To: Purchasing card department coordinators

Iowa State University is required to provide documentation of price reasonableness for any federally funded acquisition that equals or exceeds $2,500. Effective immediately, for those cardholders who have a business need for higher limits, the allowable per transaction limit on p-card can be increased to $4,900 and the monthly limit can be raised to $15,000. Departments will need to request increased limits for cardholders that require these higher limits. As part of delegated responsibility, departments will be required to complete price reasonableness information on the p-card system for all transactions of $2,500 or more, whenever federal funding is involved in whole or in part. As a proactive measure, documentation may also be completed for federally funded transactions less than $2,500. The screenshot below displays the new fields. These fields will open on the reallocation screen when a federal fund is entered.

To document price reasonableness, departments should show other sources and pricing that they reviewed prior to placing the order. This documentation must be maintained in the p-card file for the transaction.

Purchasing will offer informational sessions about federal price reasonableness and demonstrate how to complete the price reasonableness portion of the screen, what kind of documentation is acceptable, record retention practices and walk through the options for increasing limits for cardholders in your department.

Sign up for informational sessions will be available on the HRS training system at under the employee tab in AccessPlus and are scheduled the following times:

**PURCH – P-card limits & federal price reasonableness sessions**

- Thursday, November 11 1:30-2:30 pm 1102 Molecular Biology Bldg
- Friday, November 12 9:30-10:30 am 114 Marston Hall
- Monday, November 15 1:30-2:30 pm 2507 Vet Med
- Tuesday, November 16 9:30-10:30 am 1204 Kildee Hall (Ensminger Conference Center)
Wednesday, November 17  10:30-11:30 am  1155 Administrative Services Bldg
Thursday, November 18  3:00-4:00 pm  302 Catt Hall

This message has been sent to the purchasing card coordinator for each department. Please distribute to those in your department who may be involved in the reallocation of p-card transactions, especially those using federal funds.