



# **State Procurement Card Guidelines**

## **Citibank Visa**

# Table of Contents

I.	<b>Program Overview</b> .....	2
II.	<b>Who Receives A Procurement Card</b> .....	2
III.	<b>Application Process</b> .....	2
IV.	<b>Purchasing with the Procurement Card</b> .....	2
	A. Dollar Limits	
	B. Responsibility of Procurement Cardholders	
	1. Required Purchasing Practices	
	2. Placing Your Order	
	C. Examples of Authorized Purchases	
	D. Restricted Items	
	E. Fiscal Year Restrictions	
	F. Account Reconciliation	
	G. Online Reconciliation and Certification	
	H. Departmental Approval of Procurement Card Transactions	
V.	<b>Questioned Items &amp; Returns</b> .....	6
	A. Cardholder Responsibilities	
	1. Sales Tax	
	2. Returns and Credits	
	3. Items Not Received	
	4. Disputes	
	B. Citibank Responsibility	
VI.	<b>Lost or Stolen Procurement Card</b> .....	7
	A. Cardholder Responsibility	
	B. Citibank Responsibility	
VII.	<b>Liability</b> .....	8
VIII.	<b>Suspension of Procurement Card Privileges</b> .....	8
	A. Misuse or Abuse of the Card	
	B. Fraudulent Use of the Card	
	C. Employee Separation	
	D. Updates and Changes to Account Information	
IX.	<b>Audits of Individual Accounts</b> .....	10
X.	<b>Key Contact Information</b> .....	10

## I. Program Overview

The purpose of the state-funded Citibank Visa Procurement Card is to establish a more efficient and cost effective method of purchasing and payment for small-dollar purchases. The PCard enables cardholders to make authorized purchases directly from a supplier without processing the traditional paperwork. Cardholders can make purchases of \$4,999 or less per transaction.

The cardholder is not billed directly for the charges, but is responsible for recording their purchases, viewing and printing their monthly statement of account activity from Citibank's website and reconciling their monthly transactions in an online reconciliation system. New York State is liable for all authorized charges made using the PCard.

**Note:** Travel related expenses such as meals, lodging, airfare, and car rentals are not allowed on the Citibank Visa Procurement Card.

## II. Who Receives a Procurement Card?

Departments will identify employees who are to receive a PCard. PCards are issued to individuals. It is important to ensure that each person receiving a PCard is familiar with state procurement procedures and policies.

Each cardholder is responsible for verifying all charges associated with the department's specific state account number. Only authorized purchases are permitted. Any employee who makes unauthorized purchases is subject to appropriate disciplinary action.

## III. Application Process

To obtain a PCard, complete and submit a [State Procurement Card Application Form](#). The applicant will be contacted to schedule a training session prior to release of the card. One default state account number will be assigned to the PCard. Additional state account numbers can be assigned to the PCard. Instructions are provided to the cardholder for processing alternate state account charges. PCards take approximately 3 weeks to arrive.

## IV. Purchasing With the Procurement Card

### A. Dollar Limits

An individual transaction cannot exceed \$4,999. Orders should not be split in order to facilitate use of this card. Each department may impose additional monetary limits on the card at their discretion.

### B. Responsibility of State Procurement Cardholders

When an employee receives a PCard, they will also receive a [State Procurement Card Order Form](#) or a [State Procurement Card Monthly Summary Log](#). The cardholder completes an Order Form or Summary Log each time they make a PCard purchase. Supervisory authorization may be set up at this point, at the discretion of the department heads.

It is mandatory that each cardholder use an Order Form, Summary Log or other demonstrated method of tracking to ensure consistency with the documentation associated

with the use of the PCard. This documentation has several uses: (1) to verify all purchases; (2) to audit a specific PCard; (3) to reconcile a reported billing discrepancy (4) to document purchase authority (5) to track all card activity (6) to record receipt of items.

- **Required Purchasing Practices:**

- Do not give your PCard or account number to anyone other than the supplier from whom you are making the purchase. **Do not share your PCard number with anyone** else in your department.
- Use of the PCard is strictly limited to the purchase of goods and services for official state use. Do not use this PCard for personal charges. Such improper use will subject the employee to disciplinary action.
- If the item is available on state contract, it should be purchased from the identified supplier, a preferred source or a Minority or Woman-Owned Business Enterprise (MWBE) supplier. This information is available by calling the Purchasing Department at 645-2676.
- If the item is not available on state contract, the cardholder should be able to substantiate the reasonableness of price.
- If your purchase will exceed the single transaction limit, then do not split your order just so that you can use the PCard. Orders over the transaction limit should be placed via electronic requisition (eReq).
- Funds must be available at the time of purchase.

- **Placing Your Order:**

Orders may be placed by phone, fax, online, or in person.

- Complete a [Procurement Card Order Form](#) or [State Procurement Card Monthly Summary Log](#).
- Identify yourself as a University at Buffalo employee.
- Notify the supplier that you are using the Citibank Visa Procurement Card and verify that they accept it.
- Notify suppliers that the purchase is tax-exempt and provide the NYS tax-exempt number (**14740026K**) or [tax-exempt certificate](#) if necessary. Only do business with vendors who can accommodate our tax-exempt status.
- Identify the item and provide a **complete description** and **business purpose**. If available, use the item number as shown in the catalog, manufacturer's name and model number.
  - a. Provide the exact quantity and ask for the full dollar amount of each item. If using the Order Form, enter this in the "Unit Price" column.
  - b. Ask if there will be any additional charges for shipping. If so, add additional charges to the Order Form or Summary Log.
  - c. Total the amount of the purchase.
- Give the supplier your name as it appears on the card, the account number and the card expiration date.
- All merchandise and related invoices need to be sent directly to the ordering department.

- Receipt of merchandise should be documented on the Order Form or Summary Log.
- Attach original receipts to the form or log, and retain in the department for 6 years plus the current year.

**Note:** If making your purchase in person, obtain an itemized receipt, in addition to the credit card receipt, and check the credit card receipt to insure accuracy before signing.

### C. Examples of Authorized Purchases (up to \$4,999):

- ❖ Registrations for conferences and seminars
- ❖ Subscriptions and memberships
- ❖ Items on a centralized commodity state contract
- ❖ Repairs of equipment not covered by a maintenance contract
- ❖ Books
- ❖ Supplies and materials
- ❖ Equipment
- ❖ Film processing
- ❖ Postage
- ❖ Printing
- ❖ Advertising (Graystone, newspaper, journals, and online sites)
- ❖ Shipping charges (UPS, Federal Express, etc.)
- ❖ Approved trademark items
- ❖ Online purchase of any of the above
- ❖ Justified food and beverages purchased within the university's Food and Beverage Guidelines with documentation

### D. Restricted Items:

- ❖ **Travel and entertainment (e.g. airline, car rental, taxis, shuttles, parking, lodging, restaurant dining, etc.)**
- ❖ **Flowers, greeting cards**
- ❖ **Personal celebrations and gifts of sentiment (e.g. birthdays, retirements, etc.)**
- ❖ **Staff morale and recognition**
- ❖ **Gift certificates, gift cards, stored-value card**
- ❖ **Recognition gifts**
- ❖ **Gasoline**
- ❖ Personal use
- ❖ Alcoholic beverages, coffee service, etc.
- ❖ Food purchases that do not fall within the [UB's Food and Beverage Guidelines](#) (e.g. employees engaged in routine business meetings or celebration)
- ❖ Orders exceeding the \$4,999 limit – use traditional purchasing methods
- ❖ Items purchased separately that when purchased together would exceed the \$4,999 limit (split ordering)
- ❖ Maintenance agreements
- ❖ Cash advances, cash back on purchases, cash refunds on returns
- ❖ Controlled substances (e.g. narcotics and prescription drugs)
- ❖ Live animals, radioactive materials, specialty gases and cylinder rentals
- ❖ Any material, agent, or toxin identified as a Select Agent or Toxin by U.S. government regulations
- ❖ When a written agreement needs to be signed by a representative of UB

- ❖ Contracted services from an individual
- ❖ Leases, insurance
- ❖ Unapproved trademark items

All purchases are limited to official state use and must be reasonable, rational and cost effective. To be allowable and allocable, the purchase must relate to the program purpose. As a state university, good responsible stewardship of public funds requires particular sensitivity in this area. All activity is subject to periodic audit to monitor compliance with policies and procedures governing this program. Improper use could lead to suspension of privileges.

#### **E. Fiscal Year Restrictions**

Before placing an order, ensure funds are available in your account. PCard privileges will be suspended at the end of the fiscal year if a budget is not in place. We advise the cardholder to use the PCard judiciously as the end of the fiscal year approaches. Funding will not be available to cover any charges appearing in a new fiscal year until a budget has been passed. In the event UB is not able to pay Citibank promptly, UB will have to pay interest for charges that appear on the account (after PCard suspension has been enacted), in accordance with the terms of the corporate credit card contract.

#### **F. Account Reconciliation**

Cardholders are required to register with Citibank to access and print online statements of cardholder activity by going to <https://home.cards.citidirect.com>. The UB Procurement Card Administrator will provide further instructions about registration at the appropriate time. Cardholders should only accept charges for goods and services that the supplier has delivered.

- A Citibank email notification is sent on or about the 6<sup>th</sup> of each month to cardholders who had activity during the billing cycle. This is a routine alert that the billing cycle closed and a statement is available.
- The cardholder must review and print the Citibank statement and reconcile each transaction with the Order Form or Summary Log and receipts. Complete this verification within 5 business days of the email notification from Citibank.
- An additional reconciliation needs to be completed in the online reconciliation system. An email notification is sent to all cardholders from the UB Procurement Card Administrator when activity is available for reconciliation.
- The reconciliation must be completed by the end of the month.

#### **Your monthly review:**

- Attach receipts to the back of the completed [Order Form](#) or [Summary Log](#). If you received multiple receipts for one transaction, then staple them together and attach to the Order Form or Summary Log. The original transaction total should equal the cumulative total contained on the receipts.
- Identify any charges for sales tax as a credit pending.
- Contact the supplier if a charge appears on your Citibank statement for an item ordered, but not received. Credits appear on the Citibank statement for any returns. Suppliers should not submit charges to Citibank until the goods have shipped. If you cannot resolve the matter with the supplier, follow the process for disputes.
- Report any unauthorized transactions to Citibank for dispute.

- Reconcile and certify your account in the online reconciliation system by the end of the month.

## **G. Online Reconciliation and Certification System**

PCard accounts are reconciled in an online system accessible through SUNY's website, [www.suny.edu](http://www.suny.edu). The UB Procurement Card Administrator will provide instructions to the cardholder on how to log in to the system and how to use it to reconcile and certify PCard activity.

## **H. Departmental Approval of Procurement Card Transactions**

Monthly review and approval of all cardholder transactions takes place by assigned departmental personnel, preferably a supervisor. Unless otherwise specified, this is assigned to the supervisor listed on the cardholder authorization form. **The reviewer must sign and date the top of the hard copy of the monthly statement printed by the cardholder.** Read-only access to Citibank's website can be granted to department administrators. In accordance with the internal control responsibilities of state agencies, all transactions must be reviewed and approved for appropriateness.

If the reviewer does not agree with the monthly statement, the cardholder should be asked to verify the documents and explain the reason for any discrepancy. Supervisors must inform UB's Procurement Card Administrator of any transfer or termination of a cardholder or the transfer or termination of the designated reviewer. All original documentation needs to be retained by the department for a minimum period of 6 years plus the current year.

## **V. Questioned Items & Returns**

### **A. Cardholder Responsibilities**

If an item is returned to the supplier, if the supplier charges sales tax, or if a credit is due, then the cardholder must request that the supplier issue a Citibank Visa credit. Cash cannot be accepted to resolve a credit situation.

#### **1. Sales Tax**

The university is tax-exempt. If a charge for sales tax appears on the Citibank statement, the cardholder should contact the supplier directly to arrange to have this charge reversed. Ask the supplier to credit your account for the sales tax charged and note the pending credit on a [Credit Pending Form](#) and attach the documentation showing the request for a charge reversal. Citibank will not assist with sales tax issues.

#### **2. Returns and Credits**

Document all credits and returns on the [Credit Pending Form](#) and file in your pending file for reconciliation of the next statement.

To make a return, contact the supplier directly to determine the proper return procedures. Any credits issued will appear on a subsequent Visa statement.

### 3. Items not Received

If a charge appears on your Citibank Visa statement for an item ordered but not received, contact the supplier to resolve the matter. Suppliers should not submit charges to Visa until goods have been shipped.

**Note:** If you cannot resolve any of the above matters with the supplier with the exception of sales tax, follow the process for disputes. If you intend to dispute a charge, you must report the unauthorized transaction to Citibank within 60 days.

### 4. Disputes

If the cardholder cannot resolve a dispute with a supplier or if there is a charge that is unauthorized or unrecognized on the Visa statement, then the cardholder must initiate a dispute with Citibank Visa within 60 days of the transaction appearing on the statement. Print, complete and fax a dispute form to Citibank Corporate Services at (605) 357-2019. For additional assistance, contact the UB Procurement Card Administrator at 645-2676. If your PCard was compromised, contact Citibank immediately to review recent activity at 1-800-248-4553.

#### Steps to Initiate a Dispute:

1. Log on to Citibank at <https://home.cards.citidirect.com> to view the cardholder statement.
2. Select the statement containing the transaction.
3. Select the transaction.
4. Click on the dispute button at the bottom of the page to access the dispute form.
5. Complete the dispute form and click on the submit dispute button.
6. Print, sign and fax the dispute form to Citibank as noted on the form and keep a copy with your PCard file. Once disputed, the item will note that it is disputed in the status area. The bank will review the dispute and investigate the charge.

**Note:** All transactions must be reconciled and certified in the online reconciliation system pending any credits.

### B. Citibank Visa Responsibility

Citibank will issue a credit to the cardholder's account and process the appropriate chargeback for all questioned items resolved in favor of the state agency.

## VI. Lost or Stolen Procurement Card

### A. Cardholder Responsibility

Report any lost or stolen PCards immediately to Citibank Customer Service at 1-800-248-4553 **and** to the UB Procurement Card Administrator at 645-2676. Citibank issues a replacement card only after the UB Procurement Card Administrator is notified. When contacting the bank, be prepared to give your name exactly as it appears on the face of the



card, the account number, the card's expiration date and a brief explanation surrounding the loss.

**Note:** Failure to comply with this notification process could result in the cardholder becoming personally liable for the fraudulent use of the card.

## **B. Citibank Visa Responsibility**

Citibank will take immediate action to cancel the card reported lost or stolen. Citibank will initiate steps to issue a replacement card as soon as possible. The replacement card is sent directly to UB Procurement Card Administrator.

## **VII. Liability**

New York state will be initially liable for all charges to the PCard except for fraudulent use of the card by a supplier or an employee, those in excess of single per transaction limits, and any other limits imposed by participating state agencies.

While New York state will be responsible to Citibank for all employee charges associated with the PCard, the cardholders themselves will be responsible to reimburse New York state for any charges incurred because of misuse or fraudulent use of the card.

New York state will not be liable for any charges incurred by non-employees. Therefore, **it is important to report, immediately, any lost or stolen PCards** to Citibank and the UB Procurement Card Administrator. Section VI – A contains the information necessary to report this loss. Failure to comply with this notification process may result in the cardholder becoming personally liable for the fraudulent use of the PCard.

## **VIII. Suspension or Cancellation of Procurement Card Privileges**

Any misuse or abuse of the card may lead to a suspension or cancellation of all PCard privileges. Failure to reconcile PCard activity as noted in these guidelines may lead to a suspension or cancellation of all PCard privileges. PCard usage is closely monitored and audited for compliance. The UB Procurement Card Administrator authorizes all requests for suspension or cancellation.

Citibank may also suspend card privileges whenever they suspect possible unauthorized use. This is a pre-emptive measure to reduce exposure to fraud. Citibank will attempt to notify the cardholder via phone or email.

### **A. Misuse or Abuse of the Card**

The term "misuse or abuse" means use of the PCard outside the employee's authorized parameters, such as:

- charges in excess of the permitted limit
- split-ordering
- purchases of unallowable items
- accidental personal charges
- failure to reconcile as noted within these guidelines
- failure to report card lost or stolen
- sharing the PCard or the PCard number with another person

Depending on the severity of the violation, the following actions may be taken:

**1<sup>st</sup> Offense:** Both the cardholder and the cardholder's supervisor will be notified of the infraction. The cardholder will be advised to use the PCard for official purposes only, reconcile as required and use within the parameters established by NYS and Citibank. The cardholder will also be advised that all PCard privileges will be suspended if further violations occur. The cardholder will be personally responsible for reimbursing the state for using the PCard outside authorized parameters or unauthorized purchases.

**2<sup>nd</sup> Offense:** All PCard privileges will be suspended for a period of 3 months. The cardholder's supervisor and the Director of Purchasing will be notified of this violation and subsequent suspension of privileges. At the end of the three-month period, the cardholder's supervisor may elect to reinstate the cardholder's privileges, with the approval of the Director of Purchasing. The cardholder will be personally responsible for reimbursing the state for any charges outside of authorized parameters or unauthorized purchases.

**3<sup>rd</sup> Offense:** Use of the PCard will be cancelled permanently. The cardholder will be personally responsible for reimbursing the state for any purchases made outside of authorized parameters or unauthorized purchases.

**Note:** Departments may implement further departmental disciplinary action.

## **B. Fraudulent Use of the Card**

The term "fraudulent use" means the use of the PCard with a deliberately planned purpose and intent to deceive and thereby gain a wrongful advantage for oneself or anyone else other than New York state.

The following actions will be taken:

- Immediate suspension of card privileges
- Removal of cardholder's purchasing authority
- Mandate employee reimbursement to the state
- Formal disciplinary action that could result in termination of employment, pursuant to applicable contract provisions, or for Managerial/Confidential designated employees, in accordance with the provisions of [Section 75 of the NYS Civil Service Law](#).

## **C. Employee Separation**

If the cardholder leaves UB, the department head or cardholder must contact the UB Procurement Card Administrator to request a cancellation of the card. Once cancelled, the cut up card should be sent to the UB Procurement Card Administrator. The UB Procurement Card Administrator will instruct Citibank to cancel all PCard privileges for any cardholder who leaves university service. The cardholder should make all attempts to complete any outstanding reconciliation(s). The cardholder must contact any vendors to terminate all automated or recurring billings tied to the credit card. New York state will continue to be liable for any charges incurred by the cardholder until Citibank is directed to cancel the PCard.

## D. Updates/Changes to Account

The [Procurement Card Program Maintenance Form](#) should be completed and submitted to the UB Procurement Card Administrator to process updates to the account information. These updates may include cardholder name change, address change, state account number access or updates to the listed supervisor. Please contact the UB Procurement Card Administrator for additional assistance.

## IX. Audits of Individual Accounts

It is important to note that the agency issuing the card and the Office of the State Comptroller may elect to audit PCard accounts at any time. Performance of these audits does not require advance notice. Therefore, it is extremely important that all departments retain accurate records of all PCard transactions. Paperwork must be kept on file in the department for 6 years plus the current year.

## X. Key Contact Information

### UNIVERSITY AT BUFFALO

Procurement Card Administration  
Procurement Services  
224 Crofts Hall  
Buffalo, NY 14260  
Tel: (716) 645-2676 Fax: (716) 645-2687  
Web: [buffalo.edu/pcard](http://buffalo.edu/pcard)

### CITIBANK CUSTOMER SUPPORT

**Cardholder general inquiries** 1-800-248-4553 option 4

**Help desk support** — for website access problems to <https://home.cards.citidirect.com>  
1-800-790-7206, option 2 (7:00 am – 8:00 pm Mon-Fri EST)

**Fax cardholder dispute form** within 60 calendar days to 1-605-357-2019

### TO REPORT AND CANCEL LOST OR STOLEN CARDS:

**Call Citibank at 1-800-248-4553, option 4**

This number is available 24 hours per day, 7 days per week.

Immediately following this verbal notification, the cardholder must also report the lost or stolen card to UB Procurement Card Administration at 645-2676.