

Purchasing Card Procedures Manual

Version 10.1 Apr 24

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Help and guidance

Card provider and type: Barclaycard Visa

Barclaycard Customer Services (24 hours, 7 days a week):

Including options to report lost/stolen cards, make balance enquiries and query transactions

Calling from UK

Tel: 0800 008 008

Calling from overseas

Tel: (44) 01604 269 452

These numbers also appear on the reverse of each card.

Direct line to report fraudulent use:

Tel: 0800 001 4286

Barclaycard may verify a caller's identity before discussing a card, by requesting some or all of the following security information:

- **Transaction limits:** Single transaction value and total monthly spend, customised to each cardholder
- **Statement date:** 28th of month
- **'Home' address:** either your home address if you have provided it or, Finance, PO Box 217, Reading RG6 6AH

Barclaycard online spend management system:

Website: <https://identify1.business.barclaycard/login#gcpidvlogon>

Log in username: personal University email address

The website will 'time out' for security purposes if there is no activity

Internal contacts reference card administration:

Purchase Card Team

Email purchasecards@reading.ac.uk
0118 378 5855

Queries about suppliers
(Procurement)

Email procurement@reading.ac.uk
0118 378 8305

Information about Cards:
<https://www.reading.ac.uk/finance/information-for-finance-staff-closed/purchasing-cards>

<https://www.reading.ac.uk/finance/information-for-finance-staff-closed/purchasing-cards>

VAT guidance:

www.reading.ac.uk/closed/finance/Tafs/FCS-VAT-PurchaseTaxCodes.aspx

University Policies on Procurement, and Expenses and Hospitality:

<https://www.reading.ac.uk/finance/forms-and-guides-policies-and-procedures>

University Information Management Policy:

<http://www.reading.ac.uk/internal/imps/policiesdocs/imps-policies.aspx>

Summary of cardholder responsibilities

- **Ensure** you are familiar with University policies and this manual
- **Keep** your card secure at all times
- **Make sure** you have understood and can adhere to the Employee Agreement (Appendix 3) before signing
- **Complete** your monthly statement fully and within the deadline
- **Complete** your own coding
- **Obtain** and submit all receipts and ensure you have VAT receipts where applicable
- **Notify** the purchasing card team on purchasecards@reading.ac.uk about any change to your post at the University, or that of your authorising manager
- **Never** use your card for personal purchases
- **Never** let someone else use your card or its details to make a payment
- **Never** try to make a purchase of a value over your authorised transaction limit even if a supplier offers to split the total into lower-value transactions

Overview

▪ Introduction

The University of Reading has identified that there are advantages to be gained by using Purchasing Cards as part of its procurement and purchase accounting processes.

The basic objective of using the Purchasing Card is to save transaction charge costs and reduce paperwork and administration time involved in the ordering and invoice processing of low value, high volume goods and services from external suppliers only. The payment of charges between University budgets remains an internal process through Finance, this includes any official spending at University catering outlets.

Please note that all existing University policies remain valid regardless of the method of payment used in settling a supplier's account. Please refer to these University Policies:

- Procurement Policy
- Expenses and Hospitality Policy

It is the responsibility of every cardholder to be familiar with the requirements of those policies prior to commencing use of a Purchasing Card. Compliance with **all** University Policies is part of a cardholder's undertaking when making an application.

Each cardholder is directed to this manual prior to their application for a card being approved. All cardholders must make themselves familiar with, and act in accordance with, the requirements laid out in this manual. Purchases must be made in accordance with this manual, which covers the most common issues that arise in connection with the use of the card.

Updates or amendments will be notified to cardholders via the emailing list, and this manual is updated periodically for re-issue.

The cardholder may only use the card for business purposes and should always use contracted suppliers for the product or service if there is one in place, unless specific permission to do otherwise is given by Procurement. The card is not to be used for making payment to any University of Reading department, internal service provider or catering outlet.

The Purchasing Card is embossed with the cardholder's name, but the account and therefore the liability is in the name of the University of Reading. There is no impact on any individual's personal credit status, or implication by a cardholder providing a home address.

Controls and policing

The issue and use of Purchasing Cards is subject to the directions given in University Policies and this Procedures Manual. Breach of the rules is viewed very seriously and persistent failure to comply by any cardholder may lead to cancellation of their card or disciplinary procedures. There are financial limits and permitted product areas set up for each card and a card will automatically be rejected if a transaction outside these agreed limits is attempted. Merchant Categories 10 – Staff – temporary recruitment, 16 – Financial Services and 34 – Cash are not permitted under any circumstance

The use of a purchase to withdraw cash is strictly prohibited.

Each month, transactions raised are approved by authorising managers, and all transactions are monitored by Finance and Procurement. Random audits may be conducted for both card activity and retention of receipts and invoices. Cards must be reapplied for every 4 years. The cardholder will be invited to refresh their application by the Purchase Card Team.

The responsibility lies with the Head of School/Function Directorate as to whether applying for a purchase card is required and is reasonable for the amount of usage anticipated and the number of purchase cards already in existence in their area in relation to the number of staff employed.

If a card is inactive for 6 months there is a risk that the privilege will be removed, final decision will be made by the Director of Finance if there can be a continuation of ownership of a card.

The issued PIN must not be changed to be the same as the card holders personal bank PIN.

Transaction payment process

Suppliers are paid by the bank within 4 working days of the transaction, and the University of Reading has access to monthly electronic statements on BSM, detailing the transactions for each cardholder. The University makes one payment per month to the bank to cover all card transactions in that period.

These statements are available on BSM electronically to individual cardholders. The cardholder enters the coding and VAT details which enables the Finance Department to record the transactions and allocate costs accordingly.

Card Security

- **Security of the card and card details**

The account is in the name of the University of Reading, but each card is personal to the user. It is expressly prohibited to allow anyone other than the named cardholder to use a card or its details to make a payment: a card should never be passed onto a colleague to make a payment even if the cardholder is present, and card number, expiry date etc should not be available for reference by anyone other than the cardholder. **If the University finds that sharing a card or its details has occurred, the card in question will be suspended immediately.**

It is the cardholder's responsibility to ensure that the card and all details are kept in a secure location. Any paper copy or electronic document or record containing details of a card account must also be kept secure and never left on display. All cardholders must complete the required [mandatory online training modules](#) and comply with the University Data Protection and Information Security Policies which can be found at: <http://www.reading.ac.uk/internal/imps/policiesdocs/imps-policies.aspx>

School Transaction clerks – School embossed Purchase cards - Exception

School Transaction clerks, who are employed by the Finance Department, may be required to hold a purchase card that has the school's name embossed on the card rather than their own name. The card holder (as name in the Barclaycard profile) is still responsible for the purchases made on the card however when a card holder is on leave, or has extended periods of absence, the card can be passed to a School Transaction clerk (employed by the Finance Department) colleague who can perform purchases using the card.

The "temporary owner" must be noted to ensure that there is a clear understanding as to who held or used the card at the time of a purchase. This is to enable a full auditable ownership trail.

This exception is required due to a business requirement.

Please note this exception is only for School Transaction Clerks who are employed by Finance but make purchases on behalf of the named school. Other employees are exempt from this exception and must adhere to the University's standard guidelines.

- **Lost/stolen cards**

Cardholders should keep a note, separate from their card, of the following Barclaycard telephone numbers for reporting lost or stolen cards, lines are open 24 hours, 7 days a week:

Tel: 0800 008 008 from the UK

Tel: (44) 01604 269 452 from overseas

If a card is lost or stolen the cardholder should telephone Barclaycard immediately, and inform Finance by email to purchasecards@reading.ac.uk or telephone (+44) (0)118 378 5855 as soon as possible thereafter.

Change in Cardholder's Circumstances

- **Change of name**

A replacement card can be requested by emailing purchasecards@reading.ac.uk if a cardholder changes their name. The card in the old name should be destroyed on receipt of the new card by cutting the card through the metal chip and magnetic strip and be disposed of. Documentary evidence will be required to be provided, for example a marriage certificate.

- **Change of school/department/authorising manager**

If a cardholder moves to a different University department a decision will be made on whether a card is to be retained by the new Head of School/Function. If this is the case Appendix 4 form should be completed with up-to-date details, signed by the new Head of School/Function and submitted to Finance.

No transactions should be undertaken within the last month in the role, to allow for all admin processes to be completed prior to amending the card records and workflows or the account being closed.

If there is a change to the member of staff acting as Authorising Manager again a completed Appendix 4 form signed by the current Head of School/Function should be submitted to Finance.

- **Leaving employment**

If a cardholder is leaving the employment of the University no transactions should be undertaken within the last month of employment and an email notification must be sent to purchasecards@reading.ac.uk by the cardholder and the card cut up through the metal chip and magnetic strip and disposed of at the latest at the end of the month prior to month of departure. The PIN sentry device can remain in the department as a spare. Paperwork and receipts supporting any outstanding items must be submitted to the authorising manager for processing to be completed prior to the cardholder leaving employment

Where a cardholder is taking long-term leave (such as maternity or sick leave) this should be advised to purchasecards@reading.ac.uk; the card account credit limits will be suspended for the duration using the dates provided.

Spending limits

- **Monthly limit**

An initial monthly financial limit must be agreed with Head of School/Function as part of any application; this is usually up to £5000. If you find that this is insufficient an application to increase it can be made by submitting a completed Appendix 5 to the Head of Transactional Services.

Transaction limit

Each card has a single transaction financial limit, usually up to a maximum of £2500, applied in accordance with the cardholder's Head of School/Function decision on an appropriate level of authority for that cardholder. This limit is inclusive of any VAT, and any handling charges such as carriage. It is against regulations to request a supplier to accept multiple part-payments, against one or multiple cards, to overcome this limit, and is an attempt to undermine the Head of School/Function decision. Cards should not be presented for purchases in excess of this limit.

Application can be made to amend financial limits by submitting a completed Appendix 5 to the Head of Transactional Services.

Appropriate Suppliers

Purchasing Cards are to be used only with contracted suppliers, or suppliers authorised by the Procurement Department.

The University's Procurement Policy applies. Procurement will contact cardholders if there is any failure to comply with these rules.

Personal Expenses

A card payment can often be used for approved personal expenses however cardholders must not use the card to pay for petrol for their own vehicle. The University's expenses process must be completed for mileage claims where the claimant is submitting a request for reimbursement for business miles travelled using their own vehicle.

Transaction Management

▪ VAT

Transactions must be supported by a VAT receipt showing the total value of the goods/service ex VAT, and the VAT amount. The correct VAT code must be entered against each transaction when completing statements. In certain cases, the supplier may process the transaction to show VAT separate from the total value on the statement.

Information and guidance on VAT, including a list of codes to be entered on statements, can be found on the Finance website at:

<http://www.reading.ac.uk/closed/finance/A-Zsearchableindex/fcs-atoz-mainpage.aspx?DSID=V>

▪ Raising transactions/placing orders

The Cardholder **personally** needs to provide all card details to the supplier for every transaction, whichever way an order is raised.

When placing online orders, cardholders may be prompted to provide an 8-digit security code which can be generated by the PIN sentry device or sent to the mobile by the supplier if the mobile number is on the account record.

PayPal accounts are not to be used unless explicitly approved by the Head of Transactional Services.

▪ Recording transactions

In all cases every transaction must be supported by a paid invoice/receipt that identifies the details of the transaction, including the VAT element, and is sent directly to the cardholder. These must be retained with all details and evidence of the transaction, for reconciling and submitting with the related monthly statement. Invoices submitted to Accounts Payable may result in duplicated payments.

Coding a transaction must be completed by the 14th of the month following statement close on the 28th. If coding is not completed for two months in a row, then a warning will be issued for noncompliance. If coding is not completed for three months in a row then your credit limits will be revoked and your account reviewed for closure.

- **Card declined**

If a transaction is declined cardholders may refer to the Purchase Card Team on purchasecards@reading.ac.uk for advice.

Common causes for a card being declined are exceeding transaction or total monthly financial limits or using a blocked Merchant Category.

- **Rejection of goods**

If delivered items are not accepted for any reason, the supplier must be contacted directly, in order to arrange a credit card account. Any credit issued will appear on the statement. The credit is to be coded exactly the same as the original transaction.

Any query regarding delivered items should be raised with the supplier promptly. Procurement should be contacted if any dispute with a supplier cannot be resolved.

- **Incorrect amount charged**

If an incorrect charge appears on a monthly statement the supplier should be contacted to clarify, or to obtain refund by credit to the card account. In this case the incorrect amount must still be accounted for in the statement: in the item description it should be noted that a refund has been agreed. Any credit will appear in a subsequent statement. The credit is to be coded exactly the same as the original transactions.

- **Charged but goods not received**

If a charge is shown on the statement for items not received, contact the supplier to ensure that the goods have been dispatched.

It is a Visa regulation that a transaction is not processed until the goods have been dispatched. Email purchasecards@reading.ac.uk if this regulation has been breached.

- **Missing transactions**

Purchases made just prior to the statement date will show up on the following month's cardholder statement.

- **Accidental personal use**

In the event that a cardholder mistakenly uses their card for a personal transaction, for example for a personal meal, or an Amazon transaction, details should be advised to line management and purchasecards@reading.ac.uk as soon as possible. When completing the statement, the coding for the personal transaction must include:

8750 account code; school project code; and cardholder's staff number.

Once coded contact Receipts Office, vbsrecept@reading.ac.uk who will advise of the reimbursement process via online payment or payment by phone.

- **Transaction record and monthly statement**

Records of activity against a card are managed through an online system; cardholders and authorisers can log into this at any time to review transactions.

Each calendar month a cardholder is required to complete a reconciliation of transactions. This statement must be submitted to the Purchase Card Team by the 15th of each month once the authoriser has viewed the receipts for Policy compliance.

- **Authorising manager**

The Authorising Manager must be senior to the cardholder in position or grade, within the University's normal financial delegations. The authoriser must review each item of spend through the online Barclaycard Spend Management System, with supporting documentation as required, to ensure complete compliance with University Policies. The Authorising Manager has the right not to approve any transaction where the supporting information is insufficient to prove the purchase is an appropriate use of University funds, in which case it may be categorised as unauthorised personal spend, and the procedure for reimbursing the University would apply.

If a member of staff ceases to be the Authorising Manager, this should be advised to purchasecards@reading.ac.uk as soon as possible. To appoint a new Authorising Manager, Appendix 4 form should be completed and emailed to purchasecards@reading.ac.uk.

Transactions are to be approved by the 16th of each month.

Cardholder absence

If a cardholder or authoriser is aware in advance of likely absence approaching the deadline for coding or approvals, they are to advise purchasecards@reading.ac.uk

In the event of unexpected absence delaying the coding of a completed statement, the total of the charges on that statement will have to be defaulted to a department budget. Any adjustment needed can be made later by the Executive Support or Finance Partner for that area.

Application Forms

Please ensure all forms are fully completed and countersigned by the Head of School/Directorate Function before forwarding as indicated. Application forms and re-application forms must be submitted directly by the Head of School/Function.