



University of Richmond

PURCHASING CARD POLICIES AND PROCEDURES MANUAL

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Table of Contents

1. INTRODUCTION.....	3
1.1 General Information	
1.2 Obtaining a Purchasing Card	
1.3 Additional Requirements	
2. GENERAL PURCHASING GUIDELINES.....	4
2.1 Authorized Card Use	
2.2 Un-allowed Charges on the P-Card	
2.3 Misuse of P-Card Privileges	
2.4 Placing an Order	
3. DEPARTMENTAL RESPONSIBILITY.....	6
3.1 Cardholder Responsibilities	
3.2 Supervisor/Approver Responsibilities	
3.3 Other Restrictions/Responsibilities	
3.4 Sales Tax Exemption	
4. PAYMENTNET, THE ONLINE CREDIT CARD SYSTEM.....	8
5. DISPUTING A TRANSACTION.....	8
6. CANCELING A P-CARD.....	9
7. LOST OR STOLEN CARDS.....	9
8. CONTACT INFORMATION.....	9

1. INTRODUCTION

The University of Richmond Purchasing Card (P-Card) is a corporate Master Card issued through J P Morgan Chase. The P-Card is designed to provide an efficient way to process orders of University business-related goods, as well as allowing departments to make business-related travel purchases. Qualified purchases within a predetermined purchase limit can be charged directly to the P-Card. All P-Card purchases are billed centrally to the University and paid to J P Morgan Chase. Charges are uploaded directly to the cardholder's budget index, each week.

This program provides many benefits to departments and the University, for example:

1. Cardholders can obtain goods quickly and efficiently by dealing directly with merchants.
2. Using the card saves the University money. When payments are issued by check, the University incurs the cost of check stock, check printer toner, and postage. These charges are not incurred when purchases are made on a P-Card.
3. Merchants receive their payments quicker, thereby strengthening the University's relationship with our merchants.
4. Faculty and staff can better focus on value-added activities for the University.
5. Employees are not out-of-pocket for University expenses.

Since the P-Card is a University credit card, approval is not contingent on, nor will it impact, the cardholder's personal credit history.

1.1 General Information

The P-Card simplifies the purchasing and payment process by permitting designated faculty and staff to make purchases directly with merchants using a MasterCard—similar to a personal credit card transaction. The University receives a detailed summary billing each month for all P-Card transactions and pays this bill directly. Cardholders access the detail of their P-Card charges on-line and verify the accuracy and classification of the charges. Cardholders also keep receipts of all purchases and record the related business purpose of the expenditures. The original receipts or supporting documentation must be sent with the monthly statement to Accounts Payable by the 10th of each month.

Each P-Card is assigned to an individual and associated with a University budget index. All charges are recorded to this default departmental index unless the cardholder directs the charge to another expense code.

Each card has transaction limits and restrictions. These controls, which may vary by card, include:

1. Single purchase limit. Multiple charges or splitting a transaction to purchase a single item exceeding the purchase limit are not permitted.
2. Monthly spending limit.
3. Limits on the number of transactions per day.
4. Restricted merchant category codes (MCC). See Un-allowed Charges on the P-Card.

When a merchant processes a transaction, it is approved or declined, based on the above criteria associated with that P-Card. The University P-Card is intended to be a flexible tool for departmental procurement. If a P-Card's limits constrain its effectiveness for departmental use, the department may

request a change to the limits by completing a [University Credit Card Account Maintenance Request](#) and forwarding it to the Program Administrator, Accounts Payable.

1.2 Obtaining a Purchasing Card

Only **full-time or permanent part-time** faculty and staff, typically the individual(s) who makes the majority of departmental purchases, are eligible to receive a P-Card. Students (graduate or undergraduate) are not eligible. It is not necessary for every eligible departmental employee to receive a P-Card.

To obtain a card, an individual must:

1. Complete a [credit card application](#).
2. Have the application approved by their supervisor.
3. Forward application to Program Administrator, Accounts Payable or to pcards@richmond.edu
4. Personally attend a P-Card Training Session

1.3 Additional Requirements:

1. Cardholders must have an active University of Richmond e-mail account.
2. Cards and card numbers must be safeguarded at all times against use by unauthorized individuals within or outside the University.
3. Cardholder must read and adhere to all university policies i.e., the Purchasing Card Policy and the [Procurement Policy](#).

Note: A University P-Card is not a benefit of employment. The University reserves the right to terminate individual P-Card privileges at any time.

2. GENERAL PURCHASING GUIDELINES

The following guidelines should be observed regarding proper use of the P-Card in conjunction with the University's procurement policies and procedures. For further information about these policies, please contact the P-Card Administrator in Accounts Payable at 289-8177.

2.1 Authorized Card Use

1. The P-Card can be used to purchase items such as office supplies, small replaceable equipment (calculator, etc.), classroom and laboratory supplies, subscriptions, books, videos, miscellaneous one-time purchases, and travel and entertainment expenses. The P-Card can be used to purchase items that promote staff good will, such as birthday party decorations and departmental paper goods as long as the department gives a complete and adequate explanation in the Transaction Notes when allocating the charges online.
2. The P-Card may be used if the total is less than \$5,000 individually or in aggregate, if the purchase meets the 'exception' criteria identified in the [Procurement Policy](#), the purchase is made against a contract (including consortium or state), or if Procurement determines competition is impractical. Examples of commodities that may not require competition include travel expenses, memberships, periodical subscriptions, utilities.

3. The University has standards for furniture, including file cabinets, bookcases, office chairs, general office equipment, and carpet. All furnishings and general office equipment must be purchased through [University Facilities](#) (Facilities) or the department must receive written approval from Facilities to make the purchase.
4. All computer and related equipment must be purchased through [Information Services](#) (IS) or the department must receive written approval from IS to make the purchase.

2.2 Un-allowed Charges on the P-Card

In general, the items listed below are not allowed on departmental P-Cards and may cause the suspension of the card:

1. Personal items and services
2. Prescription drugs and controlled substances
3. Computer equipment and peripherals.
4. Office Furnishings (chairs, bookcases, file cabinets, etc.)
5. AAA memberships
6. Donations or sponsorships (except in lieu of flowers or written approval from the President's Office)
7. Travel cancellation insurance
8. Charges to University of Richmond (Bookstore, Edible Bites, 8:15, ETC, etc.)
9. Gasoline for personal vehicles
10. Cash advances/travelers checks

(In some departments, there may be a need to make purchases that are normally not allowed. In those instances, the department must discuss with the program administrator the need for the exception. MCC code restrictions may be adjusted if the department can justify the exception.)

The cardholder is responsible for the propriety of all charges made to the card. Cardholders have the authority to directly purchase specific goods on behalf of University accounts. However, this privilege also carries the responsibility to maintain adequate documentation for all transactions on the card. The documentation should support the description, price, and quantity of the item(s) ordered. Further, it should attest to the receipt of goods and its propriety for University business purposes. Some merchants may not provide itemized detail on their sales receipt. In such cases, the cardholder must obtain documentation of this detail through order forms and/or packing slips. Again, this itemized documentation should include descriptions, quantities, and if possible, unit prices.

Original documentation should be included – copies are generally not acceptable. However, should only a copy be available, this fact must be documented and approved by the cardholder's approver.

2.3 Misuse of P-Card Privileges

The P-Card is to be used for business purposes only. **Personal charges of any kind are strictly prohibited.** Improper use of the P-Card may result in disciplinary action up to and including termination of employment. In the event of improper charges to the P-Card, the University will seek restitution from the purchaser. Repayment may include deductions from wages or other amounts payable to the purchaser or may require other steps necessary to permit the University to collect any amounts owed by the purchaser.

Any instances of suspected fraud will be reported to the UR Police Department for investigation and is beyond the scope of the policies and procedures of this program.

2.4 Placing an Order

The P-Card may be used to purchase goods via phone, mail, the Internet, or at the merchant's place of business.

When placing an order, please:

- Provide the cardholder's name as listed on the P-Card;
- Identify yourself as a University of Richmond employee;
- Identify that you are making a "corporate" P-Card purchase, and that the University directly pays for the purchase;
- Indicate University of Richmond's sales tax-exempt status and provide the Commonwealth of Virginia tax exempt number listed on the card.
- Provide the P-Card number and expiration date; and
- If applicable, provide your campus delivery address.

Occasionally, someone other than the cardholder may pick up an order. If the merchant asks this individual to sign the credit card receipt, he/she should sign and write "received by" on the receipt.

3. DEPARTMENTAL RESPONSIBILITY

3.1 Cardholder Responsibilities

Cardholders are responsible for adhering to all University policies and procedures. It is important to familiarize yourself with the policies and procedures listed below.

Note: Since the P-Card is paid directly by the University; it is to be used only for University expenses. **Use of the P-Card for personal or non-business related expenses is strictly prohibited.**

1. Understand and follow this Purchasing Card Policies and Procedures Manual.
2. Understand and follow the University [Procurement Policy](#).
3. Ensure card is used in compliance with these guidelines.
4. Ensure safe-keeping of the card at all times.
5. Ensure sales tax is not charged for purchases on the card.
6. Maintain receipts for all purchases on the card.
7. Receive training on the program.
8. Allocate charges and give appropriate and adequate Transaction Notes (business purpose) using the online system, PaymentNet, on a weekly basis.
9. Download the JP Morgan commercial card statement after the 25th of each month and before it becomes due to Accounts Payable.
10. Submit the JP Morgan commercial card statement, Transaction Detail Report, and original receipts to the Accounts Payable Office so that they are received no later than the 10th of the month, unless otherwise indicated.

3.2 Supervisor/Approver Responsibilities

Approvers who sign-off on purchasing card charges have responsibilities related to the P-Card program, as well. Those responsibilities are listed below.

1. Understand and follow this Purchasing Card Policies and Procedures Manual.
2. Understand and follow the University [Procurement Policy](#).
3. Ensure card is used in compliance with these guidelines.
4. Review all charges made on the card.
5. Approve charges made on the card by signing off on the commercial card statement each month.
6. Ensure charges are allocated on a weekly basis.
7. Ensure documentation (statement, Transaction Report, receipts) are submitted in order to be received by Accounts Payable no later than the 10th of the month.
8. Attend training on the program when deemed necessary by the administrators of the program.

3.3 Other Restrictions/Responsibilities

In general, if items which are not allowed (as listed in section 2.2) are purchased on a departmental card, the card may be suspended or terminated. In addition, certain behaviors or failure to comply with P-Card restrictions or policy may cause the suspension or termination of the departmental card. These behaviors are as follow:

1. Splitting charges to circumvent the card's transaction or dollar limits.
2. Making repetitive purchases to circumvent the card's transaction or dollar limits.
3. If there are items charged to any grant index that starts with a 27xxx, 28xxx, 29xxx, or CSxxx, the grant PI, as well as the Grant Accounting Office, must sign the commercial card statement.
4. A valid approval signature must be on the commercial card statement.
5. If there are group meals, the reason for the meal, as well as the names of each person who attended the meal, must be included on the receipt or entered in the Transaction Notes in PaymentNet.
6. If there are gifts purchased on the card, then a completed [Gift Reporting Form](#) must accompany the credit card statement.
7. Charges must be allocated to the appropriate index/account code and adequate and appropriate transaction notes (business purpose) must be indicated on the Transaction Allocation Report that is sent with the statement to Accounts Payable each month.
8. The cardholder/purchaser must make every attempt to get the original receipt for all purchases on the card. If the receipt is not available before the statement is due to Accounts Payable, the cardholder may complete a [Missing Receipt Form](#) to attach to the statement, until the appropriate receipt can be obtained. The cardholder must then send the actual receipt to AP to replace the Missing Receipt Form once it is received.
9. For items where the receipt cannot be obtained, the Missing Receipt Form must be used, regardless of the dollar amount of the purchase. This includes automatic renewals, such as subscriptions.
10. If a cardholder indicates on their statement or Transaction Report that they will "dispute" a charge, they must dispute the charge with JP Morgan. If they later determine the charge is valid, they must notify Accounts Payable they are no longer disputing the charge.
11. If a cardholder indicates on their statement or Transaction Allocation Report that a charge will be reallocated, it is their responsibility to request the reallocation through the Accounting Office.

3.4 Sales Tax Exemption

The University's Virginia sales tax exemption number is imprinted on the P-Card. The sales and use tax certificate of exemption for the University reads as follows:

“University of Richmond may purchase tangible personal property for its use or consumptions as a college or other institution of learning. This exemption also applies to food purchased for free distribution at the facilities of the college or other institution of learning. The exemption does not apply to sales, unless such sales are within the occasional sale exemption. Likewise, the exemption is not applicable to the purchase of taxable services, such as lodging or meals that are consumed or distributed outside the facilities of the college or institution of learning.”

The cardholder must provide the tax exemption number to all merchants at the time of the transaction to ensure that no sales tax is charged. **If sales tax is billed incorrectly to the cardholder's account, it is the responsibility of the cardholder to dispute the charge and obtain a credit for the sales tax paid. Continuously paying sales tax on tax-exempt purchases can quickly add up and diminish a department's budget.**

If a merchant requires a tax exemption certificate, the cardholder may obtain one from Procurement and Strategic Sourcing. Please direct your questions or requests for forms to Jerry Robinson, Purchasing Agent at 289-8891. Please note the type of purchase and/or particular goods or services, and the merchant's complete mailing address and fax number.

University of Richmond has obtained sales tax exemption certificates in several other states in which the University does business. Please call Jerry Robinson, Purchasing Agent at 289-8891 for information regarding states with which the University has sales tax exemption certificates. Please contact Treasury Services to pursue the possibility of obtaining a sales tax exemption certificate in a state for which the University currently does not have one.

4. PAYMENTNET, THE ONLINE CREDIT CARD SYSTEM

Cardholders are responsible for reviewing and allocating credit card transactions in the credit card system, PaymentNet, on a weekly basis. Hands-on training will be provided by the P-Card Office.

5. DISPUTING A TRANSACTION

The cardholder is responsible for all transactions charged to his/her P-Card. Therefore, the cardholder must ensure receipt of goods and resolve any delivery problems, discrepancies or damaged goods with the merchant. Returns should be made directly to the merchant according to merchant requirements. The cardholder is responsible for ensuring that proper credit is posted for any returned items.

If the cardholder encounters erroneous charges, disputed items, unprocessed returns (credits), etc. on their P-Card, it is the cardholder's responsibility to resolve the problem with the merchant. If the cardholder is unable to reach an agreement with the merchant within thirty (30) days of the transaction, the cardholder may dispute the charge in the PaymentNet system.

Before you dispute a transaction, you must first attempt to resolve the issue directly with the merchant.

Transactions may be disputed online by accessing the credit card system, PaymentNet:

1. From the Transaction menu, select *Manage*.
2. Select the transaction to be disputed.
3. Click the *Dispute* button.
4. Confirm your E-mail Address is correct.
5. Choose the Dispute Reason from the drop-down box. PaymentNet will refresh and may require additional field input.
6. Enter text in Additional information about your dispute
7. Click *Submit*
8. Red text will appear, providing a link to a pre-populated Adobe PDF form to be signed and faxed to JP Morgan Chase.

5. CANCELING P-CARDS

To cancel a P-Card, the cardholder or approver should contact the P-Card Administrator at 289-8177 or pcards@richmond.edu. If outside regular business hours, please phone JP MORGAN CHASE at (800)270-7760 (representatives are available 24 hours a day, 7 days a week).

When a cardholder transfers to a new Department, the cardholder or department should contact the Program Administrators for assistance at pcards@richmond.edu.

6. LOST OR STOLEN CARDS

Lost or stolen P-Cards must be reported **immediately**. The University is liable for all P-Card transactions until a card is reported lost or stolen, so time is of the essence. In such cases, **cardholders must promptly phone JP MORGAN CHASE at (800-270-7760)**; representatives are available 24 hours a day, 7 days a week, call or e-mail the P-Card Administrator.

7. CONTACT INFORMATION

JP Morgan Chase Customer Service Team is available 24 hours a day for assistance at 1-800-270-7760 with:

- Reporting Lost/Stolen Cards
- Fraud Inquiries
- Balance Inquiries
- Declined Cards
- Disputes Assistance

University of Richmond Purchasing Card Team

Please contact the P-Card team for assistance with the card program.

Email: P-Cards

Or

Thelma Stockton, Purchasing Card Coordinator, x6502, tstockto@richmond.edu

Taene Silva, Purchasing Card Administrator, x8177, tsilva@richmond.edu

Jean Hines, Director of Strategic Sourcing & Payments, x8181, jhines@richmond.edu