



# MEMORANDUM

**TO:** University of Richmond Community

**FROM:** Jean Hines  
Director of Strategic Sourcing & Payments

**RE:** New Vendor Payment Method

**DATE:** April 5, 2019

Beginning this month, the University will be offering our vendors a new payment method, in addition to check, ACH, and pcard payment methods that we currently offer. This new payment method is a virtual credit card payment called a single-use account (or SUA), and is a product offered by J. P. Morgan Chase, the same company that provides our University pcards.

The SUA option is similar to our current pcard process, but with several key differences:

- Vendors must enroll in the program through J. P. Morgan Chase in order to participate;
- Instead of a check or ACH payment, vendors will receive a unique credit card number, expiration date, and security code each time a payment is issued to them;
- Only vendors who submit invoices for payment can be paid by this method. Retail and other point-of-sale purchases will continue to be paid with the pcard.

By paying vendors using SUA, the University will realize these benefits:

- **Time savings for departments** — Departments may send the invoice to Accounts Payable for SUA payment, rather than calling or faxing pcard information to the vendor, thereby saving time communicating with the vendor or reconciling the pcard statement.
- **More visibility in Banner** — Departments will be able to view payments made via SUA in Banner in the vendor's history, similar to how we are able to see payments made by check or ACH.
- **More visibility in OnBase** — Departments who have access to OnBase will be able to use the Banner document number to view invoices paid by SUA.
- **Less risk for fraud** — Checks are considered to be one of the riskiest payment methods, according to the banking industry. While pcard payments offer better protection, card data can be stolen or compromised, resulting in having to shut down and reissue cards any time a fraudulent transaction is discovered. Because a unique SUA credit card number is generated for each transaction, the SUA is viewed as a more secure payment method.

Given the benefits the University will realize, to encourage vendors to accept SUA, vendors who accept these payment methods will be paid quicker than if they are paid by check or ACH:

- Vendors who are paid by check will be paid within 45 days of the invoice date;
- Vendors who are paid by ACH will be paid within 30 days of their invoice date;
- Vendors paid by SUA will be paid immediately, or up to five business days from receipt by Accounts Payable.

The change in payment terms will only affect company type vendors. Individual payees, such as

employees, students, speakers, etc., will continue to be paid as they are now. Additionally, payment terms will not change for vendors who are currently on contract with the University.

J. P. Morgan Chase will be reaching out to our vendors over the next 10 – 12 weeks to encourage them to enroll in the University's SUA program. If you receive any phone calls or emails from your vendors wishing to confirm the J. P. Morgan recruitment team is contacting them on our behalf, please endorse this program and ensure them that the outreach from J. P. Morgan Chase is legitimate.

We are excited to offer this new payment method to our vendors and to be able to provide them with an opportunity to receive faster payment terms. We are also excited about the added visibility and time-savings the SUA payments will provide to departments.

If you have any questions about our SUA program, please email me, [jhines@richmond.edu](mailto:jhines@richmond.edu).

Thank you for your assistance and support as we implement this new payment method.