Welcome to the State of South Carolina/Medical University of South Carolina Purchasing Card (PCard) Program. As an agency of the State of South Carolina, the Medical University of South Carolina participates in the program designed to help you better manage low-dollar supply purchases and bring many benefits to you, the University, and our vendors. The success of the PCard Program, and its continuing use, depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within this manual.
What is the PCard?

The PCard is a VISA credit card issued by Bank of America (BOA). It is a fast, flexible purchasing tool which offers an alternative to the existing University purchasing processes and provides an extremely efficient and effective method for purchasing and paying for supplies with a total value of $2,500 or less. The card is to be used only for Official University purchases.

The VISA PCard will enable you to purchase non-restricted commodities, by telephone or in person, directly from the vendors. It will eventually eliminate the need for issuing low dollar purchase orders, many blanket purchase orders, and the use of many Direct Vouchers.

The VISA PCard will be issued in the employee’s name with the State of South Carolina emblem, the wording for 'Official Use Only' and the Medical University of South Carolina clearly indicated on the card.

The PCard program brings many benefits to...

Cardholders - You will be able to obtain supplies directly from your vendors without using a purchase order. This streamlines the purchasing process and can help improve turnaround time on receipt of your order. It significantly reduces the workload and processing costs related to the purchase and payment of supplies.

The University - The PCard program provides a cost-efficient, alternative method for purchasing low-dollar supplies. Built-in card features make the program easy to control and manage and reduces processing costs at all levels by reducing the number of requisitions, purchase orders, invoices and checks. The PCard enables all departments to focus on higher-yield, value-added activities.

Vendors - The PCard is welcomed by vendors who accept VISA. When they accept the card for business purchases, vendors need not send invoices to the University, and they will receive payment directly from Bank of America within 48 hours.

PARTIES INVOLVED

Agency - the Medical University of South Carolina who arranges with the card issuer, Bank of America, for the issuance of PCards to approved University employees and agrees to accept departmental liability for the employees' use of the cards.

Cardholder – an employee of the University who works 30 or more hours per week and is approved by his/her department head to use the PCard to execute purchase transactions on behalf of the University.

Card Issuer - Bank of America's services were contracted for by the State of South Carolina, to issue VISA PCards to University employees, to bill the University for all purchases made on the cards, and to collect payment from the University on behalf of the vendors.

Department Head - University official who must approve employee's request for a PCard, assign a Departmental Liaison, designate a default account number for purchases on the PCard, and ensures that the application is submitted to the University PCard Administrator. The Department Head approval delegates transaction authority to the Cardholder.

Departmental Liaison - An employee in each department/college who is responsible for proper use of the PCard within that department. Each Cardholder will be assigned a Departmental Liaison, and the liaison will be responsible for reviewing transactions of individual Cardholders to make sure the transactions are classified as an appropriate university expense.

Department Administrator – An employee in each department responsible for reviewing the department’s compliance of the PCard Program Policies and Procedures. A department administrator will ensure adequate segregation of duties between the cardholder/department liaisons.

PCard Program Administrator - The central Administrator located in the Medical University of South Carolina’s Purchasing Department who coordinates the PCard program for the University and acts as the University's intermediary in correspondence with the card issuer.

Vendor - The merchant from whom a Cardholder is making a purchase.
MUSC PCard Manual

CARDHOLDER ELIGIBILITY AND PCARD ISSUANCE PROCEDURES

- Applicant must be an employee of the University who works 30 hours or more per week and is authorized by a Department Head to participate in the program.
- Applicant must have his/her Department Head approval.
- Applicant must be assigned to a Departmental Liaison.
- Applicant must pass the on-line PCard Test.
- Applicant must complete a PCard training session.

The applicant completes the PCard Request Form.  
[http://academicdepartments.musc.edu/vpfa/finance/purchasingap/pcard/app.htm](http://academicdepartments.musc.edu/vpfa/finance/purchasingap/pcard/app.htm)

On the form, the Department Head will provide the name of the Departmental Liaison to whom the Cardholder will be assigned and the default UDAK and COA account numbers for the Purchasing Card. The approved request is sent to the University PCard Administrator.

Before receiving a PCard, the cardholder is required to sign The Medical University of South Carolina PCard Cardholder Agreement in the presence of the University PCard Program Administrator. By signing this agreement, the cardholder indicates an understanding of the intent of the program, and will comply with all guidelines of this Manual, as well as State and University Policies and Procedures relating to the expenditure of University funds.  
[http://academicdepartments.musc.edu/vpfa/finance/purchasingap/pcard/Card%20Agreement%20Form.doc](http://academicdepartments.musc.edu/vpfa/finance/purchasingap/pcard/Card%20Agreement%20Form.doc)

KEY CARDHOLDER RESPONSIBILITIES

- Ensure the PCard is used only for legitimate University business and in accordance with the established State and University policies and procedures. Misuse (inappropriate, unauthorized, or fraudulent use) of the card will subject Cardholder to disciplinary action per University policy.
- Adhere to the purchase limits and restrictions of the PCard and ensure that the total transaction amount of any single transaction does not exceed $2,500.
- Ensure that the PCard is only used by the approved Cardholder. Use by anyone other than the approved Cardholder is strictly prohibited. The PCard is not transferable between cardholders or departmental personnel.
- Maintain the PCard in a secure manner. The card should be secured in a manner that prevents it from being stolen or lost.
- Obtain all sales slips, register receipts, and/or PCard slips and provide to the Departmental Liaison for reconciliation and allocation of transactions.
- Report any promotional items, gifts or rebates received from a vendor to the Department Administrator and Pcard Administrator. PCard Administrator will provide the cardholder with instructions regarding the appropriate disposition of the item/gift/rebate.
- Document every purchase made with the PCard using a document control form. Departments that do not use UMS may use the sample document: [http://www.muschealth.com/fin_pol/financeforms/Pcard Document Control Form.doc](http://www.muschealth.com/fin_pol/financeforms/Pcard Document Control Form.doc)
- The Document Control Form must contain the following information for every purchase:
  - Date of the Purchase
  - Vendor’s Name
  - Cardholder’s Name
  - Description of the item(s) purchased
  - Cost of item(s) purchased, tax (if included), shipping charges and total
  - Cardholder Signature
• Approver Signature (This must be an individual that is in a supervisory position to the cardholder)

• UDAK

• Attempt to first resolve a dispute or billing error directly with the vendor. A cardholder must also ensure that an appropriate credit for the reported disputed item(s) or billing error appears on a subsequent monthly bank statement. **Under no circumstances should a Cardholder accept cash or store credit in lieu of a credit to the Purchasing Card account.**

• Call Bank of America at 1-888-449-2273 immediately to report a lost or stolen PCard. A Cardholder must also notify the University PCard Administrator about a lost or stolen PCard at the first opportunity during business hours.

• Return PCard to Departmental Liaison upon request to forfeit card, terminating employment or transferring Departments.

• Notify PCard Administrator when terminating employment with the University or transferring to another University Department.

**ADDITIONAL CARDHOLDER INFORMATION**

All cards are set-up with a monthly credit limit. The monthly credit limit amount is determined by the department head/chairman on the application form. The monthly credit limit can be adjusted by submitting the monthly credit limit increase/decrease request form approved by the department chairman/head or designee. University Purchasing may close inactive accounts.

http://academicdepartments.musc.edu/vpfa/forms/purchasing/pcard%20credit%20limit.doc

• Each PCard has an expiration date located on the front of the PCard. The cardholder will be notified approximately three weeks before the expiration date to pick-up the renewed PCard from the PCard Administrator.

• PCards used for purchases pertaining to any grant fund must be used in compliance with the grant. If not used in adherence, the principal investigator will be held personally responsible for reimbursement of any unallowable purchase.

• Cardholders must purchase items covered on state contract whenever possible. You may make purchases outside a state contract if you meet one of the following conditions:
  (1) If the state contract does not provide what you require;
  (2) If you find the state contract item at a lower price **(at least less than 10% of the state Contract price)** from another vendor, you may purchase from the vendor offering the lower price, after first offering the vendor holding the state contract the option to meet the lower price. The vendor offering the lower price must also meet all of the applicable contract terms. If the vendor holding the state contract meets the lower price, then the cardholder is required to purchase from the contract vendor.

• **Items purchased on the PCard MUST be delivered to a valid MUSC address**

• Cardholders are encouraged to review the State of South Carolina certified Small and Minority Vendor web site for the availability of goods and services prior to making each purchase. http://www.mmo.sc.gov/MMO/spo/MMO-goods-services-contracts-dm.phtm

• The cardholder will sign the control document for every purchase and give to the Department Liaison with all receipts and/or invoices. All documents must be attached to the monthly bank statement. The cardholder will sign the bank statement and the department administrator must counter sign on the lines provided on the statement. The department liaison will keep the bank statements (with original signatures) with control documents and receipts attached for audits. These documents may be kept as an electronic image.

• Cardholders should attempt to obtain copies of missing receipts from the vendors. If the cardholder is unable to obtain a missing receipt/invoice/credit memo, the cardholder should complete a missing receipt form. Cardholder and Department Liaison must sign the form and attach it to the monthly bank statement. Cardholders are allowed to use only one missing receipt form per fiscal year. Additional missing receipts could result in a written warning of PCard policy violation.

• Violations of policy may result in revocation of card privileges and/or disciplinary action up to and including termination of employment. Employees who are found to have inappropriately used the PCard could be required to reimburse the State of South Carolina for all costs.

http://academicdepartments.musc.edu/vpfa/finance/purchasingap/pcard/pcard_violations_policy.doc
Cardholder Liability
The PCard is a corporate charge card and will not affect your personal credit. It is your responsibility to ensure that the card is used within stated guidelines of this Manual as well as University Policies and Procedures relating to the expenditure of University Funds. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management, and disciplinary action in accordance with University Policies and Procedures relating to disciplinary action and termination for cause.

Lost, Misplaced or Stolen PCards
Report any lost or stolen PCard immediately to Bank of America toll-free at 1-888-449-2273. Bank of America representatives are available to assist you 24 hours a day, 365 days a year. Be sure to notify your Department Liaison and the University PCard Administrator about the lost or stolen card at the first opportunity during normal business hours.

Bank of America will issue a new card and mail to the University PCard Program Administrator. Upon receipt of the PCard, the cardholder will be notified to pick it up from the University PCard Program Administrator.

KEY DEPARTMENTAL LIAISON RESPONSIBILITIES
Each Department Head must designate one or more Departmental Liaisons for his/her department. The Department Head will assign a Departmental Liaison for each PCard application approved for his/her employees. Departmental Liaisons are required to attend PCard training so that they are familiar with PCard policies and regulations. Their responsibilities include:

- Collecting vendor receipts and signed PCard control document forms for every purchase from Cardholders and reconciling to Bank of America billing statements.
- An electronic image of all documentation may be kept but must have all of the required signatures.
- Retaining all charge slips and receipts for audit by internal and external auditors.
- Liaisons who are also cardholders must have their Department Administrator review and sign monthly statements and all document control forms.
- Allocate purchase transactions in the WORKS program. The document control form and receipt(s) will be matched to the incoming transactions in WORKS.
- Transactions must be allocated and signed off on after the billing cycle. The monthly billing cycle closes on the 27th of each month. The file will close approximately on the 30th of each month. The cycle will close on the Friday before the 27th if it falls on a weekend. The PCard Administrator will notify all department liaisons the exact date the file will be processed to SmartStream. WORKS is available every day from the internet web site https://payment2.works.com/works/.
- Notify the PCard Program Administrator, if required, to update the default UDAK number in advance of the billing cycle cut-off date established by the University PCard Program Administrator. Reconciliation not completed by the billing cycle cut-off date for three consecutive billing cycles will be considered as non-compliance with established PCard policies and procedures. The department head/administrator will be notified of the non-compliance.
- Notifying the University PCard Administrator of any cardholder transactions that are not in compliance with the University PCard Guidelines.
- Identifying transactions, which require the submission of use tax to the South Carolina Department of Revenue. Subject to Use Tax must be selected on the general tab section of WORKS’s Cost Allocation, if tax was not included by the vendor. The interface report will generate an 8.5% total from the UDAK and place it in the tax chart of account number.
- Attempting to resolve any disputes with vendor and/or Bank of America not resolved by Cardholder.
- Notifying University PCard Administrator in 3 to 5 days of any unresolved disputes, noting the reason for dispute.
- Requesting the University PCard Administrator change the default UDAK for individual cards as needed and approved by Department Head.
- Notifying University PCard Administrator of lost or stolen cards.
- Notifying University PCard Administrator of additional/new department UDAKs and descriptions to be added to WORKS.

- Requesting University PCard Administrator cancel a Cardholder’s card (e.g. terminated employees, transferring departments, and loss of PCard privileges) as approved by Department Head.

- Collecting and destroying canceled cards.

- Checking allocation of funds in WORKS in a timely manner. Transactions are posted daily into WORKS therefore re-allocations and sign-offs should be done by the billing cycle cut-off date established by the University Pcard Program Administrator. Repeated lapses may lead to loss of PCard privileges for the entire department.

### DEPARTMENT ADMINISTRATOR RESPONSIBILITIES

Departmental Administrators are required to attend PCard training so that they are familiar with PCard policies and regulations.

Their responsibilities include:

- Ensure adequate segregation of duties between the cardholders and department liaison(s).
- Oversee the PCard Program for the department.
- Establish a procedure for maintaining supporting documentation for PCard transactions.
- Review and sign the PCard control document form for each transaction
- Sign the cardholder’s monthly bank statement from Bank of America.
- Ensure that all department purchases are within the guidelines established by the University.
- Report any promotional items, gifts or rebates that have been received from vendors to the Department Administrator and Pcard Administrator.

### UNIVERSITY PCARD ADMINISTRATOR RESPONSIBILITIES

The University Purchasing Office will assign a Program Administrator to be responsible for the over-all PCard program. Responsibilities include:

- University liaison with Bank of America.
- Utilizing Bank of America’s WORKS program.
- Reviewing department approved applications for completeness of required information.
- Processing PCard applications to Bank of America and receiving PCards from Bank of America.
- Obtaining Cardholder signature on Cardholder agreement, signifying Cardholder’s agreement to comply with the Policies and Procedures of the PCard program.
- Handling disputed charges/discrepancies between the Cardholder, Departmental Liaison, and Bank of America.
- Updating PCard default account numbers upon request of Department Liaison, as approved by Department Head.
- Advising Liaisons of cut-off dates for transaction approvals.
- Processing transaction file upload to accounting for posting in individual UDAKs.
- Reviewing Bank of America invoice, preparing for payment and submitting to Accounting for EFT payment.
- Reviewing PCard usage for appropriateness.
- Maintaining PCard documentation including, but not limited to, applications, Cardholder agreements and agency billing statements, reconciliation of accounting statements, WORKS programs and copies of transmittals and correspondence with Bank of America.
CARD MAINTENANCE AND CLOSURE

All contact with Bank of America for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by the University PCard Administrator.

The University PCard Administrator is required to close an account if a Cardholder:

- Transfers to a different University department
- Terminates University employment

The University PCard Administrator is required to adhere to and enforce University policy and the disciplinary plan in the following circumstances:

- The PCard is used for personal or unauthorized purchases.
- The Cardholder allows the card to be used by another individual.
- The card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to the University.
- The Cardholder splits a purchase to circumvent the $2,500 single-transaction limit or other limitations of the South Carolina Consolidated Procurement Code.
- The Cardholder uses another Cardholder’s card to circumvent the purchase limit assigned to either Cardholder or the limitations of the South Carolina Consolidated Procurement Code.
- The Cardholder fails to provide Departmental Liaison with required receipts.
- The Cardholder fails to provide, when requested, information about any specific purchase.
- The Cardholder does not adhere to any of the PCard policy and procedures.
- Violation of any grant restriction/requirement.

What is a SPLIT TRANSACTION?

The PCard single-transaction limit is set at $2,500. With the exception of purchases from State-awarded contracts, multiple activity of spending more than $2,500 per day with one vendor may indicate splitting of orders, and may be considered Split Transactions. Any action taken to “work around” or “bypass” the limits set on P-Cards is prohibited. A single purchase cannot be divided into separate transactions to circumvent the single-transaction limit or to artificially create small purchases to circumvent bidding as required by State and institutional policy. “Splitting” of purchases will be considered a P-Card violation. This is also a violation of the South Carolina Consolidated Procurement Code and will create audit points against the Purchasing Card Program. Split transaction violations will be addressed according to policy and procedure as defined on pages 10 and 11 in this Manual. Cardholders MUST ensure that all purchases are within all other spending and vendor guidelines established by the University. EXAMPLE OF A SPLIT TRANSACTION: Several transactions to one vendor in a day >$2,500 is absolutely not allowed. The use of different UDAK’s/project, or researchers requests in the same day would be considered as a split transaction.

http://academicdepartments.musc.edu/vpfa/finance/purchasingap/pcard/splittrans.htm

Administrative fees for unauthorized purchases: Split transaction violations will be addressed according to policy and procedure as defined in the Purchasing Card Manual. Any department responsible for an unauthorized purchase will be charged a $100 administrative fee effective 9/9/03 for time & effort involved in the processing and reporting of ‘unauthorized purchases’ as required by law.
WHAT YOU CAN AND CANNOT BUY USING THE PCARD

ALLOWABLE PCARD PURCHASES

- Purchases **under $2,500** for allowable items
- Office supplies
- Office Furniture
- Books
- Lab supplies – medical, dental, hospital, and lab coats
- Postage – Stamps
- Freight - express, delivery
- Advertising
- Temporary Employment – only from contract vendor
- Airline tickets – for employees and non-employees on official University business only; First baggage charge is allowed only
- Car Rentals – for employees on official University business only
- Registration fees – not to include hotel charges*
- Equipment under $2,500, excluding computer parts or equipment
- Computers, parts and any equipment, including computer related peripherals, memory, hard drives, etc. except as outlined on the Restricted Pcard Purchases list
  
  It is the cardholders' responsibility to ensure that the equipment meets the standards established by the Office of the Chief Information Officer (OCIO); otherwise the computer purchased may not be guaranteed coverage for internal repair/warranty.
  
  If a vendor offers free equipment (example: Apple offering free Headphones) with an order, this equipment is the property of the Medical University of South Carolina and shall not be for personal use.

- Medical License
  
  South Carolina Department of Labor, Licensing and Regulation and the South Carolina DHEC Registration.
  
  The licensed individual will assume the responsibility of providing licensing information to the appropriate reporting area to maintain/obtain credentials.

- Memberships - See Membership Guidelines for membership societies for associations
- Certifications for individuals when there is a direct benefit to MUSC and the cost is reasonable
- Radioactive materials or substances
  
  *Must be approved by the Radiation Safety Office Prior to purchase (Account #50343)

These lists are general guidelines and are not 100% inclusive. If you have any questions about the appropriateness of using the PCard for a particular purchase, please contact the PCard Administrator at 792-4521, or by e-mail at walsar@musc.edu
RESTRICTED PCARD PURCHASES

☒ Purchases OVER $2,500
☒ Alcohol/Tobacco Products
☒ Employee meals
☒ Any items for personal use or consumption
☒ Employee “Perks,” including:
  - coffee supplies; gifts; flowers; plaques; birthday cakes/cards;
  - holiday cards; party supplies
☒ Gift Cards, Store Value Cards, Calling Cards, Pre-Paid Cards or Similar Products —including those for study participants
☒ Cash Advances
☒ Gratuities or tips
☒ Microwaves, refrigerators, freezers for employee use
☒ Memberships – See Membership Guidelines
  - When the organization does not permit agency memberships, or
  - When it is too costly to have individual membership
  - To organizations which appear to operate as charitable organizations
  - Professional fees are to be paid from a Requisition if approved by the University Purchasing Director
☒ Personal professional licenses
☒ Purchases to another University Department, MUHA, MUSC Physicians or MUSC Foundation. These purchases are to be made on an IIT form or through the Marketplace.
☒ Travel Expenses, including
  - lodging; excess airline baggage charges; taxis, meals; gasoline purchases
☒ Application downloads including but not limited to iTunes, Kindle and Google Play Store
☒ Cloud Storage
  - Dropbox, Cloud, VMWARE, etc. Must use musc.box.com
☒ Telephone, cell phones
  - must be coordinated with University Communications
☒ Purchases that require Contracts, Maintenance Agreements, Lease Agreements, or include “Terms and Conditions”
☒ Purchases to Newegg.com
☒ In-store and online purchases to Apple, Dell, Staples and Best Buy without
prior authorization for computers, tablets or laptops. These purchases must be made through the Marketplace or an exception request must be obtained prior to the purchase through an online mechanism (includes, but not limited to Apple, Dell, Best Buy, Staples, Microsoft and Amazon.)

If a vendor offers free equipment (example: Apple offering free Headphones) with an order, this equipment is the property of the Medical University of South Carolina and shall not be for personal use.

- Consultants
- Sponsorships
- Insurance
- 1099 reportable purchases of individual services

These lists are general guidelines and are not 100% inclusive. If you have any questions about the appropriateness of using the PCard for a particular purchase, please contact the PCard Administrator at 92-4521, or by e-mail at walkar@musc.edu.

**Emergency Transactions**

Emergency transactions over $2,500 may NOT be handled with the PCard due to State Procurement Regulations. For any transaction, which does not meet the spending controls assigned to the card, the Cardholder must contact the University Purchasing Office for assistance.

**Intra-Institutional Purchases are Prohibited PCard Transactions:**

Intra-institutional purchases must be made using an Intra-Institutional Transfer (IIT) form.

[http://academicdepartments.musc.edu/vpfa/policies/accounting/1-11.0.htm](http://academicdepartments.musc.edu/vpfa/policies/accounting/1-11.0.htm)

**PCARD POLICY VIOLATIONS PROCEDURES**

**Inappropriate, Unauthorized or Fraudulent use of the PCard**

The following guidelines are established for various types of PCard infractions or exceptions. Administrators should review these guidelines so they are aware of the range of disciplinary standards and what possible disciplinary actions may be taken against employees and be able to pass that awareness on to their employees.

**Guidelines**

The circumstances surrounding an offense, such as the severity of the infraction, the number of times it has occurred and any previous counseling, will suggest what action should be taken. A record of this action will be placed in the PCard Policy Violation file maintained by the PCard Administrator. The individual circumstances of the charge and the Cardholder’s history will be taken into account by the PCard Administrator to determine an appropriate disciplinary action. At management’s discretion, individual offenses calling for counseling and written reprimands could cumulatively result in suspension or termination of card privileges.

**Disciplinary Action Process**

The first violation of the PCard Compliance Policy could result in written notification sent to the cardholder, department liaison and department administrator, notifying him/her of the infraction, except where otherwise stated. The notification will be placed in the PCard Policy Violation file and the department’s compliance file. For subsequent or more serious first-time violations, the PCard Administrator will investigate the circumstances surrounding it and make a recommendation for appropriate discipline to the Director of Procurement based on the PCard Progressive Discipline Guidelines and the PCard Program Policy. The Director will determine what action will be taken up to suspension of card privileges. Should stronger disciplinary action be deemed appropriate it will require approval by Chief Financial Officer with the PCard Administrator initiating such action. A written notice of action taken will be sent to the Internal Auditor and the appropriate Dean or Department Head.

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<tr>
<th>PURCHASING CARD PROGRESSIVE DISCIPLINE GUIDELINES</th>
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<td><strong>Offense</strong></td>
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Revised 06/16
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<tr>
<th>Offense</th>
<th>Action</th>
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<tr>
<td>Missing receipts*</td>
<td>Written warning and liable for all undocumented purchases</td>
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<td></td>
<td>Suspension of card privileges from 3 to 6 months and liable for all</td>
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<td>undocumented purchases</td>
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<td></td>
<td>Revocation of card privileges and liable for all undocumented purchases</td>
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<td>Splitting of purchase over $2500</td>
<td>Written warning</td>
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<td>Suspension of card privileges for 3 months</td>
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<td>Revocation of card privileges</td>
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<td>Failure to Report Lost or Stolen Card</td>
<td>Written warning</td>
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<td>Suspension of card privileges for 3 months</td>
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<td>Revocation of card privileges</td>
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<td>Lost or Stolen PCards</td>
<td>Written Warning</td>
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<td>30 day waiting period before replacement card issued</td>
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<td>90 day waiting period before replacement card issued or revocation of</td>
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<td>card privileges depending on circumstances</td>
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<td>Inappropriate purchases outside scope of fund mission</td>
<td>Written warning and possible fund reimbursement</td>
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<td></td>
<td>Suspension of card privileges for 3 months and possible fund reimbursement</td>
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<td>Revocation of card privileges and reimbursement of fund</td>
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<td>Unauthorized purchase</td>
<td>Written warning and possible fund reimbursement</td>
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<td>Suspension of card privileges for 3 months and reimbursement of fund</td>
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<td>Revocation of card privileges</td>
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<td>Allowing use of card by another</td>
<td>Suspension of card privileges for 6 months</td>
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<td>Revocation of card privileges</td>
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<tr>
<td>Failure to comply with departmental approval process</td>
<td>Written warning</td>
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<td>Suspension of card privileges for 3 months</td>
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<td>Revocation of card privileges</td>
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<td>Use of card for personal gain</td>
<td>Revocation of card privileges, liable for personal purchases and</td>
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<td>referral to Human Resources for disciplinary action</td>
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<td>Other non-compliant or inappropriate card use</td>
<td>At discretion of Director of Procurement with Chief Financial Officer</td>
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<td>approval</td>
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* In the event that a Cardholder loses or misplaces a receipt, it is the Cardholder’s responsibility to obtain a duplicate receipt within a reasonable period of time or reimburse the Medical University for the amount expended.

The above-indicated actions in response to specific offenses are to be used as a guide and are not intended to be all-inclusive. At the occurrence of any of the listed offenses, or any that are not listed, the appropriate discipline shall be determined after the particular circumstances of the case have been carefully considered.

**Vendor Blocking**
The State of South Carolina and the Medical University of South Carolina require that certain types of vendors be blocked from PCard purchases. Among these are hotels, entertainment, and cash transactions. Transactions will be blocked at the point-of-sale level. A listing of the University’s blocked vendor types can be found, beginning on page 13 of this manual.

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**EXEMPTION AND EXCEPTION PURCHASE TRANSACTIONS**

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* Revised 06/16*
Some items that are exceptions to the guidelines of the PCard Program may be purchased if pre-approval is obtained in advance from the PCard Administrator and the Director of Purchasing (or designee). Below is the procedure for requesting an exemption:

- Fill-out, scan and e-mail a [PCard Exception Form](#), signed by the Cardholder and Department Liaison, to the PCard Program Administrator.
- The request will be approved or denied by the PCard Administrator and the Director of Purchasing (or designee).
- The request will then be e-mailed back to the requestor. If approved, the cardholder may use their PCard for the purchase(s) specified in the Request.

### SALES AND USE TAX

**Purchases From Vendors Located In South Carolina** - The vendor is responsible for collecting retail sales tax at the point of sale. The amount of sales tax should be indicated on the receipt provided by the vendor.

**Purchases From Vendors Located Outside South Carolina** – The University is responsible for paying use tax on tangible property purchased from vendors located outside the state and brought into South Carolina. If sales tax is paid in another state, a use tax credit is allowed for the University; therefore, no South Carolina tax is due. The individual receipt provided by the vendor should indicate whether any out-of-state sales tax has been collected at the point of sale. Note: Should no tax be charged the Departmental Liaison would identify in WORKS, the amount to be submitted to the SC Department of Revenue. Subject to Use Tax must be selected on the general tab section of WORKS’s Cost Allocation, if tax was not included by the vendor. The interface report will generate an 8.5% total from the UDAK and place it in the tax chart of account number.

### ADDITIONAL INFORMATION

**PCard Records Retention**  
Original receipts for purchases paid from federal funds are to be maintained for 7 years or as stipulated in the grant. All other original receipts are to be maintained for 3 years. These retentions apply regardless of what physical format, i.e., paper, microfilm, electronic storage, digital imaging and etc. that the original receipts are stored in.

**Completing a PCard Transaction**  
Follow these general guidelines when using your card or account number to make a purchase:
- Determine if the intended supply/service purchase is within spending and vendor guidelines.
- For face to face transactions provide the vendor with your PCard plastic or for telephone orders give the vendor your account number and expiration date.
- The description of the order must be placed on a document control form. This order copy must be provided to the Departmental Liaison for allocation of funds in WORKS (BOA PCard system). Provide all receipts, attached to the document control form, to Departmental Liaison for allocation of funds in WORKS.
- Obtain a copy of the charge slip, sales receipt, packing slips, or other approved documentation.
- Notify Departmental Liaison of alternate UDAK number for purchase to be charged if different than the default University account number assigned to the PCard.
- Notify Departmental Liaison of grant number if/when cost sharing is applicable.

**Completing a Pcard Transaction in the Marketplace**
- Fill your Shopping cart with items from any PCard enabled vendor and Proceed to Checkout
- Enter Accounting Codes and review your order.
- Go to the Billing Tab where you will find the Pcard heading. Click on the Edit button. The PCard window will open and you will be able to choose your default card by clicking the dropdown or type in your card information.
- After clicking save, click place order.
- For UMS users, UDAK approval will be required in the workflow and the requisition will export to UMS
- The Pcard orders do not require receiving in Marketplace but all of the required supporting documents are still required to be maintained by the department making the purchase.

**PCard Flowchart**  
Chain of events when a PCard is used to make a purchase:
- Cardholder uses PCard with a vendor
• Vendor inputs transaction into the VISA System
• VISA system checks against cardholder profile to authorize or decline the purchase
• BOA transmits transaction to the Medical University of South Carolina
• Transactions are downloaded weekly into WORKS (BOA PCard system)
• Department Liaison(s) update the default UDAK number in advance of the billing cycle cut-off date established by the University PCard Program Administrator.
• An interface file is produced to expend monies from approved cost centers (UDAK) into Smart Stream.
• A purchase order is processed for payment to Bank of America for the monthly purchases.

Erroneous Declines
There may be certain situations when a vendor receives a decline message when processing your PCard transaction. If you do not know the reason for the decline, contact the University PCard Program Administrator at 792-4521, or by e-mail, walsar@musc.edu for an explanation. If the purchase is being made outside of normal University business hours, the employees must find an alternate payment method or terminate the purchase and contact the University PCard Program Administrator during normal University hours.

The following reasons may decline a card . . .
• Exceeding the monthly credit limit
• Exceeding the single transaction limit
• Merchant Category Code (MCC) is blocked

Reconciliation, Approval and Allocation of Billing - Receipt and Payment of Bank of America Billing
Bank of America will bill the University within seven (7) days after the close of the billing cycle on the 27th of each month. The University PCard Program Administrator will review bill for any obvious errors in charges or un-posted payments. If none are noted, the payment in full will be made to Bank of America. The University PCard Program Administrator will prepare payment against prepay code and submit it to Accounts Payable for payment to be issued to Bank of America. A purchase order will be prepared within 5 days after receipt of the Bank of America bill and processed so that payment will reach Bank of America no later than 25 calendar days after the close of the billing cycle of the previous month.

Credits
The vendor should issue a credit to your PCard account for any item they have agreed to accept for return. This credit will appear on a subsequent statement. Under no circumstances should you accept cash in lieu of a credit to the PCard account.

Promotional Items
Promotional items, gifts or rebates must be used for the good of the department. Documentation must be retained for adherence to the policy.

Disputes & Billing Errors
You should always attempt to resolve any disputes or billing errors directly with the vendor. In most cases, the vendor will issue a credit to the card account. If an agreement cannot be reached with the vendor, you should prepare a signed Dispute Form to document the reason for the dispute and scan and e-mail the form to the University PCard Administrator, Sarah Wall at walsar@musc.edu. After review, the University PCard Administrator will fax the dispute form to Bank of America. Nearly all issues can be resolved using this process. The total amount billed by Bank of America will be charged to the individual departmental accounts and credits for disputed transactions will be posted to departmental accounts when credit appears on the Bank of America billing.

Vendor Participation
If a vendor frequently used by University employees does not accept the VISA card, the University will assist in recruiting the vendor to take the necessary steps to begin acceptance of the card. Cardholders should contact the Departmental Liaison or University PCard Administrator when encountering vendors who do not accept the card. If the vendor will not accept the PCard, a Direct Payment can be done in Marketplace.

Audit Assistance
The Department Liaison/Administrator and the University PCard Administrator will assist the University, The State of South Carolina, and external auditors in periodic audits for compliance with the guidelines of the PCard program, University policies and procedures relating to the expenditure of University funds and other required documentation.
Confidential Hotline
A toll-free, confidential hotline (1-800-296-0269) is available 24 hours, 7 days per week to anyone needing to report any activity reasonably believed in violation of any law or regulation, any MUSC policy, or any Federal or State healthcare requirement.

Customer Service
Bank of America Customer Service is available 24 hours a day, 365 days a year at 1-888-449-2273 for:
- Reporting a lost or stolen card
- Disputes or billing errors

BLOCKED MERCHANT CATEGORY CODES (MCC)

The Medical University PCard Program blocks certain merchant types from PCard use for the majority of PCard cardholders. Transactions will be blocked at the point-of-sale level. Below is a listing of those blocked-vendor types.

If a cardholder needs to make a purchase from a vendor who falls within the blocked MCC Category Code, and the purchase does not violate the Restricted Purchases or other PCard policy, the cardholder can contact the PCard Program Administrator. At the PCard Administrator’s discretion, an override can be provided for that particular purchase.

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<tr>
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<th>Description</th>
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