



UBC Purchase Card (PCard) Program Handbook

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Table of Contents

Introduction	3
UBC Purchase Card (PCard) Process	4
Contacts for the Purchase Card Program.....	5
Scotiabank Customer Service (Scotiabank Call Centre).....	5
Overview	6
To Obtain a Card	7
Card Types	8
Position and Duties	9
Using the Program	10
Restrictions:	10
Loss, Theft or Unauthorized Use of Purchase Cards	10
Liability	10
Ordering and Documentation	11
Ordering Outside of Canada	11
Pre-Authorized Payments (PRP)	12
Documentation	12
Lost Receipt	12
Declined Transactions	12
Disputed Items	13
Fraud	13
Reconciliation	13
PCard Statements	14
Ledgers.....	14
Payment.....	14
GST and PST	14
Changes to Card.....	15
Permanent Changes to VISA Limits	15
Card Violations.....	16
Department Review for Violations	16



Introduction

The **UBC Purchase Card (PCard)** Program is based on the world's most widely accepted purchasing card, Visa. It has been implemented to enable departments to make low dollar purchases and payments according to University purchasing policies and procedures. The program will significantly reduce costs associated with purchasing processes and accounting transactions as well as eliminating the need for personal fund expenditures, Requisition for Payments, petty cash or reimbursements.

The UBC PCard Program is intended to complement UBC's existing purchasing and payment guidelines. The UBC PCard incorporates controls over expenditures; these controls ensure that the program can be used only with specific types of vendors and within specific dollar limits.

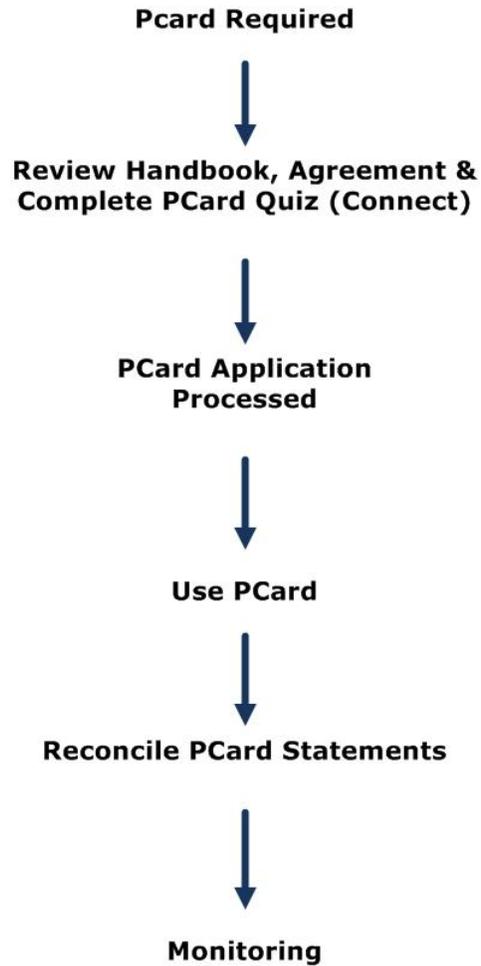
Cardholders are asked to use the card responsibly and carefully as they would their own personal credit card.

Benefits include:

- Flexibility to make low dollar value (<\$3,500) purchases from vendors, in person, by telephone, fax or the web without committing personal funds
- Fast financial reporting (same-month ledgers)
- Online reconciliation
- One invoice per month from the partnering bank (Scotiabank) for all University Purchase Cards
- Reduced vendor payment time and volume, allowing increased ability to negotiate more attractive contracts
- No-fee card acquisition and usage
- No personal credit checks.



UBC Purchase Card (PCard) Process





Contacts for the Purchase Card Program

UBC Procure To Pay Client Services staff (part of the department of Payment & Procurement Services) and a team from Scotiabank, are available to ensure that the program runs smoothly and adapts to the University's changing needs. We also help you manage your individual account in regards to lost cards, transactional inquiries, declines and disputes.

For further information please contact UBC Procure To Pay Client Services at info.pps@ubc.ca

Scotiabank Customer Service (Scotiabank Call Centre)

Scotiabank Call Centre representatives provide 24-hour (and 7 days/week) telephone support to individual cardholders. The number is 1-888-823-9657.

Customer Service Representatives duties:

- Provide general account information
- Activate new Cards
- Cancel Lost /Stolen Cards
- Process disputes
- Provide available balance information
- Issue replacement cards for any damaged cards
- Provide backup documentation for transactions
- Replace worn out/defective cards

To verify your identity when calling the Call Centre you will require your date of significance. You will receive your date of significance with your new PCard.



Overview

The purpose of the UBC Purchase Card (PCard) Program is to establish a more efficient, cost-effective method of paying for goods valued at \$3,500 or less. The program is designed to ensure timely payment to suppliers and to eliminate costly administrative processes (eg. petty cash). It also replaces the use of personal funds when acquiring goods for UBC business related activities.

This program is intended to purchasing procedures, including where preferred supplier agreements and/or contracts are in place. The UBC PCard should not be used for Travel, Entertainment and Accommodation expenses. UBC continues to use the American Express Card for its current Travel & Entertainment program. Coming soon, a new UBC Visa card is available if you are submitting claims for reimbursements through the Online Payment (Travel & Expense) Tool.

All cards are issued at the request of your VP, Dean, Director, or Department Head. Card usage will be audited and can be rescinded at any time. You are the only person entitled to use your card and as such all users must adhere to all UBC policies and purchasing procedures, including [Policy #122 – Purchasing](#)

The PCard is not for personal use.

You are responsible for the security of your card and the transactions made against your card.

This booklet provides the guidelines under which you may utilize your UBC PCard. **Please read it carefully.** Your signature on the Cardholder Agreement Form indicates that you understand the intent of the program and agree to adhere to the guidelines established for the program.

Record keeping will be essential to ensure the success of this program. This is not an extraordinary requirement – standard reimbursement policies require retention of receipts.

Finally, remember you are committing UBC funds each time you use the UBC PCard. This is a responsibility that cannot be taken lightly. You are asked to treat this program with the same sense of responsibility and security you would use with your own personal credit card.



To Obtain a Card

We recommend that you read this booklet in its entirety before requesting your UBC Purchase Card. The booklet provides information about the process, the types of purchases that can and cannot be made, who will accept the card, records that must be maintained and how to reconcile monthly as well as other needed information.

If your role or function requires you to make low dollar value purchases, you may be eligible to apply for a UBC PCard. A **permanent University employee** (full-time, part-time, or recurring term of regular employment status) can be a cardholder **if authorized by the VP, Dean, Department Head or Director of their Department.**

All Departments/Units requiring UBC Purchase Cards must have a designated Departmental Card Coordinator before the application can be processed.

To apply for a PCard, [complete the online Card Application](#)

You will be instructed to log into “Connect” eLearning. Please read the PCard Handbook and Agreement, complete the PCard quiz and confirm once the PCard quiz has been completed. To pass the quiz, you must obtain 100%. You must pass the PCard quiz before your PCard application can be processed. 3 attempts are allowed. If, after the 3rd attempt, you have not passed, you must wait 30 days before taking the PCard quiz again.

A default speedchart, FMS account code and Employee ID is required to fill in the form. The default speedchart should be one that the majority of transactions would be charged against and may be a departmental general purpose operating fund (GPOF), trust or research grant. In accordance to [UBC Policy #90 – Over-expenditure on Research and Specific Purpose Trust Projects/Grants](#), it is the department’s responsibility to ensure that the designated speedchart has sufficient funds to pay for goods or services ordered using the card. In addition, if a trust or research grant is designated as the default speedchart it is the department’s responsibility to ensure that the charge does not conflict with any grant, trust or special fund restrictions. Selection of the most commonly used FMS account code should be based on the types of transactions the cardholder intends to use the card.

Once the on-line data is complete, the application will be sent via email

The Departmental Card Coordinator must sign the application as well as the Dept Head/Dean/ VP/ Director. All applications can be emailed to info.pps@ubc.ca or sent to Procure To Pay Client Services via campus mail.



Card Types

The following types of cards are available through the PCard program to UBC faculty and staff:

Type of Card	Monthly Limit	Trans Limit	Where you can use the card
Purchase Card	15,000	3,500	All Vendors with exception of restricted vendors
Gas Card	2,500	200	Only gas stations
Purchase Card with Gas Card	15,000	3,500	All Vendors plus Gas Stations with exception of restricted - see page 9 for list of restricted vendors
Computer Card	15,000	10,000	ONLY Vendors for Computers, Stationery & UBC Bookstore

If the application is for a Computer Card or Gas Card, please state this in writing on the application.

If the application is for multiple cards and require embossing of information on the card to identify each one, this must be stated in writing on the application.

After the application(s) has been received it will be processed, cards should be made available within 5-7 working days.

The reverse of the card includes a space for the cardholder's signature. It MUST be signed as soon as the card is received to prevent unauthorized use.

Note on Activation: This card must be activated BEFORE it can be used. To activate the cardholder must call 1-888-514-2924 and enter a significant date and the reference number provided with your card. Information regarding this significant date will be included with your new card.



Position and Duties

	Departmental Card Coordinator	Individual Card Reviewer	Cardholder (Applicant)
Description	Card Coordinators must be approved by the VP, Dean, Department Head, and Director or designate. If the Cardholder and Department Card Coordinator are held by the same individual, monthly statements must be signed off by one-over-one.	To ensure the efficient operation of the Purchase Card program the cardholder may delegate specific responsibilities regarding reconciliation to another individual within the department. This is done by completing the Individual Card Reviewer Designation form.	Cardholders are ultimately responsible for any purchases under their PCard.
Role	<ul style="list-style-type: none"> Coordinates and manages the records for all department PCard cardholders If a Card Coordinator changes, notice must be given to Procure to Pay Client Services. To apply for the Card Coordinator designation you can apply online at the Purchase Card program website 	<ul style="list-style-type: none"> Delegated by the cardholder to reconcile the cardholder's account Used to delegate responsibility by the cardholder to reconcile the cardholder's account(s) within the department 	<ul style="list-style-type: none"> Reconciles own PCard statements Forwards records to Departmental Card Coordinator
Responsibilities	<ul style="list-style-type: none"> Ensure monthly statements and supporting/backup documentation are reviewed and approved for compliance with University policy and filed centrally, Ensure all submitted statements are signed and dated Coordinate the issuance, changes, cancellation and deletion of cards, in cooperation with Procure To Pay Client Services. Act as a primary departmental contact between their own department's cardholders and Procure To Pay Client Services. Notify Procure To Pay Client Services of any changes, issues and or discrepancies Monitor cardholder compliance with the program guidelines and procedures Determine reporting hierarchy for their department and ensuring accuracy of information Provide assistance to cardholder(s) on an ongoing basis Create a central filing system for statements including original receipts Maintain accurate records for audit purposes 	<ul style="list-style-type: none"> View transactions online for cardholder(s) Reconcile transaction (s) for cardholder (s) Print statement of account reports 	<ul style="list-style-type: none"> Review and Sign PCard statements for accuracy and completeness View transactions online within CentreSuite to verify authenticity and reallocate expenses to appropriate SpeedCharts and account codes, if required Attach receipts and submit the monthly statement with signature and back-up documentation to Departmental Card Coordinator for central filing Notify Scotiabank Call Centre immediately regarding lost or stolen cards Notify Scotiabank Call Centre immediately of any billing discrepancies posted on the monthly statement that cannot be resolved with vendor Return UBC PCard to the Departmental Card Coordinator and complete all outstanding reconciliations upon termination or change of employment, including transfers to another Department within UBC.



Using the Program

The UBC Purchase Card may be used at any vendor or supplier who accepts the VISA card throughout Canada, the US and Internationally.

You are responsible for the security of your card and each transaction made with your card. The card is issued in your name and it will be assumed that any purchases made with the card will have been made by you. A card used out of compliance with the guidelines established for this program will result in consequences, up to and including termination of employment.

The card is NOT to be used for ANY of the following purchases

Restrictions:

- Personal Purchases
- Cash advances or reimbursements
- Travel and entertainment expenses (e.g. transportation, accommodation and meals, including liquor)
- Donations
- Controlled substances – purchases are to be made through Strategic Sourcing for records and retention purposes
- Live laboratory/research animals – must be made through Animal Care Centre
- Maintenance contracts; Equipment rentals exceeding 30 days (leasing of equipment is prohibited)
- UBC departments, with the exception of UBC Bookstore where the card is accepted as a method of payment for departmental supplies
- Transactions over \$3500.00 - if transactions are over \$3500, a purchase requisition or PCARD Increase request is to be used

Loss, Theft or Unauthorized Use of Purchase Cards

Cardholders must inform Scotiabank at 1-888-823-9657 and the UBC Purchase Card Administrator immediately of loss, theft or unauthorized use of a UBC Purchase Card issued to him/her.

If any UBC Purchase Card is lost or stolen, cardholders have three days to contact Scotiabank. Departments will be liable for debts, including interest, up to \$50 resulting from their use, until VISA has been notified that the card has been lost or stolen. Departments using the UBC Purchase Card are responsible for any charges relating to their cards. Liability for charges rests with the department, not the individual cardholder.

Liability

This program does not impact your personal credit rating. A liability Waiver Insurance of \$100,000 CDN per card is automatically provided to each cardholder.



Ordering and Documentation

Verify whether or not the University has an established/contracted vendor for use in procuring the needed good or service.

For ordering information on vendors, go to [UBC Buy Smart](#) to view the Supplier List page.

Ordering can occur in person, online or via phone. When ordering over the internet ensure you are on a secure site. To know if a site is secure there will need to be a closed padlock on the status bar located at the very bottom of the web browser.

When ordering, inform the vendor you are ordering with your UBC Purchase Card. Give your name as it appears on the card.

If the vendor requests a billing address the vendor is trying to match the information on file at the bank with the information the cardholder gives. The exact billing address is based on your original application form.

When placing an order please ensure the following information is given to the vendor:

- Full name as it appears on card
- Contact phone number
- Bill to/ Sold to should be cardholders address
- Balance for amount due should show as 00.00
- Paid by VISA on invoice – to avoid duplicate payment
- Please ensure you retain your original receipts for monthly statement reconciliation

It is strongly recommended that the vendor use the last six digits of your card number, as a tracking/order reference number on the paid receipt.

The use of a transaction log is also recommended for keeping track of purchases. This form can be found at the Purchase Card program website under the ALL FORMS section.

Ordering Outside of Canada

If customs clearance is required, please contact Procure to Pay Client Services at info.pps@ubc.ca

When goods arrive at the border and a foreign vendor is not the importer of record, UBC is designated as importer and thus responsible for paying all duties and taxes to the government.

When placing orders the end-user must request that the vendor reference their speedchart on all documentation related to the purchase. This speedchart will be used to charge the end-user for any customs brokerage charges, duties and taxes associated with the purchase. Failure to reference the speedchart on the vendor's documentation may result in delays to the shipment.

When ordering items on dry ice or other perishable items, request the vendor to ship on a Monday or Tuesday. This will ensure the shipment can clear customs and be delivered before the weekend. Failure to do so may result in delays that could lead to spoiled goods.



If contacted by a company other than UBC Customs/Livingston (i.e. FedEx, UPS etc) requesting ability to clear goods for a department, refer the company to UBC Customs as only Livingston and UBC Customs clear for UBC.

Pre-Authorized Payments (PRP)

Once a cardholder completes a Pre-Authorized Recurring Payments (PRP) form, you have authorized the supplier to complete specified charges for the term of the contract. When you cancel a card prior to the end of a contract term, any existing recurring payments will continue to be charged to that card. By canceling the card, you have only prevented the authorization of new PRP agreements and purchases. To stop existing PRPs from appearing on a cancelled card, the cardholder must contact the supplier in writing and revoke authorization. At that time, the supplier should stop the charges. If charges do not stop you can dispute any charges that take place after you have revoked authorization.

Documentation

Every transaction must have a valid source document from the merchant. Following are some of the types of backup documentation that has been recommended by Internal Audit:

- Receipt or invoice incl. card transaction slip from merchant
- Packing slip with signed confirmation of goods received
- Order confirmation receipt (eg. for dues, subscription, registrations)

All source documents should include the following information:

- Merchant Name
- Date of Purchase
- Description and quantity of each item purchased
- Total cost of order
- Cardholder name

Lost Receipt

In the absence of original documentation please complete a Lost Receipt form which can be found at the PCard program website under ALL FORMS. Attach this form to the corresponding statement.

Note on Records Retention: Departmental Card Coordinators are required to designate filing space for UBC Purchase Card Statements for audit purposes. Records must be kept for seven (7) years (six plus the current year).

Declined Transactions

Some vendors have been blocked from usage in the program (Hotel, Airlines, Restaurants, etc). If you present your card to any of these vendors the transaction will be declined. It is likely that vendors you currently utilize as a source for products or services will accept your card. If you are declined and feel the decline should not have occurred, you may contact the Purchase Card program to determine the exact reason behind the decline. Please Note transaction and monthly limits are strictly enforced and you will be declined at point of sale if you attempt to purchase items that exceed those limits.



Other common reasons for a declined transaction:

- Billing address and information provided by cardholder does not match that on file with Scotiabank
- Vendor/merchant is incorrectly classified under a MCC (merchant category code) Code
- Vendor has incorrectly noted the card number and/or expiration date (Cardholder should verify)

Disputed Items

In the event of a discrepancy with charges on the VISA statement, cardholders should first attempt to settle directly with the supplier/merchant concerned. If the vendor is unable to assist, Scotiabank Call Centre can be contacted and asked to supply verification documentation or to investigate the matter.

Following is a list of possible reasons Scotiabank would need to be contacted:

- Do not recognize charge
- Paid for transaction through other means
- Billed for different amount than receipt shows
- Billed for merchandise/services not received
- Disputing quality of merchandise/service received
- Billed for cancelled service
- Returned merchandise with no credit received

Once the transaction is identified as not being valid, a formal dispute can be lodged. Cardholders have 60 days to dispute a transaction from the date the transaction was made. Scotiabank will investigate the matter and will contact cardholder with final resolution. Disputed amounts are credited once resolution occurs.

Fraud

For a transaction not authorized, disputing a transaction will cause a card to be cancelled, resulting in a new card for the cardholder.

The dispute process for a transaction not authorized involves the following steps:

- Step 1:** Cardholder contacts Scotiabank Call Centre 1-888-823-9657
- Step 2:** Cardholder must sign and fax back dispute form sent to them by Scotiabank
- Step 3:** New card is issued and arrives in Procure To Pay Client Services at Payment & Procurement Services
- Step 4:** Transactions that are determined to be fraudulent will be automatically removed from VISA bill.

Reconciliation

Each card has a default speedchart and account code which is assigned to each transaction made by that card. Payment of transactions will be automatically debited to those defaults unless otherwise specified by movement within Centresuite.

Departments are ultimately responsible for ensuring the UBC Purchase Card expenses are reallocated accordingly (if required).



The statement is available online for reconciliation purposes throughout the cycle which runs from the 16th of every month to the 15th of the following month. Cardholders can view their statement and make changes to their default speedchart and account code anytime within the monthly cycle as well as an additional 2 weeks at the end of each cycle. The cycle will close every month on the 25th and all transactions will be vouchered.

Follow these steps:

- Reallocate any transactions necessary to different speedchart or account
- Once all transactions have been verified print statement and attach documentation
- Sign PCard statement, attach backup documentation, and give all documents to your Departmental Card Coordinator.

PCard Statements

Cardholders will receive an automated email every month on the 19th indicating that their statement has been automatically run and should be printed off. The link in the email takes the cardholder directly to the Centresuite login page and once logged in redirects the cardholder to the page where the statement is obtained.

The PCard statement can be printed any time outside of the email, see Centresuite manual for instructions.

IMPORTANT – CentreSuite only holds transactional data for 16 months, ensure you print monthly statements in a timely manner.

Ledgers

In order to recognize a Purchase Card transaction in your ledger the following information will be shown

- Line Description field contains Bank of Nova Scotia for all VISA transactions
- The Header Description will have the vendor name.
- The Journal date refers to the Billing Cycle.
- Invoice ID refers to reference number corresponding to Merchant Ref number in VISA statement
- UBC reference number refers to the cardholder name and number

Payment

The VISA Purchasing program carries corporate not individual liability. A central billing statement from VISA will be paid by UBC. Payments will be charged to a central clearing account. After cardholder reconciliation, the appropriate department accounts will be debited.

GST and PST

Policies related to the GST apply for purchases made with the Purchase Card. The PCard program uses the UBC GST rebate factor of 67% in order to determine the amount of GST paid and process the appropriate GST rebate.

The PCard System has been set up to assume that:

- All Canadian purchases are GST 5% applicable.



- Foreign purchases are set to be GST non-applicable – for these purchases GST is assessed and paid at importation by UBC Customs.

Policies related to the PST apply for purchases made with the Purchase Card.

The PCard System has been set up to assume that:

- All Canadian purchases made in BC are PST 7% applicable.
- All Canadian purchases made outside of BC will be self-assessed by factoring in the PST content (using a conservative factor) with the exception of
 - companies who have been pre-identified to charge BC PST. The BC PST rate of 7% will be applied for these companies.
- Foreign purchases are set up to self-assess by factoring in the PST content (using a conservative factor)

If there are a significant number of purchases that are PST exempt, these will be captured by annual post audits and the necessary changes to the PST factor will be made to more accurately reflect this pattern.

Changes to Card

The following types of changes can be accomplished on the Purchase Card:

- Cancellation of card
- Address change
- Card suspension – on leave situations
- Default speedchart and/or account code change
- Change type of VISA (i.e. computer card)
- Temporary Transactional increase
- Temporary Monthly increase
- Permanent Increases – see below

Use the form labeled Purchase Card Request Change at the UBC Purchase Card program website under ALL FORMS.

Permanent Changes to VISA Limits

All permanent increase requests must clearly demonstrate an ongoing need for a higher threshold and must be accompanied by justification. For example labs, units or individuals who consistently require transactions exceeding the standard single purchase limit of \$3,500 may be candidates for higher threshold considerations. Increase requests must be submitted well in advance of desired approval date. Permanent changes to the limits on a PCard must be justified as well as have supporting documentation including historical spend. The Purchase Card program was intended for transactions of \$3,500 or less. Any exceptions to this rule must be supported by proper justification.

Please use the [Change Request Form](#) to request limit increases.



Card Violations

UBC Purchase Card is entrusted to individuals in accordance with the procedures outlined in the UBC Purchase Card agreement. Individuals are required to immediately bring to the attention of both the Card Coordinator and the UBC Purchase Card Administrator, any misuse or unauthorized use of the UBC Purchase Card.

Failure to adhere to UBC Purchase Card procedures constitutes misuse of University property and may result in the cancellation of the UBC Purchase Card and also result in disciplinary action. Procure To Pay Client Services reserves the right to remove all cards at an individual or departmental level for non-compliance.

Department Review for Violations

Specific violations may result in the cardholder receiving a written warning. Three warnings within one calendar year can cause the card to be cancelled. The following violations can cause the audit process to begin:

- PCard used to purchase restricted items including personal purchases
- Repeatedly late with submitting PCard statement in timely manner to Department
- Repeated missing backup documentation
- Repeatedly splitting transaction (single item costs more than transaction limit)
- Repeatedly missing correct signature on VISA statement
- Not reporting a lost or stolen card

The following steps may be taken if there are violations found:

- 1st violation – warning
- 2nd violation – 6 month card suspension
- 3rd violation – card cancelled

Continuous monitoring of all UBC Purchase Card transactions will apply to all cardholders. Please ensure all original documents are available upon request and central filing records within your Department are kept up to date.