Northern District Travel Reimbursement Best Practice

Application
This best practice applies to purchase card pre-approval procedures for all VCE Northern District (ND) employees.

Best Practice
It is the best practice of the ND and its offices to follow University/Office of The Controller and VCE purchase card policies and procedures.

Purpose
This best practice provides uniform guidelines for blanket purchase card pre-approvals.

Authority
- Virginia Tech Procurement – University Issued Purchasing Credit Cards (P-Cards)
- Procedure 20310: Invoice Payment

Related University Policies (Links)
- University policy 3100 – Fiscal responsibility

Administrative Procedures

PRE-APPROVAL PROCESS
To obtain and maintain pre-approvals in a timely and accurate fashion, Northern District will operate on blanket pre-approvals. Each purchase card holder, on the 16th of each month, will complete one purchase card pre-approval form for the entire upcoming statement period. Each pre-approval will be valid from the 16th of each month through the 15th of the following month to mirror the Bank of America statements.

Units should assure that they are completing the correct pre-approval form. The current pre-approval form may be downloaded here. Units may adjust this to their program areas and Quicken Tags.
1. Card holders should review their needs for the upcoming month and the Unit budget to determine a reasonable dollar amount for the pre-approval form. By broadening the pre-approval period, unexpected purchases are covered under the new blanket authorization. Only descriptions of items to be purchased should be used, not account codes.

2. Pre-approvals should be completed and signed on the 16th of each month by the Unit Coordinator and card holder. UC’s will still sign their own pre-approval forms.

3. Pre-approval forms will be maintained and housed in the Unit office p-card files, maintained by the UAA. (Reminder 5 year retention schedule – retain 5 years after end of fiscal year, RM-3 required to destroy.)

4. All purchases require pre-approval; failure to do so may result in card suspension or termination.

**PRE-APPROVAL EXAMPLE**

**Pre-approval Form**

Date: 7/16/19 – 8/15/19 Amount Requested: $100.00

Requested By: Matt Lau **Matt Lau**

Printed Name Signature

**Actual signatures should be obtained**

Description of Items (ex: binders, books, and ribbons)

Postage and Office Supplies for NDO

Purpose of Purchase/Programs

Please check the line or lines

<table>
<thead>
<tr>
<th>4-H</th>
<th>ANR</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-H Camp</td>
<td>Horticulture</td>
</tr>
<tr>
<td>4-H Reality Store</td>
<td>Forestry</td>
</tr>
<tr>
<td>4-H Teen Training</td>
<td>Dairy</td>
</tr>
<tr>
<td>4-H Recognition Day</td>
<td>Pesticide</td>
</tr>
<tr>
<td>Other:</td>
<td>Other:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ECS</th>
<th>CV</th>
</tr>
</thead>
<tbody>
<tr>
<td>ServSafe</td>
<td>Training</td>
</tr>
<tr>
<td>Parenting Classes</td>
<td>X Other Office Supplies/Postage</td>
</tr>
<tr>
<td>Nutrition</td>
<td>Miscellaneous</td>
</tr>
<tr>
<td>Child Care Classes</td>
<td></td>
</tr>
<tr>
<td>Other:</td>
<td></td>
</tr>
</tbody>
</table>

**X** Approved

or

__Not Approved__

Reason: 

John Thompson 7/16/19

**John Thompson**

Printed Name Date Signature

**SALES TAX**

Sales tax is not allowed on University purchase cards per [University Policy](#).
B. Unallowable Expenses

The university is exempt from Virginia State Sales Tax. This includes items purchased using the university procurement card (pcard). Virginia Sales Tax Exemption forms can be obtained from Procurement at 231-6221. Departments should work with vendors to make sure that sales tax is not improperly charged on invoices and pcard transactions.

Northern District will be strictly enforcing the below effective January 1, 2020 for faculty and staff.

<table>
<thead>
<tr>
<th>Sales Tax (first occurrence)</th>
<th>Sales Tax (second occurrence)</th>
<th>Sales Tax (third occurrence)</th>
<th>Sales Tax (fourth occurrence)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-Cardholder must contact or visit vendor to obtain refund of sales tax</td>
<td>-Cardholder must contact or visit vendor to obtain refund of sales tax</td>
<td>-Cardholder must contact or visit vendor to obtain refund of sales tax</td>
<td>-Cardholder must contact or visit vendor to obtain refund of sales tax</td>
</tr>
<tr>
<td></td>
<td>-P-card suspended for 30 days, cardholder must re-take p-card test</td>
<td>-P-card suspended for 60 days, cardholder must re-take p-card test</td>
<td>-Permanent loss of p-card</td>
</tr>
</tbody>
</table>

- Faculty and staff should work with Vendors to assure sales tax is not applied to purchases using the ST-12.

Attachments

- Pre-Approval Form
- Purchase Card Certification Form
- Purchase Card Log
- Purchase Card Agreement Form
- ST-12

Best Practice Administration

Reviewer:
Matthew R. Lail, MBA, VCA
District Office Coordinator

Approver:
John G. Thompson, MS
District Director