State of Arkansas
Office of State Procurement
P-Card Overview

Class Objectives

- What are P-Cards
- Benefits of P-Cards
- Cardholder Responsibilities
- Compliance/Review
- Non-Allowed Charges
- Declining Charges
- What is a MCC
- Sales & Use Tax
- Activating Your P-Card

- **Online Demonstration**

  Register your P-Card
  How to re-allocate transactions
  How to run reports and monthly statements

What are P-Cards

- **Visa cards provided by US Bank. These cards allow delegated employees to purchase goods, services for state entities, colleges and universities.**

- **Cards are issued in the employee's name and the employee is responsible for the security of the card(s) and the transactions on the card.**

- **All state agency employees MUST attend P-Card training before receiving a P-Card.**

- **The Purchasing Cards are for Official State Business Only.**

Benefits of using a P-Card

Time Savings

- Receive goods faster
- Online reporting capability
- State agencies issue one payment to US Bank at the end of the monthly billing cycle.

Increased Vendor Selection

- NO purchase order required
- Vendors get their money within 24-48 hours

Purchasing Control

- Per month spending limit
- Per transaction spending limit
- Access to account via the internet
- Specific categories of MCC (Merchant Category Code) are blocked

Cardholder Responsibilities

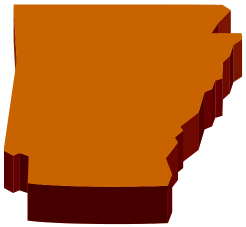
- **Activate card**
- **Register your card on https://access.usbank.com**
- **Re-allocate charges to proper cost centers, general ledger codes and add comments on transactions weekly.**
- **Obtain all original receipts and submit them in accordance with the Purchasing Card Guidelines.**
- **Monitor your account on a regular basis for any fraudulent charges.**
- **Lost or stolen card - the cardholder MUST contact US Bank immediately at 1-800-344-5696 and contact your agency liaison.**

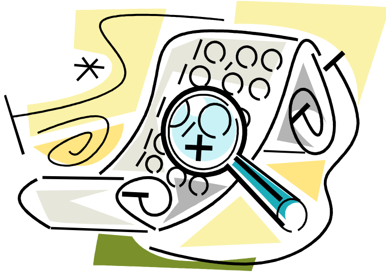
Cardholder Responsibilities (cont.)

- Arkansas State Procurement Laws and Office of Accounting Laws that apply to the requisition to purchase order process also apply to the use of the P-Card. If there are specific rules and regulations for your state entity, you MUST also follow those.

- Any violation of Arkansas P-Card Program policies is considered an "occurrence" which may result in disciplinary action (i.e. written warning, suspend, revoke, terminate P-Card privileges, criminal charges filed).

The P-Card is a privilege granted to you by the State of Arkansas, and is <u>EXPECTED</u> that you will use it responsibly.





Compliance Review

The purpose of a compliance review is to examine the P-Card accounts.

Some of the attributes that are evaluated:

- **Adequacy and quality of receipts**
- **Current status of the cardholder**
- **Supporting documentation for transactions**
- **Transaction review and approval process**

Non-Allowed Charges on the P-Card

NO PERSONAL PURCHASES

- **Employee travel related charges**
- **Alcoholic beverages**
- **Vehicle rentals**
- **Printing - Amendment 54**
- **ATM - cash advances**
- **Gift cards**
- **Rebates, coupons, rewards or gift points can not be received and used for personal gain**
- **Automated or recurring monthly charges are not allowed (i.e. phone, internet bills, etc)**
- **SPLIT PURCHASES – (a single purchase is broken up into multiple transactions with the express purpose of circumventing state bid requirements)**
- **Any purchase without your agency approval**

Circumstances for a P-Card to Decline

- **Exceeded –** the designated monthly limit - default monthly limit is set at $2,000 (unless the agency has requested in writing a lower or higher limit)

- **Exceeded –** one-time transaction limit

- **Blocked MCC –** attempt to use the card for a blocked merchant category code

- **Not Activated –** cardholder did not call the 1-800-344-5696 number and activate the card.

- **Credit Card Resources:**
  http://www.dfa.arkansas.gov/offices/procurement/Pages/creditCards.aspx
- **State Contracts:**
  http://www.dfa.arkansas.gov/offices/procurement/contracts/Pages/default.aspx

What is a Merchant (MCC) Code?

- **A Merchant Category Code (MCC) is:** a four-digit number used by the bankcard industry to classify suppliers into market segments.
- There are approximately 600 MCCs that denote various types of businesses (e.g., 5111 Office Supplies, 7299 Dog Grooming Services, 5722 Household Appliance Stores).
- The MCC is assigned by the acquiring financial institution when a supplier first begins accepting Visa payment cards.

Sales and Use Tax

- **Arkansas State Government and political subdivisions are not tax exempt.**
- **Taxes must be collected on internet and telephone purchases.**
- **Use Tax must be paid to the state if sales tax is not charged at the time of the purchase.**

If additional information is needed call Taxpayer Services Unit at (501) 682-7104.

How to Activate Your P-Card

1. **Dial 1-800-344-5696**

2. **Listen to each prompt and respond**
   a. **Enter your 16-digit account number**
   b. **Enter your five digit zip code (business address)**
   c. **To activate your account, PRESS 1**
   d. **Key in the last four digits of your social security number**
   e. **Enter your business telephone number, beginning with the area code**

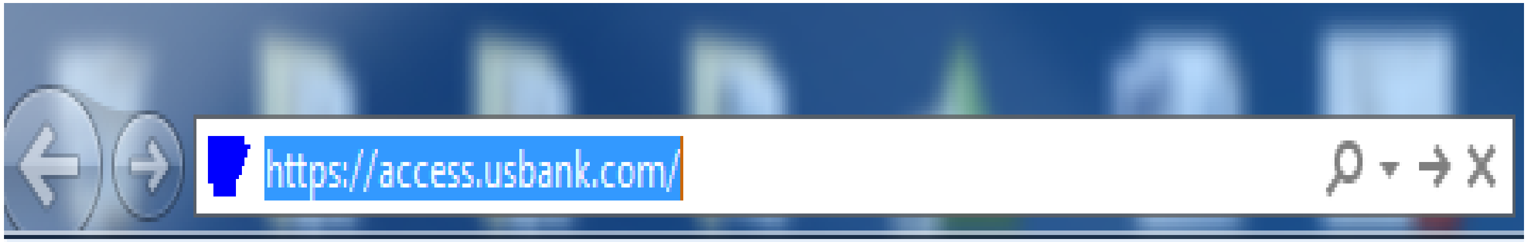
3. **Your account has been successfully activated.**

Note:

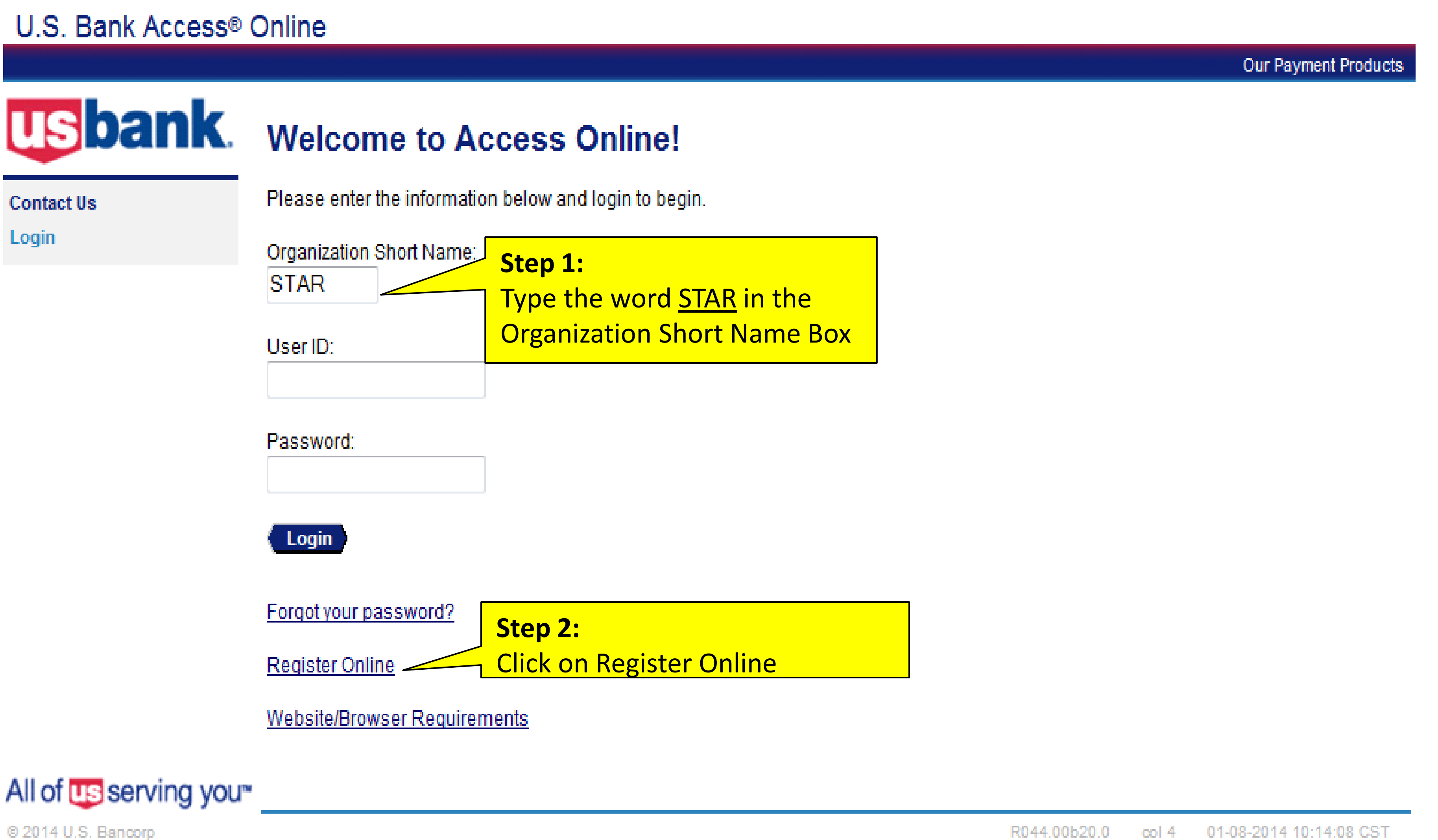
If you have any problems activating your account you will be transferred to a customer service representative for personal assistance.

US Bank Web Address

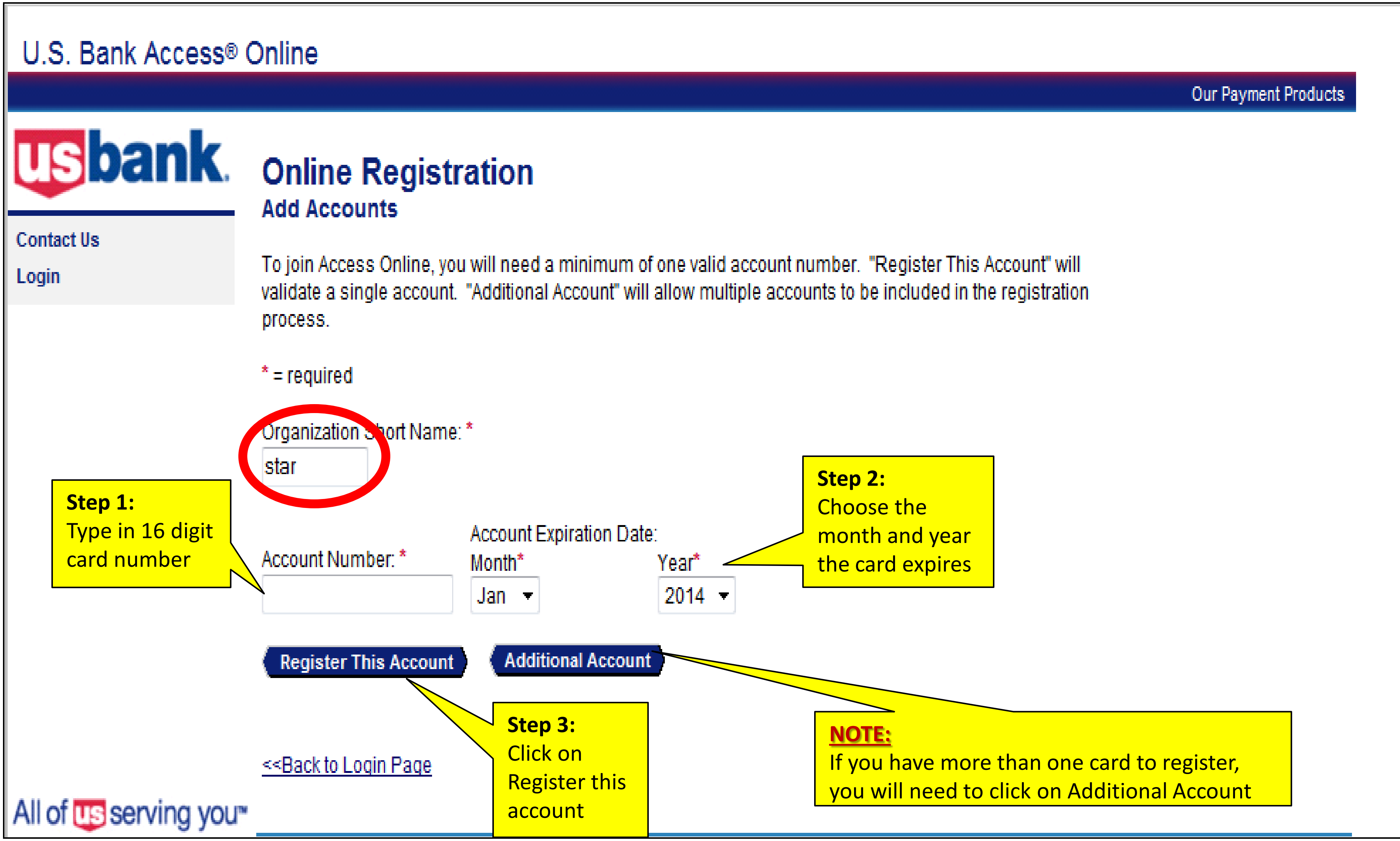
Type https://access.usbank.com directly into the address bar area and click enter



How to Register Your P-Card Online



Registering Your P-Card Online



Licensing Agreement

Licensing Agreement

Please read and accept the Licensing Agreement to continue.

Access Online Terms of Service

1. ACKNOWLEDGMENT AND ACCEPTANCE OF TERMS OF ACCESS ONLINE

Access Online, owned and operated by Bank, is provided to the customer under the terms and conditions of this Access Online Terms of Service (ATS) which incorporates by reference any operating rules or policies

Please read and click on the <u>I Accept</u> icon button at the bottom of the page to accept the terms of the licensing agreement to continue the Online Registration process.

9. Type a user ID between 7 – 12 alphanumeric characters in the *User ID* field.

10. Type a password in the Password field. Tip! Your password must be 8 – 20 alpha/numeric characters and must contain at least one alpha and one numeric character. You cannot reuse a password for 12 months.

11. Confirm your new password by typing it a second time in the Re-enter New Password field.

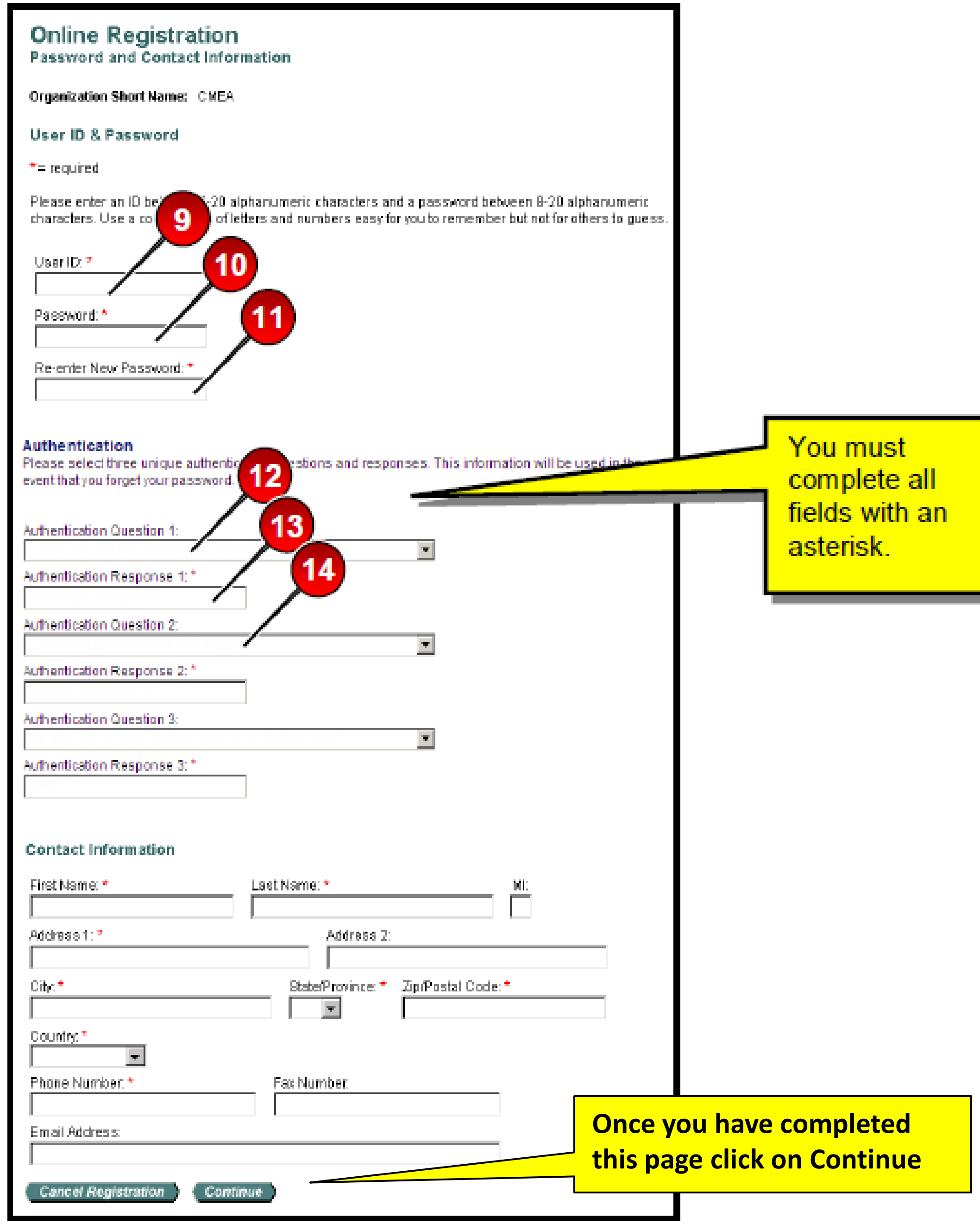
12. Select a question from the Authentication Question 1 drop-down list.

13. Type your answer in the Authentication Response 1 field.

14. Repeat Steps 12 – 13 to specify your remaining authentication questions and answers.

15. Complete the contact information fields:
    a. Type your name in the First Name, Last Name, (optional) MI (middle initial) fields.
    b. Specify address information in the Address 1, Address 2, City, State/Province, Zip/Postal Code, and Country fields.
    c. Type contact information in the Phone Number, Fax Number, and Email Address fields, as needed.

16. Click the Continue button.



How to Re-allocate & View P-Card Transactions

U.S. Bank Access® Online

State of Arkansas

Our Payment Products Logout

Transaction Management
Account Information
Reporting
My Personal Information

Home
Contact Us
Training

Click on Transaction Management

Welcome to Access Online [redacted]

Your last login was 01/02/2014

Language Selection: American English

Message Center

Message(s) from Access Online

Purchasing

Acct#/Name: [redacted]
Account ID: [redacted]

View Current Statement

Statement Balance:	$1,930.78
Billing Cycle Close Date:	12/16/2013
Current Balance:	$809.61
Credit Limit:	$2,000.00
Available Credit:	$1,190.39

Last 10 Transactions Posted

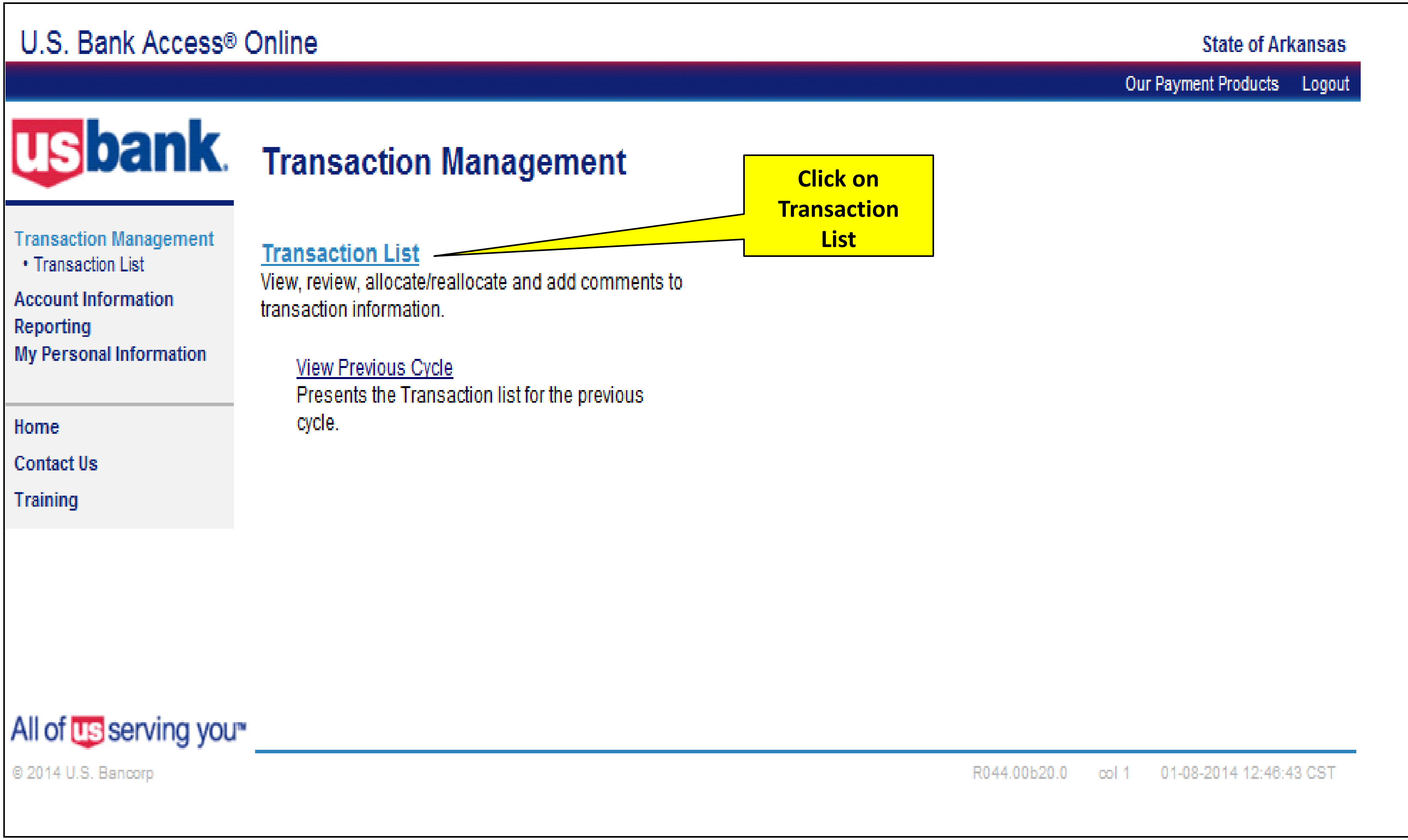
Posting Date	Merchant	Amount
01/07	COLEMAN'S OFFICE PRODU	$41.24
12/19	USPS 04566105728430106	$9.09
12/19	BATTERY OUTFITTERS LIT	$174.28
12/18	GLOCK PROFESSIONAL INC	$195.00
12/18	GLOCK PROFESSIONAL INC	$195.00
12/18	GLOCK PROFESSIONAL INC	$195.00
12/11	GLOCK PROFESSIONAL INC	$195.00
12/11	GLOCK PROFESSIONAL INC	$195.00
12/11	GLOCK PROFESSIONAL INC	$195.00
12/11	GLOCK PROFESSIONAL INC	$195.00

Information

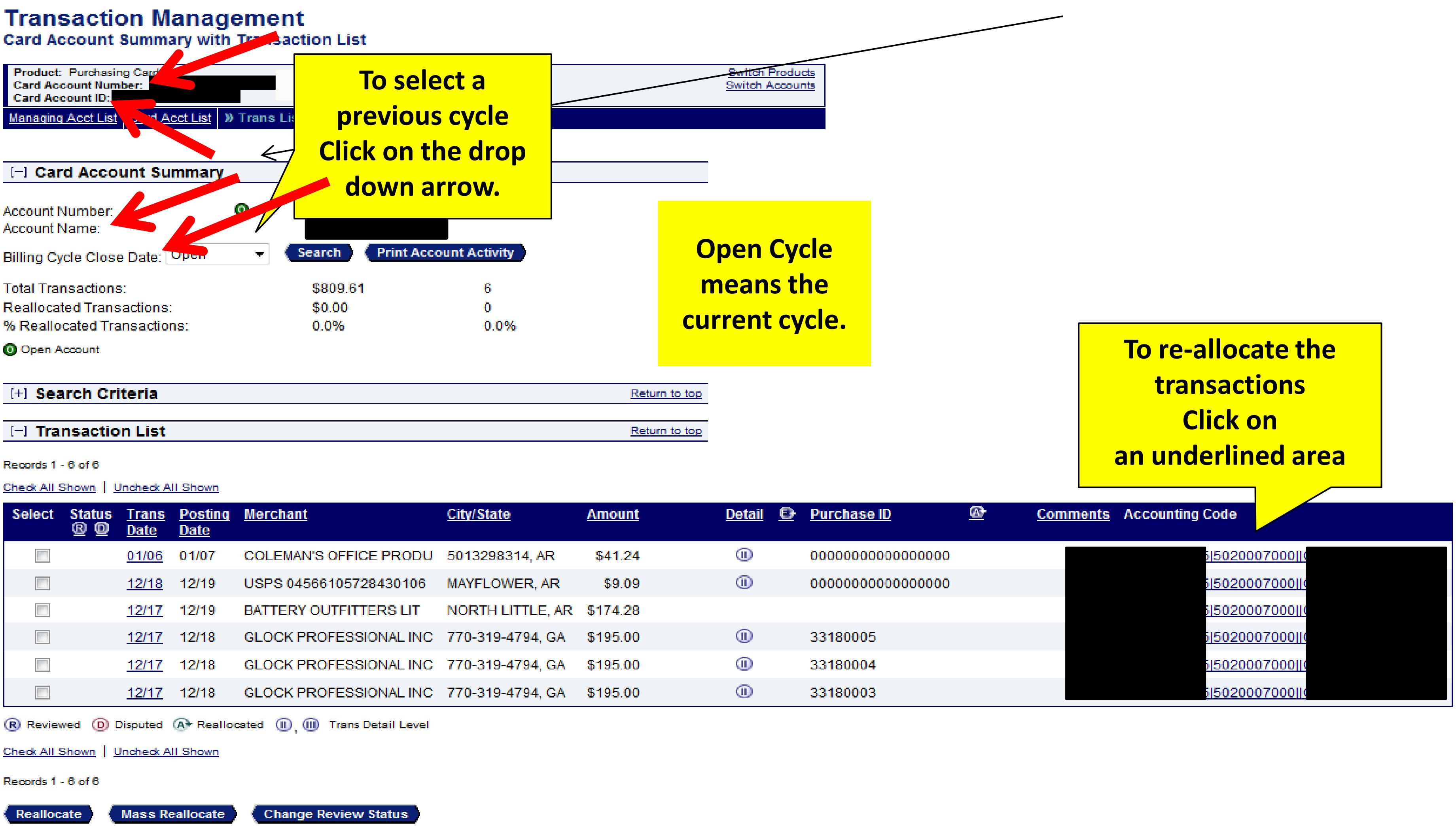
Quick Links

- Manage Home Page Settings
- Manage Contact Information
- Manage Email Notifications
- Run Transaction Detail Report
- View All Statements
- View Last Cycle Transactions
- View Open Transactions

How to Re-allocate & View P-Card Transactions (cont.)



How to Re-allocate & View P-Card Transactions (cont.)



Transaction Management

Card Account Summary with Transaction List

Product: Purchasing Card
Card Account Number: [redacted]
Card Account ID: [redacted]

Switch Products
Switch Accounts

Managing Acct List | Card Acct List | » Trans List

To select a previous cycle Click on the drop down arrow.

[–] Card Account Summary

Account Number:
Account Name: [redacted]

Billing Cycle Close Date: Open ▾ Search | Print Account Activity

Total Transactions:	$809.61	6
Reallocated Transactions:	$0.00	0
% Reallocated Transactions:	0.0%	0.0%

Open Account

Open Cycle means the current cycle.

[+] Search Criteria

Return to top

[–] Transaction List

Return to top

To re-allocate the transactions Click on an underlined area

Records 1 - 6 of 6

Check All Shown | Uncheck All Shown

Select	Status R D	Trans Date	Posting Date	Merchant	City/State	Amount	Detail		Purchase ID		Comments	Accounting Code
☐		01/06	01/07	COLEMAN'S OFFICE PRODU	5013298314, AR	$41.24	II		00000000000000000		[redacted]	5|50200070000|[redacted]
☐		12/18	12/19	USPS 04566105728430106	MAYFLOWER, AR	$9.09	II		00000000000000000			5|50200070000|
☐		12/17	12/19	BATTERY OUTFITTERS LIT	NORTH LITTLE, AR	$174.28						5|50200070000|
☐		12/17	12/18	GLOCK PROFESSIONAL INC	770-319-4794, GA	$195.00	II		33180005			5|50200070000|
☐		12/17	12/18	GLOCK PROFESSIONAL INC	770-319-4794, GA	$195.00	II		33180004			5|50200070000|
☐		12/17	12/18	GLOCK PROFESSIONAL INC	770-319-4794, GA	$195.00	II		33180003			5|50200070000|

R Reviewed D Disputed A Reallocated II, III Trans Detail Level

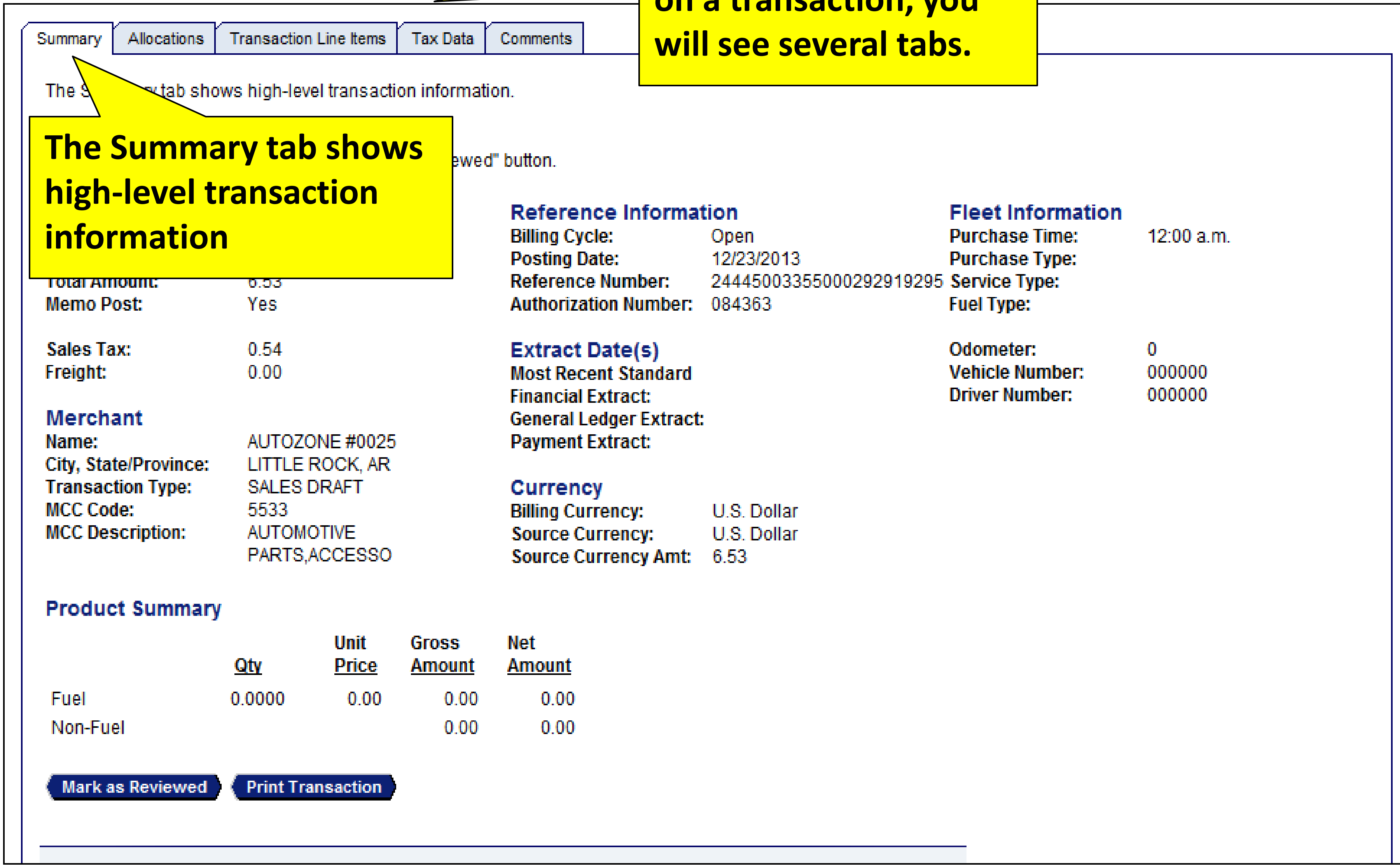
Check All Shown | Uncheck All Shown

Records 1 - 6 of 6

Reallocate | Mass Reallocate | Change Review Status

First Tab is The Summary Tab

Once you have clicked on a transaction, you will see several tabs.



The Summary tab shows high-level transaction information

Allocations Tab

Transaction Management

Transaction Detail

Card Account Number: [redacted]
Card Account ID: [redacted]

Trans List

Transaction Summary

Status	Trans Date	Posting Date	Merchant	City, State/Province	Amount	Detail	Purchase ID	Accounting Code
	01/06	01/07	COLEMAN'S OFFICE PRODU	5013298314, AR	41.24	Ⓘ	00000000000000000	|140075 |5020007000 [redacted]

Ⓓ Disputed Ⓘ, Ⓘ Trans Detail Level Ⓐ Reallocated

Summary | Allocations | User Line Items | Tax D...

The Allocations tab provides the ability to reallocate a transaction by changing the accounting information to allocate an amount to a different cost center. The reallocation can be to one or to multiple accounting codes.

You can allocate amounts by dollar amount or percentage. Total allocation amounts must equal 100% of the

After adding, modifying or deleting allocations, click the "Save Allocations" button to save changes.

Allocation Source: Default Acct Code Last C

The Allocations Tab is where the **default general ledger number 5020007000 <u>MUST</u> be changed on every transaction.**

Remove	Amount		Percent	BUSINESS AREA (4)	COST CENTER (10)	GENERAL LEDGER (17)	INTERNAL ORDER (12)	WBS (24)	FUNDS RES. # (10)	LINE ITEM # (3)	TAX ON SALES (2)	Favorite
☐	$ 41.24	OR	100.00 %	[redacted]	140075	5020007000		[redacted] 140075_3EAZ				Add as Favorite

Accounting Code - Segment Name (Length)

Remove

Total Allocated: $ 41.24 100.00 % Apply Accounting Code: Apply

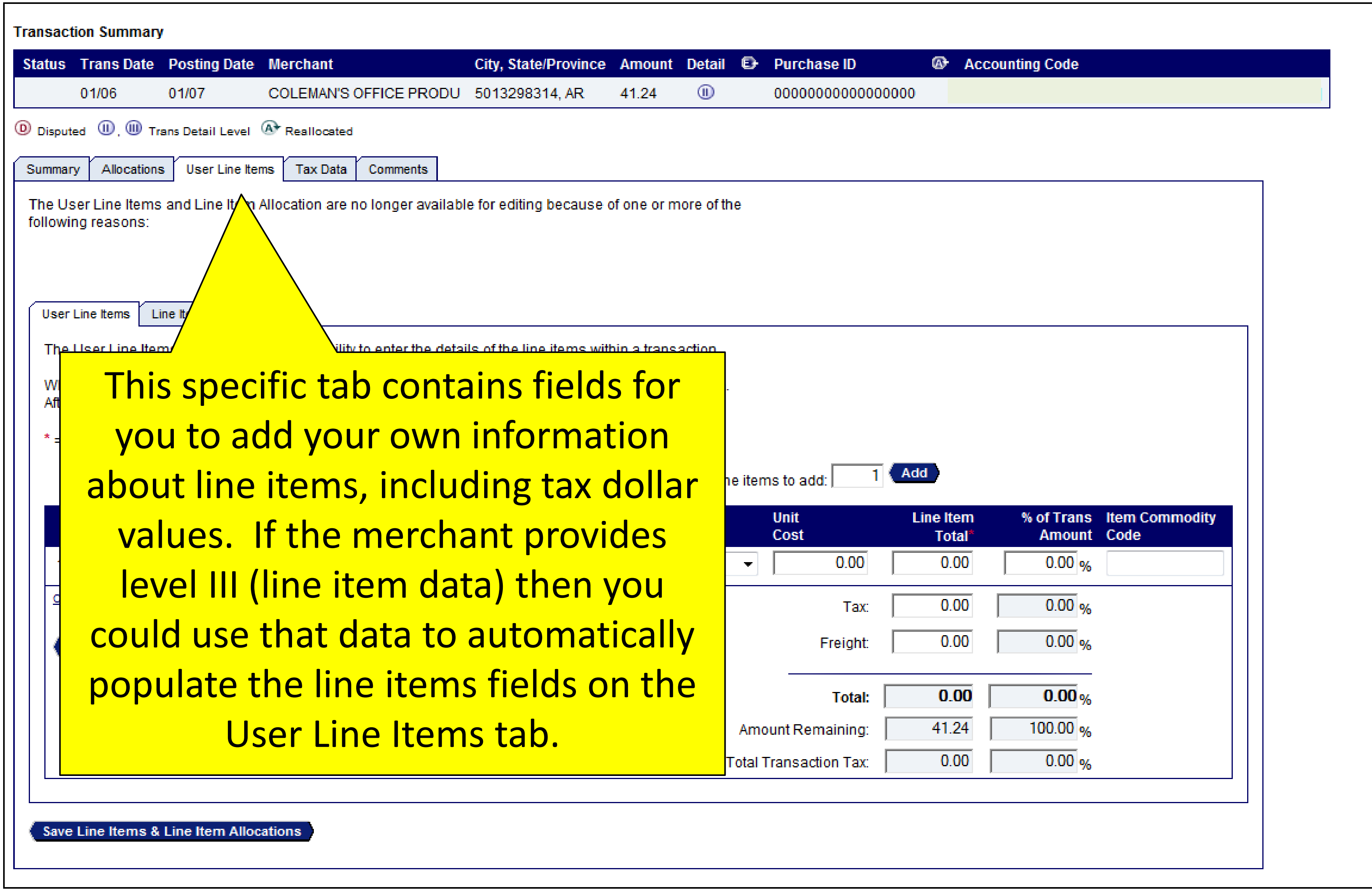
Amount Remaining: $ 0.00 0.00 % Additional Allocation(s): 1 Add

Note: Rows marked for deletion are subtracted from Total Allocated and Amount Remaining values.

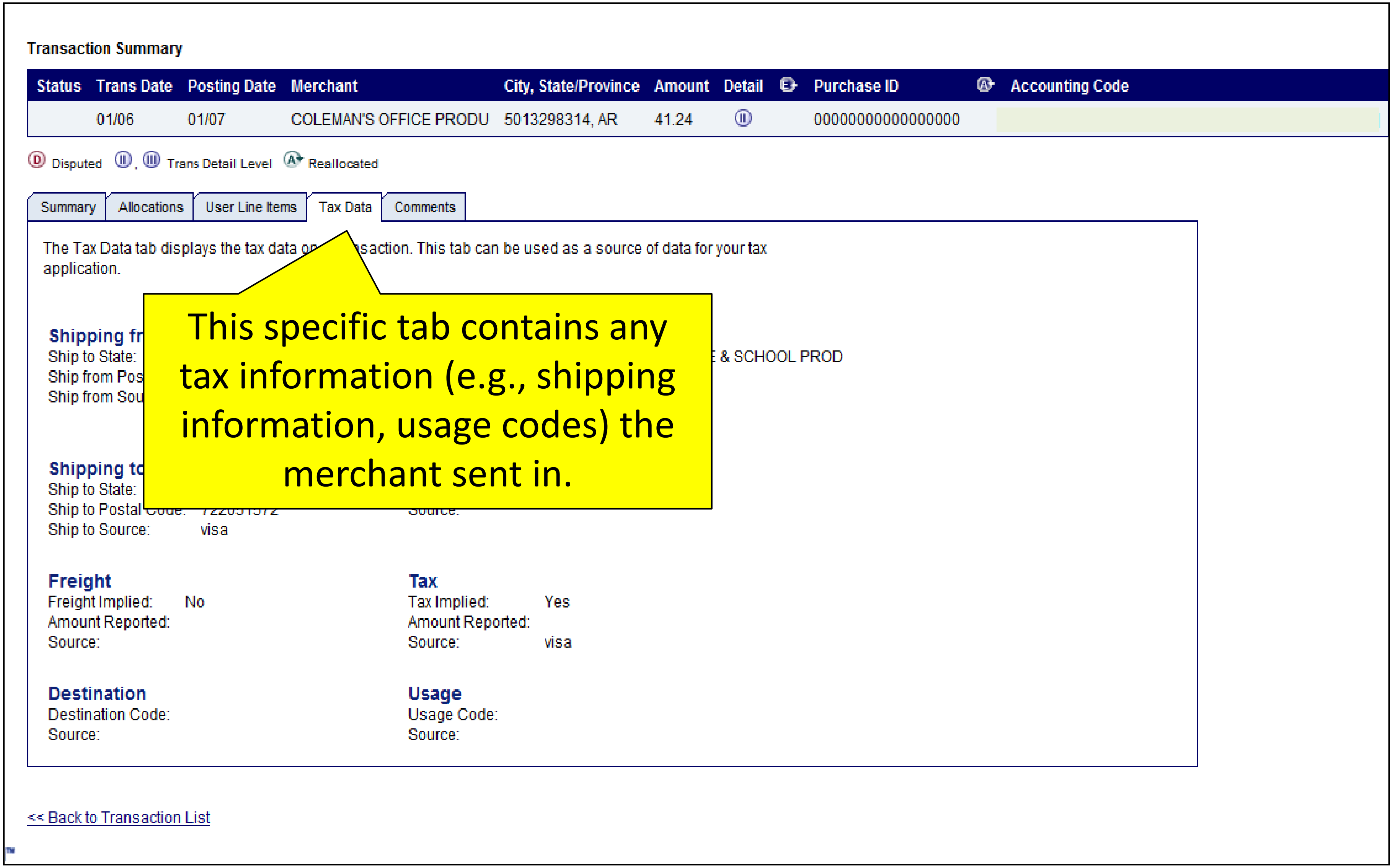
Save Allocations

<< Back to Transaction List

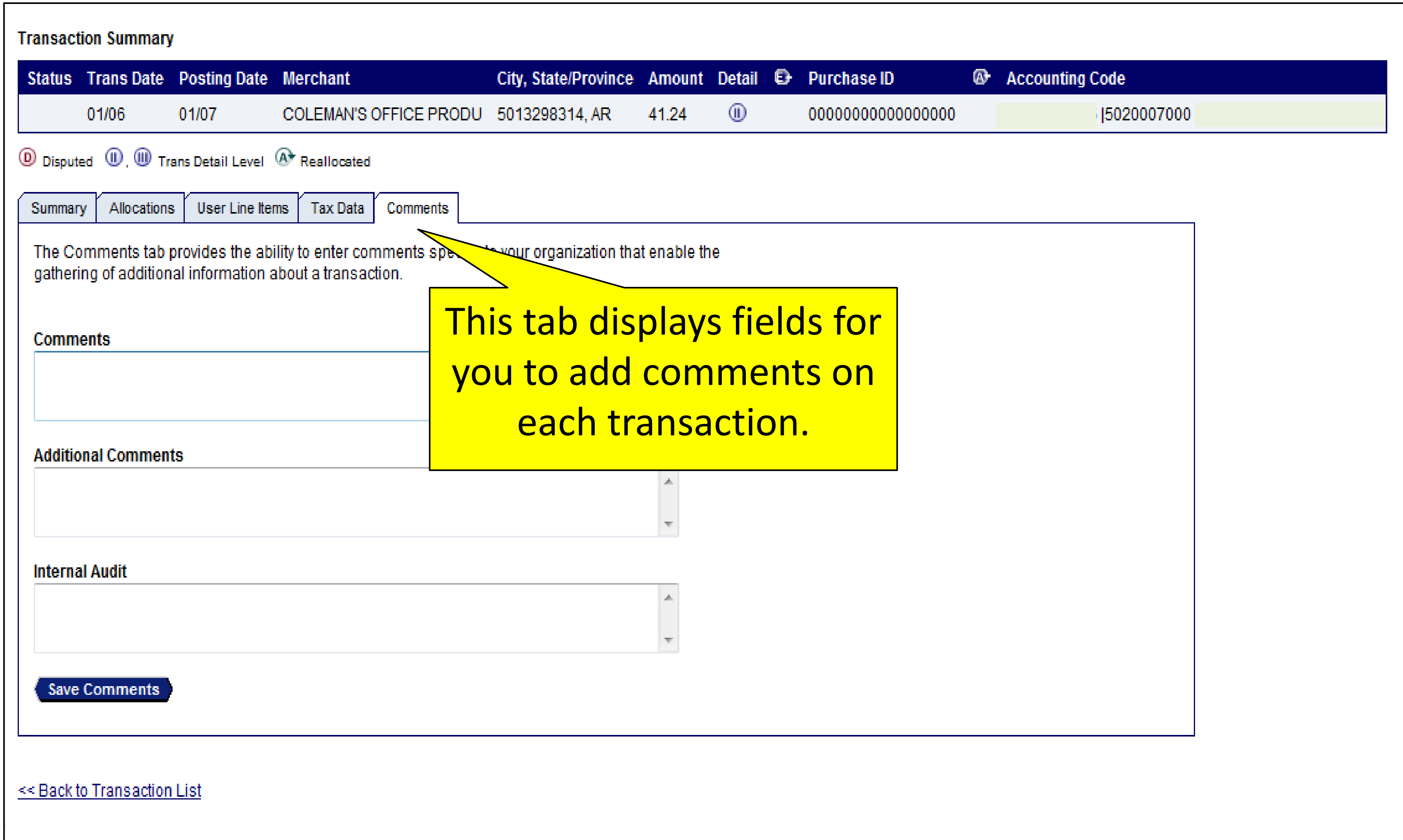
User Line Items Tab



Tax Data Tab

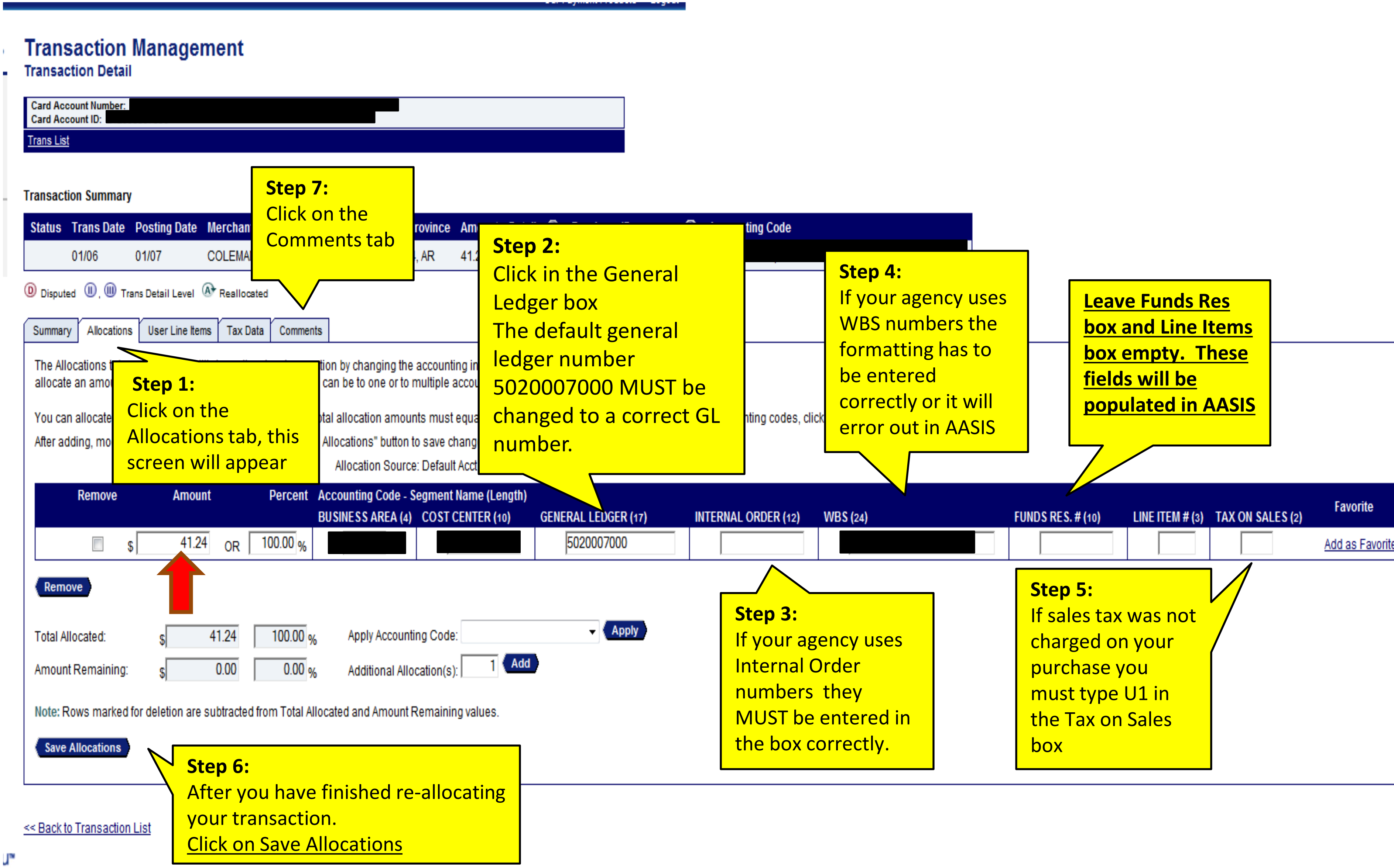

Transaction Summary
Status Trans Date Posting Date Merchant City, State/Province Amount Detail Purchase ID Accounting Code
01/06 01/07 COLEMAN'S OFFICE PRODU 5013298314, AR 41.24 00000000000000000
Disputed , Trans Detail Level Reallocated
Summary Allocations User Line Items Tax Data Comments
The Tax Data tab displays the tax data o
saction. This tab can be used as a source of data for your tax
application.
This specific tab contains any tax information (e.g., shipping information, usage codes) the merchant sent in.
Shipping fr
Ship to State:
Ship from Pos
Ship from Sou
& SCHOOL PROD
Shipping to
Ship to State:
Ship to Postal
Ship to Source: visa
Freight
Freight Implied: No
Amount Reported:
Source:
Tax
Tax Implied: Yes
Amount Reported:
Source: visa
Destination
Destination Code:
Source:
Usage
Usage Code:
Source:
<< Back to Transaction List

Comment Tab



Transaction Summary
Status
Trans Date
Posting Date
Merchant
City, State/Province
Amount
Detail
Purchase ID
Accounting Code
01/06
01/07
COLEMAN'S OFFICE PRODU
5013298314, AR
41.24
0000000000000000
|5020007000
Disputed
Trans Detail Level
Reallocated
Summary
Allocations
User Line Items
Tax Data
Comments
The Comments tab provides the ability to enter comments spe... to your organization that enable the gathering of additional information about a transaction.
Comments
Additional Comments
Internal Audit
Save Comments
<< Back to Transaction List
This tab displays fields for you to add comments on each transaction.

Description of Transaction Detail Tabs



Comments Tab

Transaction Management

Transaction Detail [redacted]

Product: Purchasing Card
Card Account Number
Card Account ID:

Managing Acct List | Card Acct List | Trans List

The cardholder and/or designated reviewer MUST enter a description of the items purchased on each transaction.

Transaction Summary

Status	Trans Date	Posting Date	Merchant	City, State/Province	Amount	Detail		Purchase ID		Accounting Code
	12/20	12/23	AUTOZONE #0025	LITTLE ROCK, AR	6.53			000177		[redacted]

Disputed , Trans Detail Level Reallocated

Summary | Allocations | Transaction Line Items | Tax Data | Comments

The Comments tab provides the ability to enter comments specific to your organization that enable the gathering of additional info

Enter brief information about the transaction as shown below in the Internal Audit box.

Comments

oil filter wrench - vehicle

Additional Commen

When completed with comments
Click on Save Comments

Internal Audit

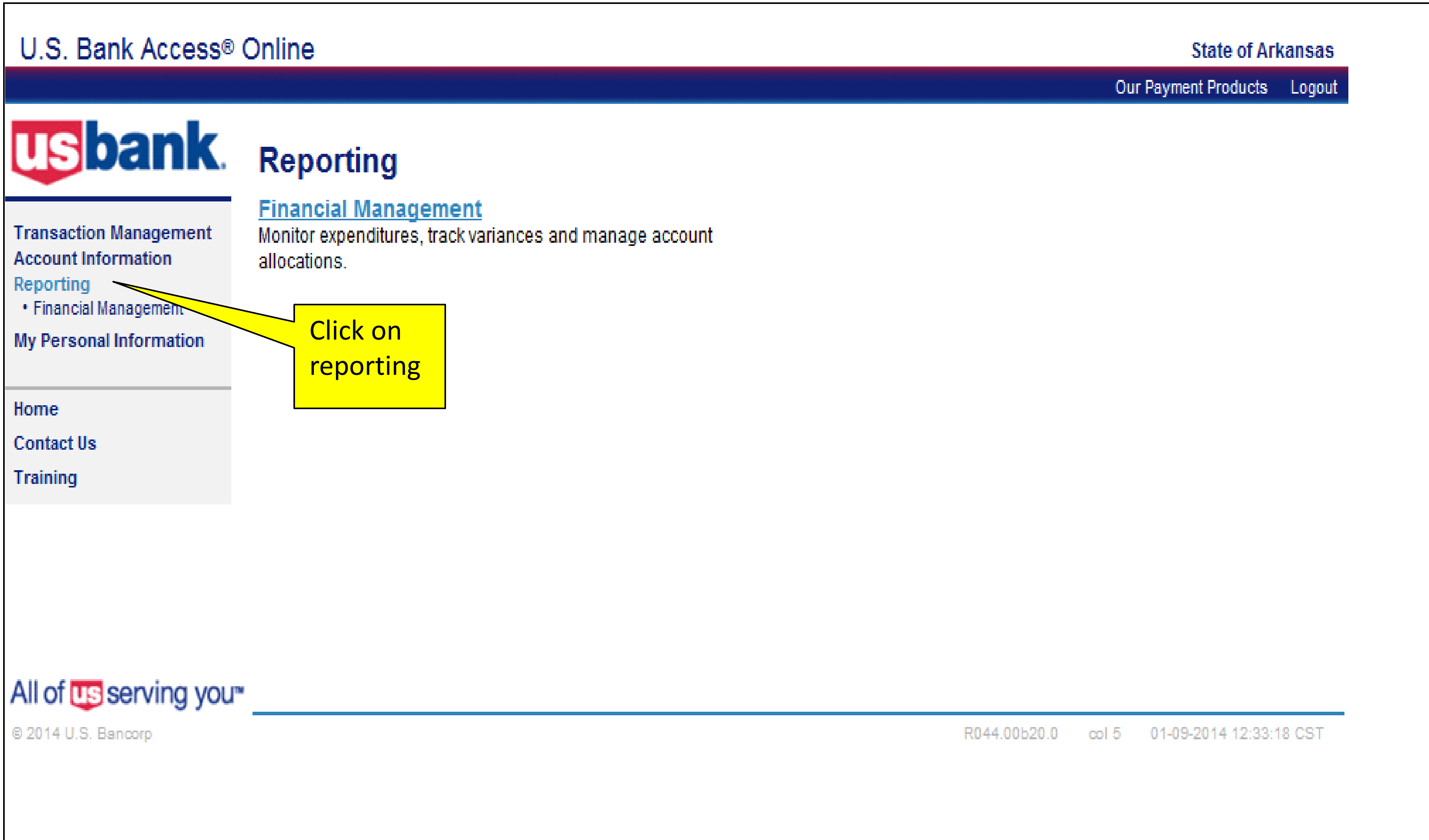
oil filter wrench - vehicle

Save Comments

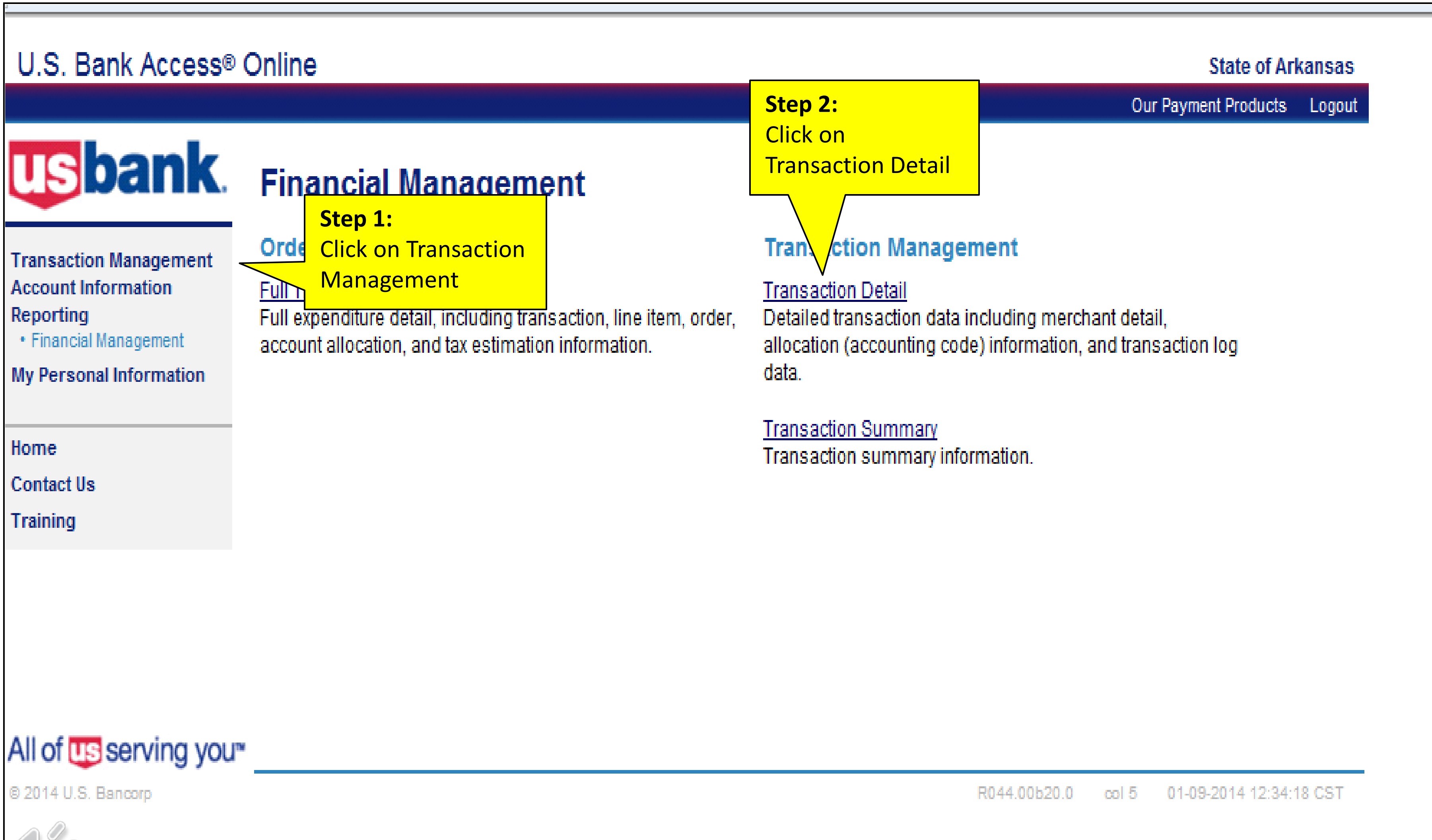
If you have other transactions that need to be verified and reallocated
Click on Back to Transaction List

<< Back to Transaction List

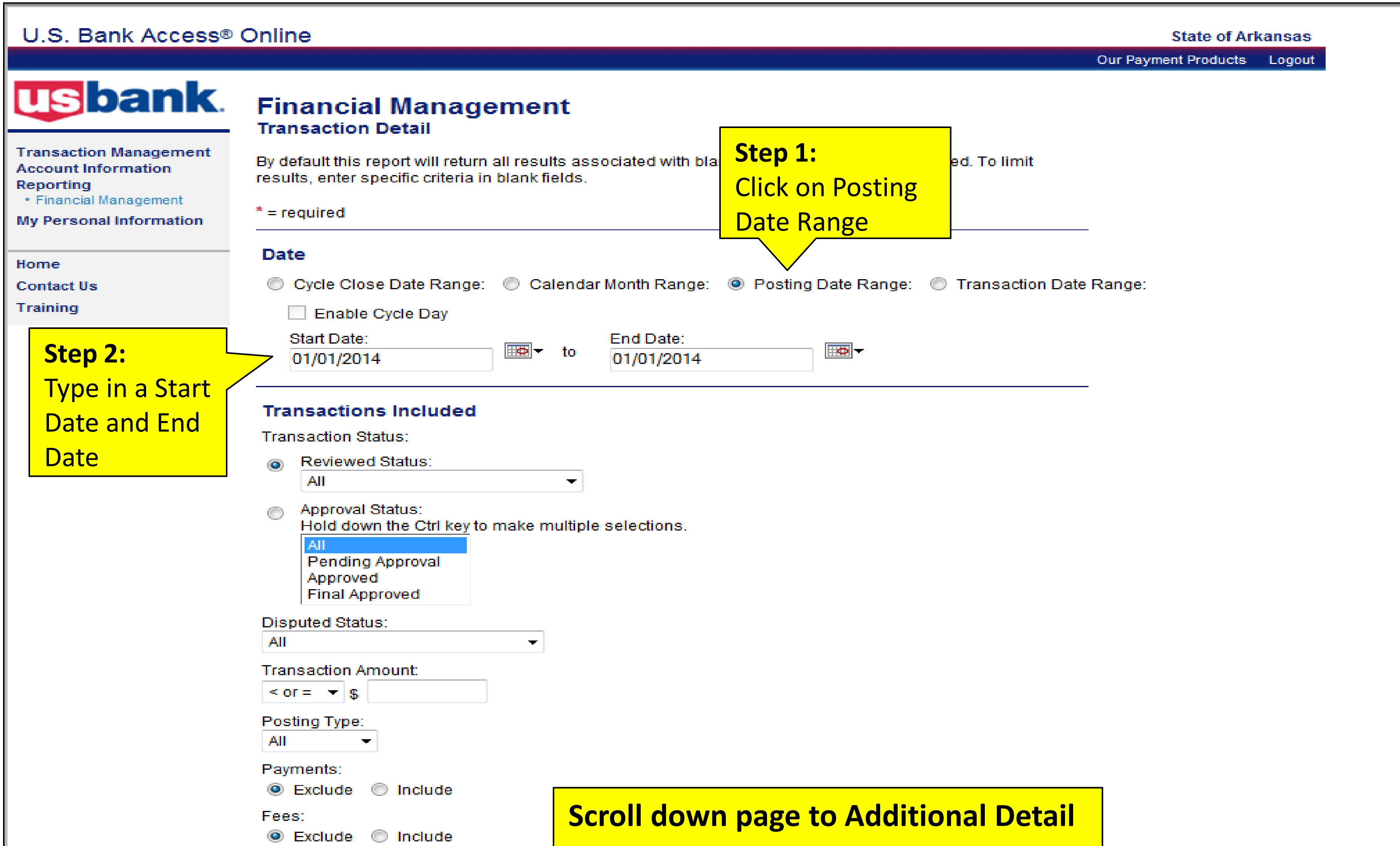
How to Run a Report



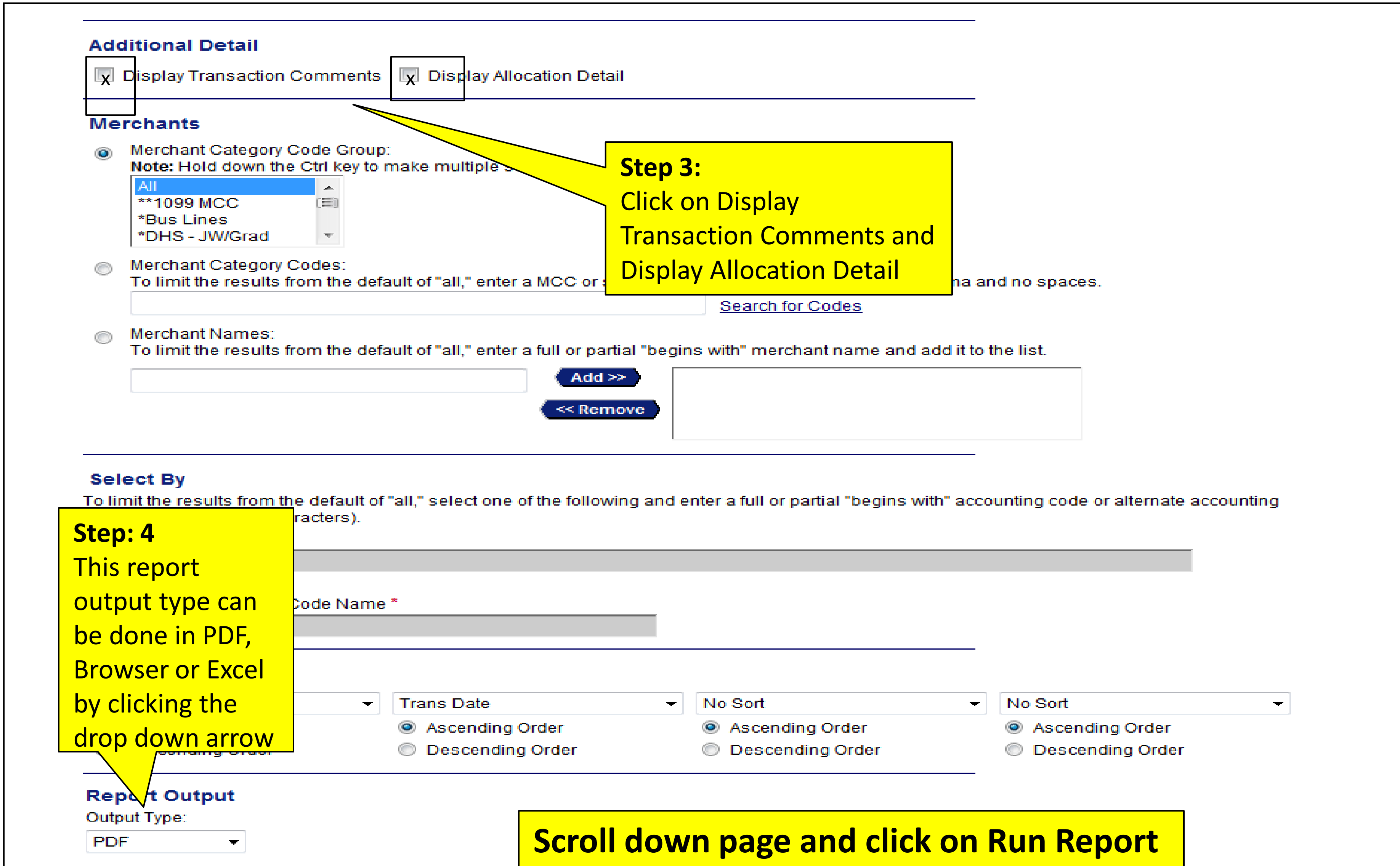
How to Run a Report (cont.)



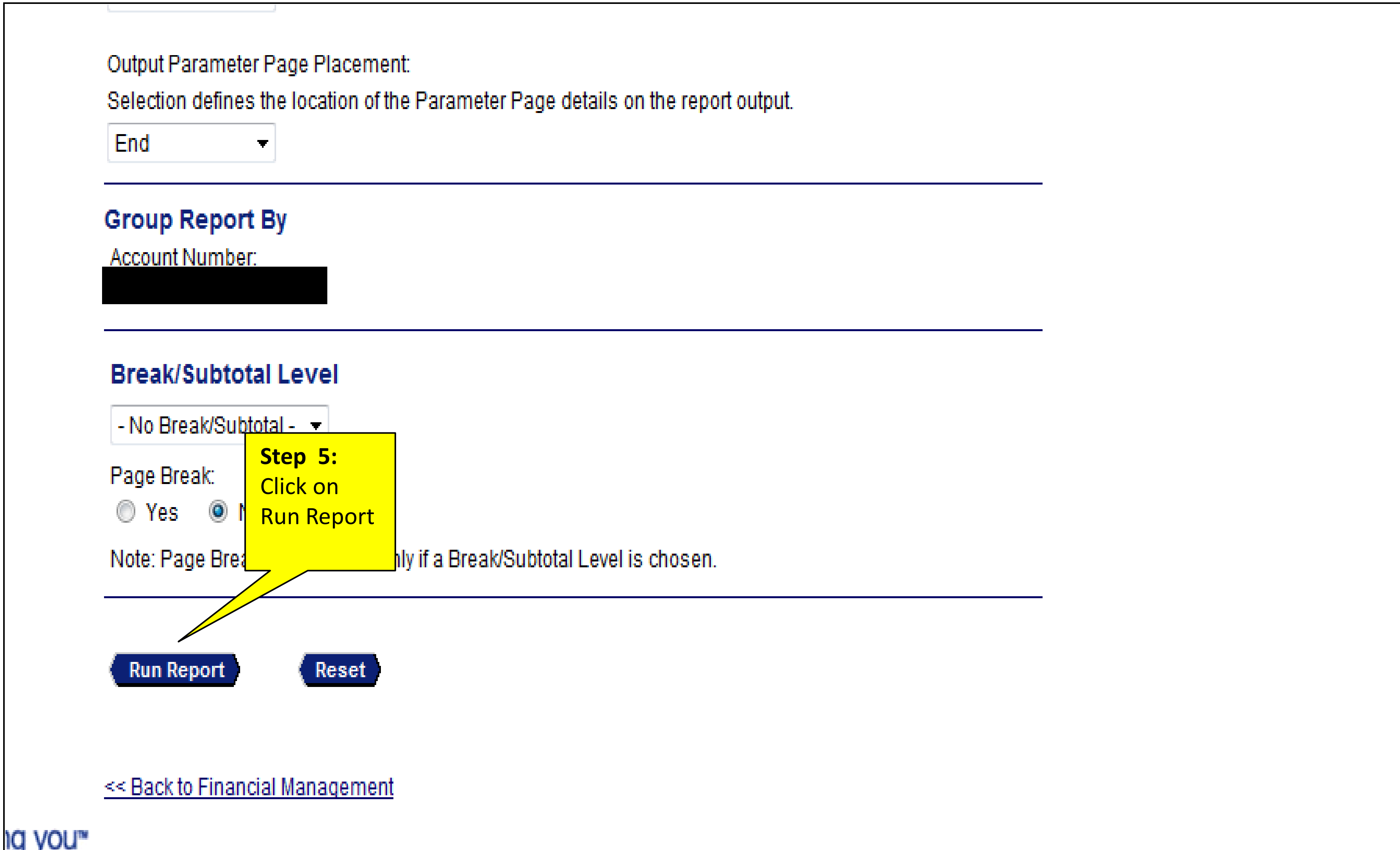
How to Run a Report (cont.)



How to Run a Report (cont.)



How to Run a Report (cont.)



Example of PDF Report

State of Arkansas
Report Date: 01/09/2014

Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status

Name [redacted] **Account Number:** [redacted] **Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:**

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
01/25/2013	01/25/2013	70985	8299	SCHOOLS/EDUCATIONAL SCHL	INT LAW ENF TRAINING	WI	[redacted]	$ 407.00	Memo	new-membership-&-2013-	Reviewed	No

Allocation Accounting Code Amount: $407.00 **Allocation Accounting Code Value:** [redacted]
Allocation Source: USER **Allocation Last Changed By:** [redacted]

Comments : Conference Fee and Membership Due For [redacted]
Internal Audit : [redacted]

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
01/30/2013	01/31/2013	76371	7399	BUSINESS SERVICES -OTHER	ACT*TRAINING FORCE USA	CA	[redacted]	390.00	Memo	mllrJikO63832825	Reviewed	No

Allocation Accounting Code Amount: $390.00 **Allocation Accounting Code Value:** [redacted]
Allocation Source: USER **Allocation Last Changed By:** [redacted]

Comments : Registration For Jake Dunn and Matt Guthrie, Investigating Using Social Media
Internal Audit : [redacted]

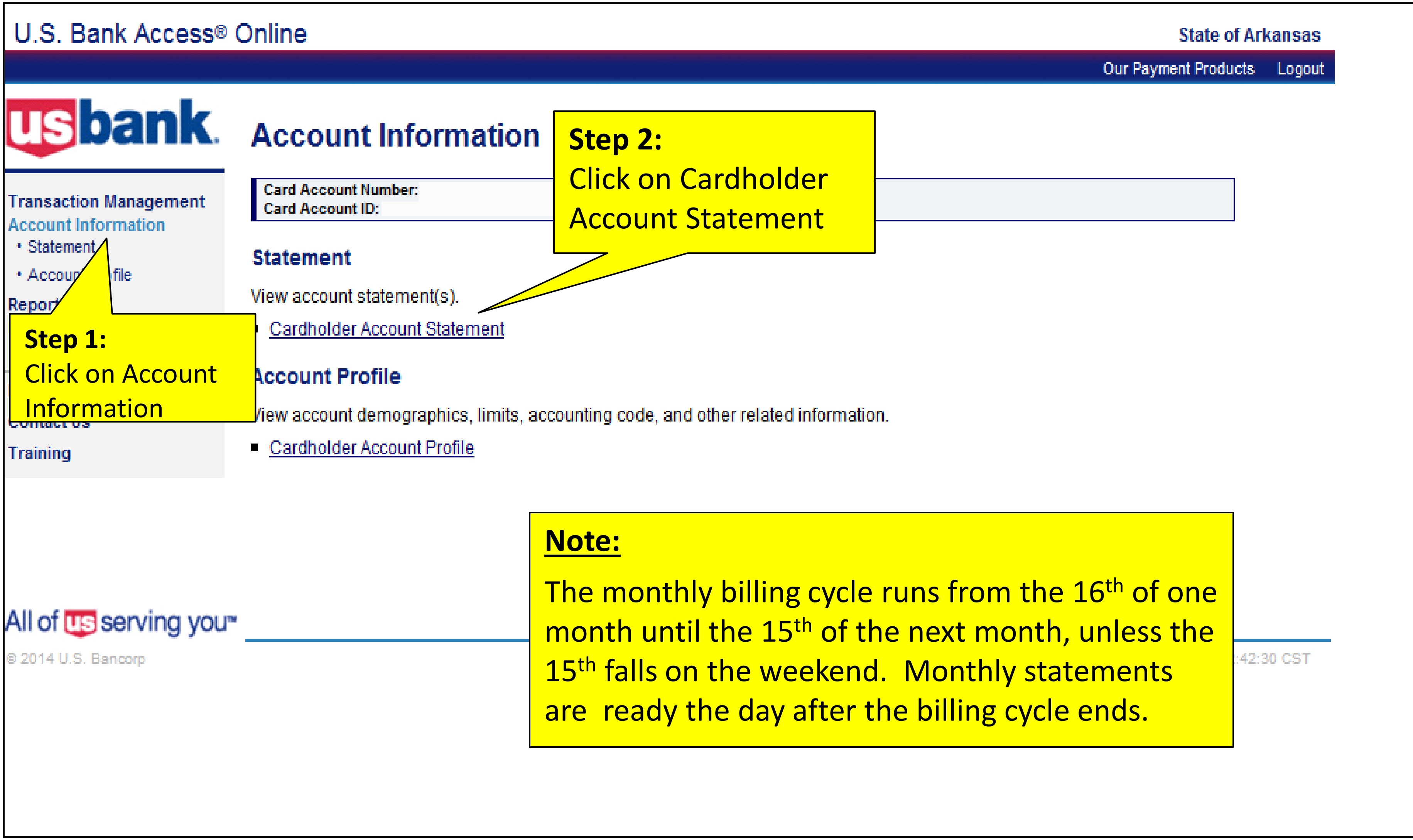
Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
03/26/2013	03/28/2013	1684	5943	STATIONERY STORE/SUPPLIES	STAPLES 00118893	AR	[redacted]	521.69	Memo	000156433	Reviewed	No

Allocation Accounting Code Amount: $324.73 **Allocation Accounting Code Value:** [redacted]
Allocation Source: USER **Allocation Last Changed By:** [redacted]

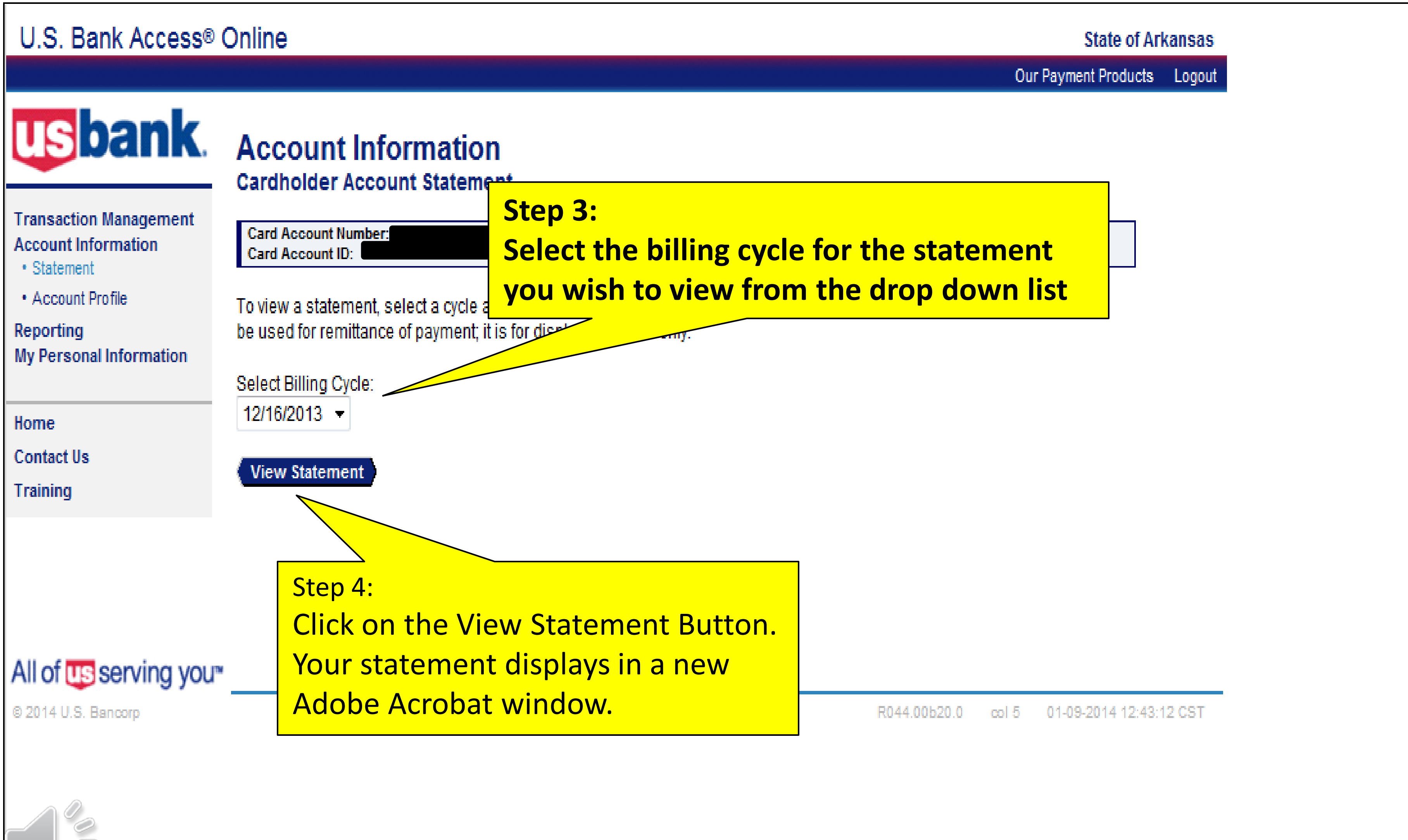
Allocation Accounting Code Amount: $196.96 **Allocation Accounting Code Value:** [redacted]
Allocation Source: USER **Allocation Last Changed By:** [redacted]

Comments : 2 Scanner/Printer along with Ink Cartridge
Internal Audit : [redacted]

Printing Statements



Printing Statements (cont.)



Example of Cardholder Monthly Statement

[redacted]

"MEMO STATEMENT ONLY"
DO NOT REMIT PAYMENT

NEW ACCOUNT ACTIVITY

POST DATE	TRAN DATE	TRANSACTION DESCRIPTION	REFERENCE NUMBER	MCC	AMOUNT
11-22	11-20	STAPLES 00118893 CONWAY AR PUR ID: 000113678 TAX: 9.19	[redacted]	5943	114.17
11-22	11-20	THE HOME DEPOT #1407 CONWAY AR PUR ID: 1462 TAX: 20.65	[redacted]	5200	256.61
12-11	12-10	GLOCK PROFESSIONAL INC 770-319-4794 GA PUR ID: 33110007 TAX: 0.00	[redacted]	5941	195.00
12-11	12-10	GLOCK PROFESSIONAL INC 770-319-4794 GA PUR ID: 33110012 TAX: 0.00	[redacted]	5941	195.00
12-11	12-10	GLOCK PROFESSIONAL INC 770-319-4794 GA PUR ID: 33110013 TAX: 0.00	[redacted]	5941	195.00
12-11	12-10	GLOCK PROFESSIONAL INC 770-319-4794 GA PUR ID: 33110014 TAX: 0.00	[redacted]	5941	195.00
12-11	12-10	GLOCK PROFESSIONAL INC 770-319-4794 GA PUR ID: 33110015 TAX: 0.00	[redacted]	5941	195.00
12-11	12-10	GLOCK PROFESSIONAL INC 770-319-4794 GA PUR ID: 33110016 TAX: 0.00	[redacted]	5941	195.00

P-Card Overview

How Do I Obtain a Purchasing Card?

Answer: Contact Your Agency Liaison