card.
- c. Limited to employees specifically approved by agency head, or designee, and authorized to purchase items and spend State funds.
- d. Employees must sign a Corporate Purchasing Card agreement and be subject to personnel discipline procedures in the event of abuse or failure to comply with established guidelines.
- e. Requires PCPA and agency fiscal officer to approve the issuance of a P-card.
- f. Monthly limits should be consistent with monthly spending trends; and
 1. Credit limits should be reviewed annually by the PCPA to ensure that the current limit is in line with the cardholder monthly spending trends
 2. Credit limits over \$50,000 need email approval from GAD. Excessive credit limits without prior approval may be decreased without notice by GAD.
- g. P-cards no longer in use, or where no purchasing activity has been recorded for a 6-month period, must justify to the agency PCPA why they still need a P-card. If the agency PCPA determines that a P-card should remain active after a 6-month inactivity, the agency PCPA should contact the GAD CPC Global Administrator to seek an exception. The agency PCPA should provide justification for each P-card to remain active which will be kept on file by GAD to document the exception.
- h. P-cards with no activity for a 12-month period are subject to be deleted from the bank's reporting system, without notice by GAD.

4.2 REQUESTING AND ISSUANCE OF A P-CARD AND SIGNING UP FOR PEOPLESOFT P-CARD ACCESS

An individual that would like to request a P-card should utilize the [Cardholder Checklist For Obtaining a University Purchasing Card](#) which provides detailed instructions for obtaining a P-card. Cardholders must complete and submit the following:

- a. [PURCHASING CARD PACKET](#) – for the request of a new P-card a default chartstring must be associated with each P-card. The authority to allocate/reallocate charges must be given to the cardholder. Access for another department representative to allocate (e.g., business services section) will be limited. Persons listed as the P-card Proxy as “allocator/reallocator” or “view only” must also attend training.
- b. [PAW AND PEOPLESOFT FINANCE SECURITY ACCESS REQUEST FORM](#) – in the Purchasing section of this form you must note what type of P-card access the cardholder is to have, if any. The authority to allocate/reallocate charges will be given to the cardholder. Access for another department representative to allocate (e.g., business services section) will be limited. “View Only” privileges may also be granted. Instructions for this form can be [found here](#).

Completing and submitting these forms will ensure access to PeopleSoft P-card system. All forms are submitted via DocuSign.

The PCPA(A) will issue P-cards to cardholders only upon the completion of the Purchasing Card Packet and required training. The card will be issued in the legal name of an employee. Issuing a P-card in the name of a department or program is strictly prohibited by GAD and no such request will be processed.

The cardholder, the P-card supervisor, the division head for the area, the agency's fiscal officer or designee, and the PCPA must complete, sign and date a state of Maryland Corporate Purchasing Card Cardholder Agreement Form indicating compliance with the program policy and guidelines. Cardholders and P-card supervisors must take either an in-person or online training course prior to obtaining their P-card.

Upon receipt of completed P-card packet via DocuSign and verification of cardholder training, Procurement will order the P-card, which will be sent by US Bank to Procurement within five (5) business days. Upon Procurement's receipt of the P-card, the cardholder will be notified to come to the Procurement office and pick up their P-card. The cardholder will be required to provide identification and sign for receipt of the P-card. The cardholder may begin using the P-card after they call the number on the P-card's activation sticker.

4.3 TRAINING

4.3.1 INITIAL TRAINING

To receive and use a P-card, both the individual cardholder and the immediate P-card supervisor (person responsible for verification of the reconciliations) **must** attend a training session. If a P-card supervisor has attended a training session and later, additional employees reporting to the same supervisor request P-cards, it is not necessary for the previously trained supervisor to attend the additional training sessions. If a P-card supervisor is replaced by a new P-card supervisor who was not previously trained, the cardholder must notify the PCPA immediately by submitting the [P-card Supervisor Maintenance Request Form](#). The new P-card supervisor must attend a training session and submit the [Supervisor Agreement](#) *before* the cardholder can continue making purchases. The cardholder is not required to complete the additional training session.

4.3.2 REFRESHER TRAINING

Cardholders and P-card supervisors will be required to periodically attend refresher-training sessions.

4.4 KEEPING YOUR P-CARD SECURE

The cardholder must secure and control the P-card and any documents containing the account number at all times. This includes reports, statements, packing slips, and receipts. Paper documents containing the P-card account number should be shredded or destroyed after the documents have been uploaded to the cardholder's assigned Box folder. **NO ONE OTHER THAN THE DESIGNATED CARDHOLDER IS AUTHORIZED TO USE THE CARD OR CARD NUMBER FOR ANY PURPOSE. P-CARDS AND VISA NUMBERS ARE NOT TO BE SHARED**, as sharing will result in the cancellation of the P-card.

P-card data stored on computers and storage media must be secured using passwords or encryption. Password sharing of any kind is strictly prohibited.

4.5 LOST OR STOLEN CARDS

To report a lost/stolen P-card, the cardholder **shall perform** the following steps:

If the card is discovered lost/stolen, the cardholder must:

- (1) immediately call US Bank at (800) 344-5696
- (2) notify the PCPA(A) immediately
- (3) notify their P-card supervisor within one (1) business day

US Bank will send the replacement card to UMBC Procurement and the cardholder will sign for its receipt.

4.6 SALES TAX EXEMPTION

UMBC is exempt from paying Maryland State sales tax (UMBC is not exempt from county, city and room tax). If items are ordered from out-of-state sources to be shipped to UMBC, sales tax generally does apply. All cardholders are encouraged to use the card only with in-state suppliers. However, recognizing that the need to use the P-card may arise when a cardholder is out-of-state, cardholders should be aware that sales taxes may apply. If required, the exemption number, as well as a copy of the [Tax Exempt Certificate](#), may be provided to the supplier. Contact Procurement if additional assistance is needed regarding sales tax issues.

4.7 P-CARD PROXIES

A proxy is someone who can either 1) review/approve, or 2) approve/allocate/reallocate P-card charges in PeopleSoft P-card. Proxies will be limited to business service units and for when a cardholder will be on leave for more than 30 days. Cardholders shall notify the PCPA immediately whenever they are adding or removing a proxy for allocation by completing the [P-Card Maintenance Form](#).

5. HOW TO USE THE P-CARD

Cardholders shall determine, prior to each purchase, whether the P-card is the most appropriate tool to use for the purchase. They should verify the purchase is not restricted and check if it is available through the PAW Procurement System or if a State or University contract exists for the requested need. **The cardholder is liable to the University and the State of Maryland for any improper use of the P-card.**

5.1 BEFORE MAKING A P-CARD PURCHASE

Follow the internal procedures established by your department to obtain authorization to make the purchase. Authorization for purchases must be obtained before each individual purchase.

Cardholders who are purchasing on behalf of others in their department should maintain documentation in the P-card log to support:

- 1) date of request;
- 2) who in the department is requesting the item/service; and
- 3) supplier name and address and 4) description of item/service.

Be certain that the total amount (including all shipping, handling, postage, freight, etc.) will not exceed the single purchase limit. Remember, splitting purchases to avoid authorized spending limits is prohibited.

Take reasonable steps to determine that the price quoted is reasonable and the best you can obtain.

Beware of suppliers who offer you incentives to purchase from them. Remember, acceptance of gifts, gratuities or kickbacks is not allowed, and these are often disguised as incentives that are provided to you personally resulting from a University purchase. Keep in mind first, University employees are not to personally benefit from a University purchase. Second, the supplier may be charging exorbitant prices on their products/services to give you an incentive. Protect yourself and the University by declining personal gifts, gratuities, kickbacks and incentives offered by suppliers.

Any supplier that can process VISA for purchases can accept this P-Card. Purchases should only be made for authorized purposes that "Further the Business of the State". The P-card may be used to make purchases in person, by telephone or online.

If the cardholder is not available to charge the purchase, then the department has the **following options**:

- Wait until the cardholder returns to charge the purchase.
- Someone else in the department who has a P-card can charge the purchase on their card.
- Department can submit an online requisition in PAW.

5.2 PURCHASES IN PERSON

Purchases may be made in person using the VISA card. No one other than the cardholder is authorized to use the P-card or P-card number. Cardholders must:

1. Present the VISA card to the supplier for payment.
2. Advise supplier that UMBC is State of Maryland sales tax exempt. Certain suppliers may require a copy of the [UMBC tax-exempt certificate](#). This certificate is located on Procurement's website.
3. Sign the charge slip printed by the supplier, **after verifying that tax was not charged and the price**

was accurate.

4. Obtain a detailed receipt at the time of purchase clearly identifying each item purchased.
5. Record the purchase on the transaction log and upload all receipts to their assigned Box folder.

5.3 PURCHASES BY TELEPHONE OR ONLINE

Purchases may be made by telephone using the P-card. No one other than the cardholder is authorized to use the P-card or P-card number. Cardholders must:

1. State that you are calling from UMBC and that you will be making your purchase on a State of Maryland VISA P-Card. If purchasing via mail, retain a copy of any supplier quotes (if available) in their assigned Box folder.
2. Advise supplier that UMBC is State of Maryland sales tax exempt. Certain suppliers may require a copy of the [UMBC tax-exempt certificate](#).
3. Place the order and give your P-card number and expiration date.
4. Record the purchase on the transaction log, including the name of the supplier representative taking your order.
5. Request that a receipt and/or packing slip identifying what was purchased and that the method of payment was VISA, credit card, CR, etc. is sent with the purchase. Retain this receipt/packing slip with your transaction log to document the purchase.
6. Emphasize to suppliers that they are **not** to submit invoices to Accounts Payable for P-card purchases.

Charges are paid electronically by the State.

NOTE ABOUT ONLINE PURCHASES – Purchases may be made online as cardholders deem appropriate. GAD has advised users to only purchase via the web from secure (encrypted) sites. Secure sites are usually denoted with a small padlock icon in the corner of the screen. Cardholders should remember to print the order page and any other information necessary to sufficiently document what was purchased, the purchase price and how it was paid. This documentation must be uploaded to the cardholder's assigned Box folder.

5.4 SHIPPING AND RECEIVING INSTRUCTIONS

It is required that goods ordered via the P-card be shipped directly to your campus address via USPS, UPS, FedEx, or other method suitable for the items purchased **unless** written prior approval is granted by the PCPA(A) when a secondary business address is used or the package contains hazardous materials, requires special handling, or are of the size that they should be delivered through Central Receiving.

The following information must be given to the supplier when requested:

Ship To Address:

Cardholder's Name
Department Room/Bldg.
UMBC
1000 Hilltop Circle
Baltimore, Maryland 21250

Bill To Address: (this is where they send a receipt)

Cardholder's Name
Department Room/Bldg.
UMBC
1000 Hilltop Circle
Baltimore, Maryland 21250

If you prefer to pick up the order, the cardholder may designate someone else to do so. However, if the person picking up the order is not the cardholder, they should only sign the shipping or receiving papers and should **not** sign the charge slip.

5.5 RETURNS, DAMAGED GOODS, AND CREDITS

If goods purchased with the P-card must be returned, the cardholder should work directly with the supplier.

1. **The Cardholder is responsible for verifying the quantity and condition of the goods upon arrival.** When receiving the goods, whether via direct delivery or in person, always retain all boxes, containers, special packaging materials, etc., until you are certain that the order is correct, and you are going to keep the goods. Some items, such as software or fragile pieces, cannot be returned without the original packaging materials.
2. Be sure to read and follow all supplier instructions when initiating a return (e.g., return authorization number, packing materials, etc.) to ensure that you receive the appropriate credit.
3. In some cases, there may be a restocking fee (usually a percentage of the purchase price). If the supplier is completely responsible for the error or problem you should not pay this, or any other fee. However, if they are not fully responsible or the order was special order, you may have to pay it, with the fee either deducted from the refund, or with the P-card.
4. Request documentation from the supplier supporting the credit (e.g., credit slip).
5. Record the credit on your transaction log.
6. Verify the supplier processes the credit by reviewing your subsequent VISA statement(s).
7. If the supplier does not authorize the return or if the credit is not processed, follow the instructions for Disputes.
8. If you were charged Maryland state sales tax on a purchase that should have been tax-exempt it is the cardholder's responsibility to pursue a credit of the tax from the supplier. Cardholders should make a reasonable attempt to obtain the credit. If the purchase was made in person and the cardholder signed the charge slip with the taxes included in the total, US Bank will not pursue a credit through the disputed transaction process. Their position is the cardholder is responsible for verifying the charges presented on the charge slip before signing it. Cardholders must retain documentation of any efforts made to obtain tax credits (e.g., a note indicating date, contact person, resolution).

5.6 DISPUTES

If there is an unrecognizable charge, contact US Bank Fraud at 1-800-344-5696 to report that directly to them. If the P-card is closed, and a replacement card is issued, please notify PCPAA so your profile in PeopleSoft can be updated.

If the cardholder discovers an incorrect amount has been charged for goods or services received, or a questionable transaction appears on the monthly bank statement, the cardholder must immediately seek to resolve the problem with the supplier. If the cardholder cannot resolve a dispute with the supplier, the cardholder should complete the [P-Card Dispute Form](#). It is important to note that this form should be completed as soon as the discrepancy occurs, but no later than sixty (60) days after the appearance of the item on the cardholder bank statement.

US Bank will investigate the disputed item(s). Cardholders may be contacted by the bank during their investigation for further information. When the investigation is complete, the cardholder will be notified of the resolution. It is the cardholder's responsibility to ensure that the dispute is resolved. If you are not satisfied with this resolution, please contact the PCPA(A) immediately. Unresolved disputed items will remain on your VISA statement.

5.7 PURCHASE OF SENSITIVE EQUIPMENT/ASSET MANAGEMENT

When purchasing any sensitive equipment, as defined by UMBC Policy (e.g., computer equipment, audio-visual equipment, etc.), the cardholder must complete an [Inventory Addition Form](#) found on the [Plant Accounting and Inventory Control website](#).

5.8 SPECIAL NOTICES ABOUT SOME CHARGES & PURCHASES

- **Account setup** – when a cardholder signs-up for an account with a supplier (e.g., Instacart, Audible) a separate, UMBC-specific account is to be used. A cardholder may not use their personal account for State business. All merchandise must be shipped to a University address unless written authorization is received from the PCPA prior to the purchase.
- **eBay and similar sites** – request for purchase from the PCPA(A) for eBay and other second-hand purchase platforms is required. An email request is to be sent to the PCPA(A) with the justification that the item cannot be purchased elsewhere, what the item is and the link. Just because the item is cheaper does not warrant a purchase from this type of platform.
- **Gratuities/Tipping** – is allowable on the P-card for standard services (e.g., delivery, transportation services, catering) not to exceed 20% of the gross invoice. Additional gratuity may not be added to an invoice that already includes gratuity.
- **Hotel/Motel charges** – the P-card may be used for room charges, parking, internet and taxes only. Other expenses incurred while at the hotel/motel, such as food (in either the room or restaurant), personal telephone calls, movies or minibar, are not permitted on the P-card.
 - When departments are submitting travel requests for approval, include the hotel/motel and parking charges. However, if the P-card is used to pay these costs, do not include hotel/motel room charges and parking on the travel expense statement as these charges have been paid by P-card and claiming these purchases on your expense statement would be a duplication of payment.
 - Cardholders should advise the hotel that the cardholder may not necessarily be the traveler. If necessary, the cardholder may have to send the hotel a faxed copy of their P-card or complete a credit card authorization form from the hotel. In addition, it is very important for the cardholder to inform the **traveler directly before their trip** that the P-card will cover the room and tax charges only. The traveler must be prepared to pay for all other expenses, such as food, parking, telephone calls and movies, using their own funds and submit a travel expense statement for reimbursement. Therefore, travelers should be instructed to not use express checkout or have the hotel restaurant charge meals to their room.
 - When the hotel does not accept the cardholder's P-card, the traveler must use their own funds to pay for charges and submit a travel expense statement upon completion of travel.
- **International purchases** – any items that are shipped from outside the United States must be pre-approved by Export Control (compliance@umbc.edu).
- **Premium plans** – all service plans must “further the Business of the State.” If a “basic” level will suffice, then a premium plan shouldn't be purchased.
- **Software** – all software must first go through the [Software/Cloud Services request process](#) before purchase.
- **Transaction/Surcharge fees** – some suppliers will charge an additional fee (not more than 4%) for using a P-card. This extra charge is permitted.

5.9 SPECIAL STATE PROGRAMS

The University must adhere to its mandate to attempt to spend 20% of its total purchasing dollars with certified small businesses and 29% of its total purchasing dollars with certified minority and disadvantaged suppliers in its procurement processes, including the P-card program. To the extent possible, cardholders are encouraged to seek out and use Maryland certified minority, small and disadvantaged suppliers. If searching for a new supplier, please contact Procurement with product information and we will assist you in searching for an MBE or SBR supplier.

When using the P-card ask suppliers if they have registered as a small business with the State of Maryland. If not, direct them to the State of [Maryland Governor's Office of Small, Minority, and Women Business Affairs](#) website so that they can get further information about the program and certify their company online.

6. P-CARD LIMITS

6.1 SINGLE TRANSACTION LIMIT

The maximum **single transaction limit is \$5,000** (including shipping costs). This amount is set by the State and cannot be raised.

Cardholders may not split charges to overcome the per transaction limit. If a purchase totals more than \$5,000, then the department is required to submit an online requisition in PAW for processing into a purchase order. If the supplier will not accept a purchase order, please consult with Procurement for other purchase options. Splitting a purchase to circumvent the \$5,000 single transaction limit is strictly prohibited and may result in loss of P-card privileges.

UMBC routinely reviews transactional data for the appearance of split purchases. Similarly, purchases cannot be strung to circumvent a procurement (e.g., issuing multiple invoices exceeding \$5,000 in total). Stringing includes:

- Requesting an order be broken down to less than \$5,000 each,
- Using multiple cards to pay for the same order,
- Purchases for like merchandise or system components (e.g., event shirts, computers, etc.),
- Asking a supplier to issue individual invoices for an ongoing project; procurements likely to exceed \$25,000 are subject to simplified procurement.

6.2 MONTHLY SPENDING LIMIT

All purchasing cards have a monthly spending limit. The monthly spending limit is determined by each department, based on need. Cards will be set at standard \$5,000 increments as follows: \$5K, \$10K, \$15K, \$20K, \$25K, \$30K, \$40K, and \$50K. Departments should determine each cardholder's monthly transaction limit according to the department's expected monthly needs. Departments are expected to request a limit that accurately reflects their usage and to maintain each cardholder's total monthly spending limit. Card usage will be monitored by Procurement on a periodic basis. If it is determined that a cardholder has an excessively high monthly credit limit compared to their actual usage, then the limit may be reduced to more accurately reflect their spending requirements.

7. RESTRICTIONS AND EXCLUSIONS

Each merchant (supplier) is assigned a **Merchant Category Code (MCC)**. This code generally categorizes the types of goods and services that are provided by a particular merchant. Each place of business chooses their MCC when they sign up to receive credit card payments through their bank. The seven primary merchant categories are:

Transportation	Clothing Stores	Utilities
Retail	Miscellaneous	Auto & Vehicles
Business/Repair Services		

There are MCC restrictions built into the program by the State Comptroller's Office that specifically restricts certain types of purchases. These restrictions will be automatically invoked during the purchase authorization process. **UMBC is unable to override any blocked MCCs.**

7.1 SPECIFIC RESTRICTIONS

The State determines approved MCC Groups. Specific restrictions apply to the following types of codes:

- a. Money (Financial Institutions, Securities Brokers, Timeshares, etc.);
- b. Personal Service Providers (Barber, Beauty Salons, Dry Cleaners, etc.);
- c. Amusement and Entertainment (Movie Theaters, Bowling Alleys, Betting, Golf, Recreation Services, etc.);
- d. Fines and Tickets;
- e. Restaurants (Traditional & Fast Food);
- f. Drinking Places (Alcoholic Beverages);
- g. Packaged Goods Stores (Beer, Wine & Liquor); and
- h. Luxury Items
- i. Gambling

NOTE:

Cardholders must realize that even though a charge passes the supplier's purchase authorization process it does not necessarily mean that it is an authorized charge. Sometimes suppliers are assigned an incorrect merchant category code for some unknown reason by VISA, which does not accurately describe their type of business. For example, Six Flags America has a merchant category code of "direct marketer" (which is not blocked) instead of a more accurate MCC code of "Entertainment or Amusement". Since cardholders are trained that amusement or entertainment is not permitted on the P-card, these types of purchases are not authorized even if the charge is processed by VISA. Therefore, cardholders must remember that P-card Policy and Procedure dictates authorized purchases and not merchant category codes.

Airbnb, Vrbo, etc. – these transactions are prohibited due to potential liabilities for the University. (i.e., contractual non-compliance or security risks). UMBC allows these expenses to be reimbursed through the eTravel system. Commercial hotels are allowed.

Airlines, Boats, and Trains – the P-card may not be used for these travel methods. Car rentals, taxi/Uber transportation, and parking fees are not restricted.

Amazon & 4imprint – purchases are prohibited as all purchases from Amazon and 4imprint must be made through PAW. This includes the purchase of Amazon Prime Membership accounts.

Cash Advances – the P-card can never be used for this.

Catering – the P-card can only be used for catering services provided by an approved caterer for any authorized event per University policy under \$5,000. For such events, the P-card documentation must include a list of attendees and the purpose of the event along with the invoice/receipt. For additional information about catering policies please refer to the [University's Food Policy](#) and the [Ordering Food and Catering Guide](#).

Clothing Rental and Cleaning – clothing expenditures for employee use, such as tuxedo rental, shirts, jackets, and any dry cleaning, is prohibited. Clothing purchases, such as uniforms worn daily by University staff or other shirts or apparel worn by University staff for identification at university events or activities is allowed.

Construction – modifications to building structure are to be approved by and coordinated through [Facilities Management](#). In addition, maintenance activities and housekeeping should be coordinated through Facilities Management to utilize existing contracts.

Contracts – payments to suppliers on existing contracts should not be made with the P-card unless specifically outlined in the contract. These payments should be processed in PAW.

Fines (e.g., parking tickets, speeding, finance charges, etc.) – these are the personal responsibility of the employee and cannot be paid with the P-card or state funds.

Food – most food will be blocked by MCC. However, purchases of food at a grocery store for authorized on-campus activities (e.g., seminars, guest speakers, student programs or teaching purposes) are permitted on the P-card with appropriate documentation, as outlined in the [University's Food Policy](#). The P-card may not be used to provide food for regular staff meetings or social events, such as holiday or retirement parties. Use of the P-card for dining out and off-campus catering services is prohibited.

Foundation funds – purchases intended to be paid with eligible Foundation funds should not be made with the P-card. Purchases must be made with personal funds and reimbursement sought from Foundation, or invoices should be sent to the Foundation for direct payment.

Furniture – except for Maryland Correctional Enterprises (MCE) under the \$5,000 threshold, **all** furniture must be purchased through a purchase order. Exceptions can be granted by the PCPA(A) on a case-by-case basis.

Gifts and Flowers – not permitted as a token of appreciation or sentiment. Examples of prohibited items are retirement gifts and flowers for personal use, get well, sympathy, etc. These types of items should be paid for using contributions from department staff or with Foundation funds, if available. An allowable exception for the purchase of flowers would be purchases for campus events (e.g., convocation and commencement). Please contact Procurement if you have any questions concerning gift purchases.

Gift Cards/Certificates – purchase of any cash-like instrument with the P-card is strictly prohibited and will result in the immediate suspension of the P-card.

SUPPLIER CONTRACTS/AGREEMENTS:

Departments are not authorized to sign **any** supplier contracts/agreements regardless of whether the P-card is used or not. These must come to Procurement for review, approval and signature, including new software purchases and software renewals.

7.2 SPLIT PURCHASES

As stated in section 6.1, splitting a purchase to circumvent the \$5,000 single transaction limit is strictly prohibited and may result in loss of P-card privileges. Below are some questions that cardholders and supervisors can ask themselves to clarify whether the transaction would be considered a split purchase:

- Has the cardholder placed an order, by telephone or other means, for more than their per transaction limit and told the supplier to charge it in more than one transaction? (e.g., each night at the hotel was charged individually, but the total of all the hotel charges is greater than \$5,000).

If so, this would be a split purchase.

- Has the P-card supervisor authorized a purchase for more than the cardholder's per transaction limit?

If so, when the purchase is made, this would be a split purchase.

- Were the purchases made because of a request from one or more individuals (i.e., one or more faculty members)?

If one individual makes a request (e.g., two computers) and the order is placed for more than the cardholder's limit, it would be considered a split purchase. If more than one individual makes requests for the same type of purchase (e.g., each individual requests a computer), the transactions should be recorded separately. This would not be considered a split purchase.

- Were the purchases for like merchandise or components of a system (e.g., tee shirts, computer and printer)?

If the purchase was for like merchandise or appears to be components of a system, then it would be considered a split purchase.

8. CHANGES AND RENEWAL OF P-CARD

8.1 CHANGES IN CARDHOLDER INFORMATION & SURRENDER OF P-CARD

Cardholders are responsible for notifying Procurement if information changes. Cardholders shall complete a [P-Card Maintenance Form](#) upon any of the following changes:

1. Cardholder leaves UMBC (maintenance form is to be completed prior to their employment end date)
2. Cardholder changes department or campus address
3. Cardholder changes default chartstring against which P-card purchases are charged
4. P-card is lost or stolen
5. Cardholder name change – card must be issued in cardholder's legal name
6. Request in monthly credit limit
7. Extended absence of 30 days or more
8. Addition, removal, or change in proxy

8.2 CHANGE IN P-CARD SUPERVISOR

When removing and adding a new P-card supervisor please use the [P-Card Supervisor Maintenance Form](#). If the new P-card supervisor has never been a P-card supervisor before, they must complete the [P-Card Supervisor Agreement](#) before the submission of the P-Card Supervisor Maintenance Form. The new supervisor must also go through P-card training.

8.3 RENEWAL

The P-card will expire after a four-year period. Upon expiration, a replacement card will be sent by US Bank to Procurement. Procurement will contact the cardholder to pick up their new card. Cardholders will be required to sign for their new card (photo ID is required). If the P-card is sent directly to the cardholder, it must be brought to Procurement before use.

8.4 CLOSING AND SUSPENDING P-CARDS

Cardholders or P-card supervisors must notify the PCPA by completing a [P-card Maintenance Form](#) if they intend to take extended leave (e.g., not conducting University business) for a period of thirty (30) days or more. During this period the P-card will be temporarily suspended and reinstated when the cardholder returns to UMBC. If the extended absence is not planned, the P-card supervisor (for the cardholder) or the applicable Dean/Director/Department Head (for the P-card supervisor) must notify the PCPA of the absence as soon as possible by completing the [P-Card Maintenance Form](#) or the [P-Card Supervisor Maintenance Request](#) (whichever applies).

The P-card remains the property of US Bank and must be destroyed upon **end** of employment or upon request for any reason by the PCPA(A), Dean, Director or Department Head.

9. P-CARD DOCUMENTATION

9.1 TRANSACTION LOG

Per GAD's regulations, all transactions must be recorded on a cardholder transaction log. For your convenience, all cardholders have access to an automated, online transaction log in PeopleSoft. The PeopleSoft log pulls transactions directly from US Bank, as well as from the information entered during the reconciliation process (e.g., detailed purchase description, chart string, project, etc.). The automated PeopleSoft transaction log satisfies the GAD requirement that all cardholders maintain a log of all purchases. For more information regarding the automated log, including a step-by-step guide to accessing this report, please review the [P-Card Reallocation Guide](#).

The transaction log must be downloaded as a PDF and included in the monthly reconciliation process. Detailed purchase descriptions and chartstrings must be updated/added by the close of the accounting period (usually the 20th of the following month). We advise updating/adding the detailed purchase descriptions and the chartstring information as your purchases post to PeopleSoft, usually a day or two after the transaction is made.

Many transactions default to an automatic, vague description from US Bank, sometimes a series of letter or numbers while other transactions contain no descriptions. These default descriptions are not sufficient for review/auditing purposes and must be changed to a detailed description of the purchase at the time of reconciliation.

Cardholders who have not approved their charges by the 20th of the following month will no longer see them as staged on the PeopleSoft Bank Statement as these charges will have been moved over to the General Ledger using the default chartstring.

If there is no P-card activity during the month, the cardholder must still run and download a PeopleSoft report for that month showing no transactions for the given period. The cardholder or P-card supervisor must upload the "No Transaction" PeopleSoft log to the Cardholder's assigned Box folder.

Every cardholder's transaction log, and those indicating "No Transactions", must be reviewed, reconciled against the bank statement, and uploaded by the cardholder or P-card supervisor each month and retained in the cardholder's assigned Box folder.

Failure to comply with the transaction log requirements may result in disciplinary action, including but not limited to, revocation of your P-card and termination of employment.

9.2 SUPPORTING DOCUMENTATION FOR PURCHASES

Every P-card transaction must be supported with appropriate documentation. The documentation should detail what was purchased, when it was purchased, and that the P-card was the method of payment.

Acceptable documentation shall include the itemized P-card charge/credit slip or one of the following:

Itemized Sales Slip	Itemized Repair Order
Seminar Registration Form	Itemized Cash Register Receipt
Itemized Hotel/Motel Receipt	Membership/Dues Renewal Form

Cardholders must make every attempt to obtain the appropriate documentation for their transactions. If the cardholder determines that the appropriate documentation was not received from the supplier, it is the cardholder's responsibility to contact the supplier and request that the appropriate documentation be provided. If, after a reasonable attempt to obtain documentation the cardholder still does not have the appropriate supporting documentation, the cardholder should include with the transaction log either a [Missing Receipt Form](#) or a memorandum documenting their attempts to comply with the documentation requirements.

USM Internal Audit requires enhanced documentation for any P-card purchase made through third-party suppliers such as PayPal, Venmo, Square, etc. Transactions must be supported by an itemized invoice or contract that includes the person/supplier paid and what services/products were purchased in addition to the paid receipt. All purchases using a third-party payment processor will be subject to additional review.

Failure to comply with the supporting documentation requirements may result in disciplinary action, including but not limited to, suspension of your P-card and termination of employment.

9.3 RETENTION OF STATEMENTS AND RECEIPTS

Campus Departments/Units are instructed to maintain transaction logs, receipts and statements for four (4) years after fiscal year end or until audited, whichever comes later. Refer to the [Records Retention Schedule](#) for audit dates. Records should be kept securely in the cardholder's assigned Box folder.

Keep in mind other federal or state regulations (e.g. HIPPA or FERPA) that would address document retention. If the records are grant/contract related, the grant/contract documents dictate the record retention requirements ([see Electronic Code of Federal Regulation-200.333 Retention Requirement for Records](#)).

For reconciliation and audit purposes, departments must retain and upload into assigned Box folders on a monthly basis the following items:

- Transaction Log
- [Monthly Reconciliation Form](#)
- Receipts/Packing slips/etc.
- VISA Statement
- Evidence of allocation/reallocation (i.e., PeopleSoft P-card Report)
- [Inventory Addition Form](#) (if applicable)
- [US Bank Cardholder Dispute Form](#) (if applicable)
- [Missing Receipt Form](#) (if applicable)

The above forms are located at <https://procurement.umbc.edu/p-card/>.

9.4 MONTHLY STATEMENT

A monthly VISA statement will be generated by US Bank every month showing the charges processed during the billing cycle. The billing cycle normally begins on the 26th of each month and ends on the 25th, unless these days are affected by bank holidays or weekends. The monthly statement is to be retrieved by the cardholder via US Bank's website each month. If no charges were processed during the billing cycle, US Bank will not generate a statement.

The *VISA* statement each cardholder receives is a memo statement, meant to facilitate the required reconciliation process. It is not a request for payment. All charges shown on the statement have already been paid by the State. The statement must be reviewed by both the cardholder and the P-card supervisor and uploaded to the cardholder's assigned Box folder.

Failure to comply with the monthly *VISA* statement review requirements may result in disciplinary action, including but not limited to, suspension of your card and termination of employment.

9.5 P-CARD REPORTS

The P-card report is available in PeopleSoft. You can find it in the Campus WorkCenter in PeopleSoft. Follow instructions in the [P-Card Reallocation Guide](#), starting on page 27.

10. RECONCILIATION INSTRUCTIONS

All cardholders are required to complete monthly reconciliations between the PeopleSoft transaction log, supporting documentation and the VISA statement and then upload those documents to their assigned Box folder. Please see [Monthly Certification Form Instructions](#). Once completed by the cardholder, the monthly reconciliation form will route to the P-card supervisor via DocuSign for review and approval. The cardholder reconciliations and supervisory review must be completed within 30 days after the end of the billing cycle.

Failure to complete the reconciliations in a timely manner or failure to complete the supervisory review processes may result in disciplinary action, including but not limited to, suspension of your P-card and termination of employment.

10.1 RECONCILING TRANSACTION LOG AND SUPPORTING DOCUMENTATION

Cardholders must ensure they have supporting documentation for each entry on the transaction log. If any of the required documentation is missing, cardholders must contact the applicable supplier to request a copy via email or mail **before the monthly reconciliation can be considered complete**.

If, after a reasonable attempt to obtain documentation, the cardholder still does not have the appropriate supporting documentation, cardholder should include with the transaction log a [Missing Receipt Form](#).

10.2 RECONCILING VISA STATEMENT AND PEOPLESOFT TRANSACTION LOG

Cardholders must reconcile their monthly VISA statement with their transaction log as follows:

1. Compare the VISA statement to the transaction log and **identify those transactions on both the log and the statement**. Ensure there is appropriate documentation to support both purchase and receipt of the item. File the supporting documentation with the statement and log.
2. Compare the VISA statement to the transaction log and **identify those transactions on the statement but not on the log**. Review logs from prior months to ensure the transaction was recorded. Ensure there is appropriate documentation to support both purchase and receipt of the item. If the transaction had never been recorded and you believe it was charged to your account in error, contact US Bank to report that directly to them. If the P-card is closed, and replacement P-card issued, please notify PCPAA so your profile in PeopleSoft can be updated.
3. Compare the VISA statement to the transaction log and **identify those transactions on the log but not on the statement**. Those transactions will be reconciling items and should appear on a future statement(s).

10.3 RECONCILING PEOPLESOFT P-CARD REPORT AND VISA STATEMENT

Cardholders must reconcile the monthly VISA statement with the total charges posted on the PeopleSoft P-card Report for the applicable chartstring(s) via PeopleSoft P-card Report. This reconciliation will verify that P-card allocations were charged against appropriate chartstrings. PeopleSoft must be used to access PeopleSoft P-card Reports, which are required to complete this reconciliation.

When you use PeopleSoft P-card for allocating/reallocating charges throughout the month, the charges will appear on the P-card Report under the chartstring/account to which you have designated them.

PeopleSoft P-card Reports showing the charges for the month must be uploaded to your assigned Box folder for that month's cycle. If no charges are posted for the month, print the P-card report in P-card Suite showing no transactions and upload this report into your assigned Box folder for that month's cycle.

11. SUPERVISORY REVIEW

P-card supervisors must review their cardholder's transaction log and documentation every month. The P-card supervisor is responsible for ensuring:

1. The cardholder completed a valid reconciliation
2. Purchases were within guidelines established for the P-card program
3. All charges were reasonable, necessary, and further the business of the State
4. Appropriate supporting documentation is included for every purchase, including the description of the item(s) purchased and the business purpose
5. Ensure any gifts, incentives, or rebates as a result of a P-card purchase are turned over to the University and are used for University business
6. The amount charged to the departmental chartstring per P-card transaction log agrees to the reconciled VISA statement
7. When necessary, Journal Entries (JE's) were properly prepared and submitted to accounting
8. No P-card charges appear on P-card transaction log for months the cardholder stated to have no transactions, and no VISA statement was generated
9. Inventory Addition form was submitted for sensitive equipment

When the P-card supervisor has completed the above review procedures and is satisfied with any follow-up actions taken by the cardholder, the cardholder will submit the [Monthly Certification Form](#), and it will route to the P-card supervisor via DocuSign. By completing the Monthly Certification Form, the cardholder and P-card supervisor certify that the purchases shown match the corresponding VISA statement and comply with the current UMBC and Maryland State P-card regulations, policies and procedures are supported with appropriate documentation, and either agree with the corresponding VISA statement or are identified as a reconciling item.

Note: Failure of the P-card supervisor to complete these duties will result in disciplinary action up to and including dismissal from State service. The P-card supervisory review is the first line of defense against P-card fraud. Please take your role seriously and review all documentation.

11.1 SUPERVISORY MONTHLY P-CARD GAD CERTIFICATION

GAD, which is responsible for issuance and administration of the statewide Corporate Purchasing Card Program, requires that all state agencies provide additional oversight to ensure that the policies and procedures documented in the P-Card Manual are followed. P-card supervisors are required to notify the PCPA either by written memorandum or e-mail if **any** of the following conditions apply:

1. All P-card transactions made during the monthly reporting period that **do not** comply with State regulations
2. All transactions that have **not** been approved by P-card supervisory personnel
3. All transactions that have **not** been reconciled to the cardholder's statements

This information must be forwarded to the PCPA by the 25th of the month following cycle closing in order For UMBC to comply with GAD's requirement to notify the State of any UMBC card policy and/or procedure exceptions. Each month the PCPA(A) will send all P-card supervisors an e-mail reminding them of the notification process if the conditions above apply. Unless the PCPA receives written notification from the P-card supervisor, the PCPA will assume that the P-card supervisor has reviewed all the charges and reconciliation for the month and has completed the monthly reconciliation form certifying that all charges are within the Policies and Procedures of the P-card program.

12. REVIEWS OF P-CARD TRANSACTIONS

In addition to the monthly reviews by the P-card supervisor, reviews of each cardholder's records (e.g., Cardholder transaction log, receipts, and reconciled statements) may be performed by MAS, Financial Services and Procurement. Audits may be conducted by the University System of Maryland, the State of Maryland and the Federal Government.

The purpose of these reviews and audits is to ensure compliance with all the guidelines, policies, and procedures governing this program. These guidelines are derived from the State of Maryland, UMBC, and US Bank.

A pattern of non-compliance with the policies and procedures of the program will result in revocation of the P-card.