

AGENDA

Planning & Budget Committee (PBC)

12/21/22 | Noon

1. **Call to order:** Deja Sero in Dr. Michael's absence at 12:01

2. **Approval of Meeting Notes:** *Notes from 11/16/22 in December folder*
Mark Denney made the motion and Jeffery Mountain seconded. Notes from 11/16/22 meeting approved.

3. **Old Business**

Budget Manager Training Update – Deja Sero

63 participants in 6 sessions

Avg score 90% - did not meet outcome criteria she set at 100%

Training takeaways

- In-depth training – budget concepts & approach

- Obtaining access to run financial reports – some are getting access to PS Finance

- Desire to manage budgets – great interest by participants

Feedback survey coming in early January – help pinpoint gaps in information to improve training programs in the future.

Overall success and ideas on how to move forward with improving budgeting and planning

Updated Budget Initiative Planning – Deja Sero

Updated dates shared by Deja

Jan 9-23 – VPs review FY24 Initiatives

Jan 25-Feb 3 – PBC receives initiatives to review (longer time to review to give quality feedback)

Mar 1-20 – VP present to divisions and get feedback

VP present first week of April to UHCL community

4/5 - final combined and prioritized list sent to PBC & PBO from VPs

4/28 - PBC provides final scoring matrix to PBO & UC

5/11- UC provides to President Walker

Questions?

Comment by Mark Denney: new order of calendar, list shared with PBC before VPs finalize their list (vetting & prioritizing)

Lot of unknowns currently because it's a legislative year and the possibility of not raising tuition.

This gives PBC lots of time to review.

Question from Dr. Hawn – what about those requests that are large multi-year requests, but not a permanent budget item?

Deja Sero: approval could be granted for the first year and then a request would be resubmitted each following year for approval if the request is non-base funded. Re-submission is for transparency each year of requests

Mark Denney – We are trying to set aside institutional commitment for those types of requests. This is not something that was done in the past.

Review Upcoming Due Dates – Deja Sero

The Legislative session starts 1/12/23; there will be links on UHCL website for those that want to be engaged.

Activities for FY24 budget will pick up after 01/02/23 - meet with DBAs

Budget development begins in April.

Enrollment Projections Collaborative Approach – Deja Sero

Strategic Enrollment Management, Student Success and Initiatives and Budget are working together to work on enrollment projections and how that will relate to the budget. There has been an initial meeting and there will be more in January.

4. New Business/Announcements

P-Card Policy – Dr. Sherry Hawn (12:28pm)

Mark Denney: This type of presentation is new to PBC. He is proposing a new administrative policy on policies will be presented soon. All financial related policies will come to PBC as part of our shared governance before they go to University Council (UC).

This presentation by Sherry Hawn is the first using the new policy.

This policy was created based on a need for clearer written guidelines on p-card usage. The internal auditors strongly encouraged this updated p-card policy.

This is Rev. 7 for the p-card policy.

Mark Denney: last page new for administration policies (attachment B)

Lists changes made to policy -

Table 2 what changes suggested and rejected and rationale

PBC – submit comments to Dr Hawn. By email (Cindy S. question)

Question: Pretti Jain – I have not used p-card – colleague put hotel on card but I see the p-card is not to be used for travel?

Answer: Dr. Hawn – that would have been a TAP card for travel expenses. Concur will replace the TAP card soon – 4/1ish.

Dr Waller – Deans had a discussion after Dr. Hawn’s presentation to Dean’s council. When getting new p-cards – has the approval chain changed? Who has approval authority?

Dr. Hawn: The new DocuSign approval form will have a hierarchy for approvals.

We are taking a more conservative approach on these cards and are reducing the credit limit on many cards as some limits were set higher than the card holder was spending on average. The supervisor would approve the p-card application through DocuSign and the credit limit will be softly managed.

Mark Denney: Training for p-cards will be coming. Dr. Hawn's area has had several training sessions recently.

Mark Denney – Because Dr. Michael is absent and there is nothing in by-laws instructing us how to handle policy recommendations so we will bring this policy back to 1/18/23 meeting as old business. There will be no formal presentation, however.

No other business.

Meeting adjourned as LeeBrian Gaskins moved for adjournment and Jeffery Mountain seconded.

Attendance List for 12/21/22

Bearden, Megan
Bendeck, Yvette M
Bonilla, DeAngel Fitzgerald
Datta, Soma
Datta, Soma
Denney, Mark Alan
Gaskins, LeeBrian E
Gaskins, LeeBrian E
Gebrehiwot, Henock
Gonzalez, Miguel A
Hadley-Shakya, Kara Marie
Hawn, Sherry B.
Hester, Jamie
Jacobs, Lorie Louise
Jain, Preeti
Lund, Kurt A.
Mountain, Jeffrey R
Powellson, Tina
Qumsieh, Miriam
Richardson, Timothy L
Saltzman, Cindy
Sero, Deja Shawna
Staley, Joseph
Thomas, Sheeba Biju
Waller, Edward Roland
Williams-Duncan, Omah M.

Budget Manager Training Statistics (NOV. 2022)

- Total # of training participants: 63
- Average training quiz score: 90%
- Training Takeaways:
 - In-depth training – Budgeting Concepts and Approach
 - Obtaining access to run financial reports
 - Desire to manage budgets
- Feedback survey coming in early January

University of Houston Clear Lake

MEMORANDUM OF ADMINISTRATIVE POLICY

SECTION: Fiscal Affairs

Number: _____

AREA: Finance

SUBJECT: University Procurement Cards (P-Cards)

I. PURPOSE AND SCOPE

The State of Texas contracts with a bank to issue procurement cards (P-Cards) to state agencies and universities that wish to use them. The University of Houston-Clear Lake uses P-Cards, which are billed to the university, to increase the efficiency of the procurement process and reduce out-of-pocket reimbursements for purchases that do not require a purchase order or contract.

This policy statement addresses the procedures for the reimbursement of expenditures made by University of Houston – Clear Lake employees who incur expenses, on behalf of the University, on University issued (P-Cards).

II. POLICY INFORMATION

- A. Eligible UHCL employees may obtain a P-Card from their College or Department Business Administrator for university business purposes.
- B. Employees seeking a P-Card, must complete the procurement card application: <https://www.uhcl.edu/about/administrative-offices/procurement-contracts/documents/p-card-documents/12-p-card-application-form.pdf>
- C. Business Operations is responsible for providing annual training and guidelines to cardholders and administrators for the appropriate use and administration of P-Cards. Business Operations also serves as the intermediary between the bank and cardholders/administrators by issuing/canceling P-Cards, reporting disputed charges to the bank on the cardholder's behalf, and processing payments to the bank.
- D. Department heads are responsible for overseeing the use and administration of P-Cards within their division/college.
- E. All Department heads, college/division administrators, and cardholders must comply with the P-Card guidelines issued by Business Operations.
- F. P-Card expenses will be monitored and misuse of the credit cards may result in disciplinary action which may include termination of employment and/or criminal prosecution.

III. OPERATING GUIDELINES

- A. Please refer to **Attachment A** for details regarding P-Card operating guidelines and rules.

IV. REVIEW AND RESPONSIBILITIES

Responsible Party: Vice President for Administration and Finance

Review: Every five years

APPROVAL

Vice President for Administration and Finance

President

Date: _____

V. REVISION LOG

Revision Number	Approved Date	Description of Changes
#7		Updated with operational guidelines

VI. REFERENCES

[SAM 03.A.04, University Credit Cards](#)

ATTACHMENT A**P - Card Policy and Guidelines – Covered in Mandatory Training****1. What is a P-Card?**

- A. A Purchasing Card, or “P-Card,” is a corporate liability card that provides a department buyer a way to spend money directly out of their budget. Although the card is issued to you, the University pays the monthly bill. Therefore, the card has no impact on your personal credit history.

2. Why is it used?

- a. The P-Card enables you to make small dollar purchases, quickly and directly, with minimum paperwork and processing. If grant dollars are funding the purchase then the Office of Sponsored Programs should be consulted in advance of the purchase. However, there are various rules about what can and cannot be purchased by P-Card, single-transaction spend limits, and processing the associated expenses. Restricted purchases can be found on the unacceptable purchases list. <https://www.uhcl.edu/about/administrative-offices/procurement-contracts/documents/03-cardholder-user-guide.pdf>

3. How do I get one?

- a. As a UHCL employee, you may request a P-Card from your College or Department Business Administrator if you have a UHCL business need for one. If they approve your request they arrange for a card through the P-Card Administrator, Business Operations.
- b. There is one DocuSign form for ordering, increasing the credit limit, or closing a P-Card. [FORM LINK PLACEHOLDER]
- c. The employee also completes a Citibank P-Card Application. <https://www.uhcl.edu/about/administrative-offices/procurement-contracts/documents/p-card-documents/12-p-card-application-form.pdf>
- d. The employee provides the completed form to the DBA/CBA for approval.
- e. The DBA/CBA forwards the form to Business Operations.
- f. Business Operations ensures that the employee has completed P-Card training for the year and places the order for the card.
- g. Once the card arrives the P-Card Administrator notifies the employee and sets a date/time for card pick-up.
- h. The employee must sign the P-Card Agreement before the card is distributed.

4. What are the credit limits?

- a. The initial card limits are \$5000.

5. How do I increase my credit limit?

- a. If the employee needs an increase in the credit limit they must justify the reason.
- b. Credit limit increases above \$5000 are temporary.
- c. If additional buying power is needed we can accommodate it, temporarily.

6. Why does the University lower my credit limit?

- a. P-Card use is evaluated periodically by P-Card Administrator and Internal Audit to ensure that the university has reasonable limits in place for internal control.
 - b. If prior spending patterns are lower than credit limits on the card then the credit limit will be decreased unless and until a temporary increase is warranted.
 - c. This limits UHCL financial risk.
7. **Can the university close my card?**
- a. Yes, the University can close your card after 3 exception requests in a 6-month period. An exception occurs when the cardholder has not followed P-Card guidelines and requests approval of their transactions and/or re-allocations.
8. **What happens when I move to a different department?**
- a. When you move to a new position at UHCL or within the UH system you must return your card to P-Card Administrator in Business Operations in NOAll or you can leave it with your DBA/CBA and have them return it.
 - b. Please note, we will be unable to sign off on your Separation Form [if you are leaving UHCL] without returning your P-Card.
9. **What happens when I leave UHCL?**
- a. Similar to the changing jobs scenario, you must return your P-Card before your last day.
 - b. The card's numeric profile is permanently erased, and the physical card is destroyed.
 - c. Again, please return the card several days before your last day so we can process your separation paperwork and have it signed when you need it.
10. **What are my obligations?**
- a. **Card safety** – The cardholder is responsible for safeguarding the P-Card and account number at all times. No one else should use a P-Card except the person to whom it was issued, so no one should be making purchases on someone else's behalf. Do not save the card number in any readily accessible place or shared file; please make sure your browser has not saved your card information.
 - b. **Card replacement if lost/damaged** – Call 1-800-248-4553 immediately 24/7 and also notify the P-Card Administrator so we can arrange for a new card. If the card is damaged and un-usable just reach out to Business Operations for a replacement.
 - c. **Monthly accounting** – By no later than 5th day of each month each cardholder must review and sign the expense report for the previous month's billing period, certifying that:
 - i. All charges were made by the cardholder
 - ii. All charges are for the correct amount
 - iii. All charges are for UHCL business needs and in policy compliance

- iv. All supporting documentation and information are provided to the department business office and is attached to the expense report.
- d. **Taxes** – If the P-Card is used to purchase meal the card holder is responsible for presenting a tax-exempt form to the restaurant. We do not reimburse for Texas sales and use taxes. Click [here](#) for the form.
- e. **Errors & Disputed Charges** – The cardholder is responsible for contacting the merchant and requesting corrections for any billing errors. Arrange for a credit, or an exchange, or a return of merchandise. If a credit is issued by the merchant it must be provided as back-up documentation with the expense report in the next billing cycle. If an exchange is the remedy then the cardholder should arrange for the merchandise return asap.
- f. **Deliveries** – Please make sure you highlight the receiving department location when placing the order so the goods can be delivered on-time to the correct location.
- g. **Vendor choice and vetting** – The cardholder should use UHCL-preferred merchants and HUBs when possible, and if the purchase is >\$500 the cardholder must first confirm that the vendor is not on “vendor hold” with the State of Texas. Here is a link to that database: <https://fmcpa.cpa.state.tx.us/tpis/search.html>
- h. **Sales tax** – The cardholder should claim exemption from State of Texas sales tax when buying from Texas vendors. That exemption certificate can be found here: <https://www.uhcl.edu/about/administrative-offices/business-operations/documents/texas-sales-and-use-tax-exemption-certification.pdf>
- i. **If charged >\$10 sales tax** - Request a credit in writing within 15 days of the original transaction and upload it as documentation with the expense report. If the vendor refuses, do not use this vendor again.
- j. **Documentation** – The cardholder must obtain an itemized receipt for each purchase. Here are additional documentation points:
 - i. The purpose and benefit of each transaction must be documented/uploaded
 - ii. Provide Office of Sponsored Programs approval document
 - iii. Any purchases involving logo, logotype or trademark require additional approvals before purchase – contact the Business Office for details
 - iv. For official functions and business meals, provide:
 1. Date and location of event
 2. Detailed description of nature & purpose of event
 3. ≤10 attendees – Names, titles, relation to UHCL
 4. >10 attendees – Name of honored guest, # of attendees, relationship of guest to UHCL
 5. Business meals may not exceed \$45 per person

6. For grant cost centers, a pre-approval form with appropriate signatures is required:

<https://www.uhcl.edu/about/administrative-offices/procurement-contracts/documents/p-card-documents/16-osp-pcard-pre-approval-form.pdf>

k. Use it for:

- i. Conference Registration fees
- ii. Small purchases < \$5000 per transaction / per vendor/ per day
- iii. Memberships
- iv. Office supplies

l. Don't Use it for:

- i. Non-UHCL purposes
- ii. Personal items
- iii. OSP agreements
- iv. Alcoholic beverages
- v. Late fees/interest payments
- vi. Cash advances
- vii. Any services you purchase [intangible experience]
- viii. Travel costs
- ix. Gasoline
- x. Financial services
- xi. Scholarships, stipends, tuition, fees
- xii. Tips >20%
- xiii. Late or past due invoices (as a workaround to voucher)
- xiv. Other – Texas Administrative Code, Title 34, Part 1, Chapter 5, Subchapter E, Rule 5.57; other UHCL prohibited purchases including those which required a requisition

m. P-Card Administrator, Coordinator Contracts and Procurement – Training Requests

- i. QuirogaLi@UHCL.edu, 281-283-2153
- ii. If annual mandatory training is not completed by the deadline your P-Card will be inactivated until such time as your training is completed

n. Examples of Non-Compliance

- i. Any unauthorized or improper transaction, such as the following examples [list not exhaustive]:
 1. Another person uses your card
 2. Split purchases
 3. Travel charges
 4. Flowers for employees or their relatives

5. >20% gratuity
6. Purchases without required approvals
7. Lacking vendor hold proof
8. Personal purchases

o. Cardholder responsible for repaying UHCL for improper use, within 30 days

p. Examples of Inadequate documentation, such as [list not exhaustive]:

- i. Expense report not uploaded on time
- ii. Expense report lacks supporting documents
- iii. Lacking vendor hold proof
- iv. Lacking advertising approvals
- v. Lacking business meal documentation
- vi. Lacking itemized receipts
- vii. Lacking proof of request for sales tax rebate
- viii. Lacking beginning and end dates for subscriptions or memberships

ATTACHMENT B

Note: for additional lines, just insert rows to each table as needed.

Format for Summary list of proposed changes

Paragraph	Proposed Change	Rationale for proposed change
A	Entire policy rewritten for updated process and clearer communication of that process	The previous policy lacked specific guidance on the P-Card process which has driven myriad exception requests due to non-compliance, subsequent manual review and approvals. These inefficiencies will be reduced with improved guidance and a more lucid policy.

Format for Summary list of rejected changes

Paragraph	Origination of recommendation	Recommended change	Rationale for rejection