NSHE OVERALL BEST PRACTICES – PCARD PROGRAM

1. Each institution should have a specific department and personnel assigned the responsibility and authority for management of their Pcard program, with adequate staffing to support the operation.

2. Each institution should establish an appropriate regular audit/review process for Pcard transactions to help ensure adequate operations of the program and to address errors/problems. The review process must include standard exception management reporting and other appropriate methods to regularly monitor pcard activities for potential abuses/errors, including regular reviews/evaluations of any “structured” transactions (planned and sequenced uses that circumvent existing parameters of operation for the program).

3. Each institution should require adequate training for Pcard holders before they are issued a card. Following training, Pcard holders must be issued a user’s manual and sign for that manual, noting they understand their responsibilities and authority associated with the use of the pcard. Additionally, each institution should send out regular reminders to card-holders noting key requirements and responsibilities (preferably with an updated “Quick Guide” pocket summary on proper uses of the Pcard)

4. Each institution should establish time periods to review and update the manual and this should occur at least on an annual basis.

5. Each institution should ensure that all policies and procedures established are consistent with the Board of Regent’s and Chancellor’s purchasing requirements.

6. Security provisions need to be adequate, including required password changes at least every 90 days.

7. Each institution must have an adequate and timely process to assure that when employees leave the institution (voluntarily or otherwise) their card is collected and/or deactivated.

8. On at least a monthly basis a supervisory review and approval of the electronic account statement for card-holder activity shall be formally completed. If the president (or lower officer which has received delegation from the president to approve host expenses under Chapter 5, Section 1) has previously approved hose expenses, the officer is not required to also review and approve pcard statements that include hosting expenses.

9. The electronic account statement should be used to collect the business purpose summary of purchases (as backup to the itemized receipt or invoice)
10. Only the authorized cardholder should use their card and it should not be loaned to another individual. Institutions may consider “departmental” cards for specific situations where the card may be used in an effective and controlled manner.

11. Each institution shall have a process to review and control the Pcard limits for each user (transaction limit and monthly limits) that match the user needs, and are balance against existing controls. One overall institutional limit is prohibited. The institution should have a process to review all limits on at least an annual basis and adjust as appropriate.

12. Each Pcard should have the following printed on the face of the card: “Tax Exempt – For Business Use Only”, the institutional tax ID number and the institutions name.

13. Each institution shall have an adequate policy enforcement for significant abuses to Pcard uses, which may include suspension and/or deactivation of the card.

14. Each institution must have an adequate process to ensure that equipment purchased with the Pcard meets all tagging requirements.

15. Each institution shall review the MCC codes to insure cards may not be used at inappropriate vendors/types of business.