



# **University of Richmond**

## **PURCHASING CARD POLICIES AND PROCEDURES MANUAL**

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# Table of Contents

<b>1. INTRODUCTION.....</b>	<b>3</b>
1.1 General Information	
1.2 Obtaining a Purchasing Card	
1.3 Additional Requirements	
<b>2. GENERAL PURCHASING GUIDELINES.....</b>	<b>4</b>
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	
<b>3. DEPARTMENTAL RESPONSIBILITY.....</b>	<b>6</b>
3.1 Cardholder Responsibilities	
3.2 Supervisor/Approver Responsibilities	
3.3 Other Restrictions/Responsibilities	
3.4 Sales Tax Exemption	
<b>4. OTHER CARDS.....</b>	<b>9</b>
4.1 Ghost Card	
4.2 Travel card	
4.3 Declining Balance Card	
4.4 Corporate Travel Card	
<b>5. PAYMENTNET, THE ONLINE CREDIT CARD SYSTEM.....</b>	<b>11</b>
5.1 Using the Online PaymentNet System	
5.1.1 Accessing PaymentNet	
5.1.2 PaymentNet instructions	
5.1.3 Viewing transactions	
5.1.4 E-mail notification	
5.1.5 Online review and allocation of charges	
5.1.6 Splitting transactions for items that must be charged to more than one index / account code	
5.1.7 Downloading statements	
5.2 Reconciliation Process	
5.3 Uploading Transactions into BANNER	
5.4 Disputing a Transaction	
<b>6. CANCELING A P-CARD.....</b>	<b>14</b>
<b>7. LOST OR STOLEN CARDS.....</b>	<b>15</b>
<b>8. PURCHASING CARD COMPLIANCE POLICY.....</b>	<b>15</b>
<b>9. CONTACT INFORMATION.....</b>	<b>17</b>

## 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. Qualified departmental 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 vendors. Purchase orders are not required.
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. Vendors receive their payments quicker, thereby strengthening the University's relationship with our vendors.
4. Faculty and staff can better focus on value-added activities for the University.

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 place orders directly with vendors 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 10<sup>th</sup> 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 vendor 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 Purchasing Card Change Limit Request Form

<http://controller.richmond.edu/common/pdf/accounts-payable/forms/p-card-limit-change.pdf> or an MCC Code Addition Request Form <http://controller.richmond.edu/common/pdf/accounts-payable/forms/mcc-code-addition.pdf> 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 an application online <http://controller.richmond.edu/common/pdf/accounts-payable/forms/t-card-application.pdf> .
2. Have the application approved by their supervisor.
3. Sign a P-Card Cardholder Agreement Form and have it approved by their supervisor
4. Forward application and cardholder agreement form to Program Administrator, Accounts Payable
5. 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, the University Procurement Policies <http://procurement.richmond.edu/policies/index.html> , and the University Procurement Procedures <http://procurement.richmond.edu/procedures/index.html> .

**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 289-8181.

### **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, and miscellaneous one-time purchases. 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 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 Procurement and Strategic Sourcing.
3. All computer and related equipment must be purchased through Information Services.

## **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. Single items over \$5000 without a University purchase order or written approval from Procurement and Strategic Sourcing. Components of a piece of equipment are considered a single item.
6. AAA memberships
7. Donations or sponsorships (except in lieu of flowers or written approval from the President's Office)
8. Travel and entertainment expenses, including, but not limited to:
  - a. Auto rentals
  - b. Hotels/Meeting rooms
  - c. Transportation (airfare, Amtrak, Groome Transportation, buses, etc.)
  - d. Travel insurance
9. Charges to University of Richmond (Bookstore, Edible Bites, 8:15, ETC, etc.)
10. Gasoline
11. 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 vendors 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 vendor'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 vendor 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 Policies online at:  
<http://procurement.richmond.edu/policies/index.html> .
3. Understand and follow the University Procurement Procedures online at:  
<http://procurement.richmond.edu/procedures/index.html> .
4. Understand the Purchasing Card Compliance Policy, as listed in section 8 of this document.
5. Ensure card is used in compliance with these guidelines.
6. Ensure safe-keeping of the card at all times.
7. Ensure sales tax is not charged for purchases on the card.

8. Maintain receipts for all purchases on the card.
9. Receive training on the program.
10. Allocate charges and give appropriate and adequate Transaction Notes (business purpose) using the online system, PaymentNet, on a weekly basis.
11. Download the JP Morgan commercial card statement after the 25<sup>th</sup> of each month and before it becomes due to Accounts Payable.
12. 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 10<sup>th</sup> 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 the Purchasing Card Compliance Policy as listed in section 8 of this document.
3. Understand and follow the University Procurement Policies online at <http://procurement.richmond.edu/policies/index.html> .
4. Understand and follow the University Procurement Procedures online at <http://procurement.richmond.edu/procedures/index.html> .
5. Ensure card is used in compliance with these guidelines.
6. Review all charges made on the card.
7. Approve charges made on the card by signing off on the commercial card statement each month.
8. Ensure charges are allocated on a weekly basis.
9. Ensure documentation (statement, Transaction Report, receipts) are submitted in order to be received by Accounts Payable no later than the 10<sup>th</sup> of the month.
10. 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, or 29xxx, 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, the names and UR id number of each person who received the gift must be included on the receipt or entered in the Transaction Notes in PaymentNet.
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 Detail 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 Detail Report that a charge will be reallocated, it is their responsibility to request the reallocation through the Accounting Office. A copy of the reallocation request should be attached to the statement, if available.

The full Purchasing Card Compliance Policy is included in Section 8 of this document.

### **3.4 Sales Tax Exemption**

The University’s Virginia sales tax exemption number is SE540505965F07012007 and is affixed to 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 vendors 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 vendor 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 vendor’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 call Louie Love, Director of Treasury Services at 289-8383 to pursue the possibility of obtaining a sales tax exemption certificate in a state for which the University currently does not have one.

## 4. OTHER CARDS

In addition to the traditional purchasing card, the University's program also includes other, non-traditional cards. The types of cards follow. The main difference between these cards and the traditional departmental P-Cards are the types of charges that are allowed on these cards. Otherwise, the same rules apply to these non-traditional cards as to the P-Cards.

### 4.1 Ghost Card

The "ghost" card is a non-plastic card. This "card" is only an account number, expiration date, and security code; no actual card exists. The "ghost" card may be a purchasing card, or it may be a travel card.

Regardless of the type of ghost card, P-Card or travel, the same policies and procedures apply as those associated with the traditional card, including the weekly allocation of the charges online and the submission of the documentation to Accounts Payable, monthly. The travel ghost card, however, is used for travel related expenses such as registration fees, booking of hotel rooms, transportation, etc., whereas the ghost P-Card is used for the traditional office related expenses, i.e. supplies, membership registrations, book purchases, etc. The ghost card, whether P-Card or travel, is typically used for transactions where the actual physical card is not needed. Such instances would include purchases made over the phone or Internet.

As with the traditional P-Card, the ghost card **cannot** be used for personal expenses; only University related expenses may be charged to the card. The card is a University liability and is paid directly to the bank by the University.

The Accounts Payable Office maintains 2 ghost travel cards which departments may use to book travel related expenses. If used, the department must provide the confirmation/receipt to Accounts Payable upon completion of the charge. Because the department may not store this ghost card information for future use, the department must destroy the ghost travel card account number and expiration date information that they received from Accounts Payable. AP must be contacted for the card information each time a department wants to use the AP ghost travel card.

### 4.2 Travel Card

In some instances an individual may request a travel card which can be used for paying for travel and entertainment expenses while traveling on University business. These are expenses that the department would normally reimburse an employee for; however, the employee chooses to use a University paid credit card, instead.

The card is very similar to the traditional P-Card, except it is only used for travel related expenses. The card is a MasterCard and has University liability. Similar to the P-Card, the charges must be allocated each week, using the online PaymentNet system, and the documentation received in Accounts Payable by the 10<sup>th</sup> of the month.

Also, as with the traditional P-Card and the ghost cards, the card **cannot** be used for personal expenses; only University related expenses are allowed.

To identify this card as a travel card, the address line on the statement includes the word “Travel” followed by the name of the department. This helps Accounts Payable identify that this card should have travel related expenses, as opposed to office related expenses.

Since the University pays the credit card company directly for items charged on these cards, employees cannot submit requests for reimbursement for items purchased on the card. Seeking reimbursement for items purchased on this card may result in disciplinary action, up to and including deduction of the charges from the employee’s paycheck and/or termination of employment. An employee may use the online application <http://controller.richmond.edu/common/pdf/accounts-payable/forms/p-card-application.pdf> to request a travel card. The application must be approved by the supervisor.

**Employees cannot have a Travel card, as well as a Corporate Travel Card (described later in this document). If an employee has a Corporate Travel Card, it must be closed – and in good standing - before he/she can be issued a Travel Card.**

### **4.3 Declining Balance Card**

The declining balance card is similar to the traditional P-Card except that the card is only active for a pre-determined period of time or for a pre-determined amount. For example, if a department has a grant that will expire after one year, they may request a declining balance card that will expire when the grant expires. Or perhaps a department is sponsoring a one-time event and would like to have a card associated with that event, which will expire at the conclusion of the event. This would be a good candidate for the declining balance card.

The declining balance card may also be used if a department has only a certain amount of money in their budget for a special project. The department may request a declining balance card be issued for the amount of their budget. When the requested amount has been spent, the card becomes inactive.

The declining balance card may be either used for office expenses (P-Card) or for travel related expenses (Travel card). The type of card issued will be based on the needs of the department.

As with the P-Card, ghost card, and travel card, the same restrictions and requirements are enforced with the declining balance card.

### **4.4 Corporate Travel Card**

The corporate travel card is another card offered by the University. This card, however, is very different from the previous cards described.

The corporate travel card is an individual liability card, which means the cardholder is responsible for paying all charges placed on the card. The University does not pay the bill.

The corporate travel card is issued to employees who travel on University business and do not want to use their personal credit card. The employee must submit an application to the program administrator to request a card. The credit card company, JP Morgan Chase, will then do a credit check on the employee and make the determination whether or not the employee can receive a card. J P Morgan will also determine the credit limits of the card, based on the employee’s credit history.

The employee is responsible for paying the entire balance on the card each month; therefore, when using the card, the employee must remain cognizant of how much they have charged on the card.

When seeking reimbursement for business related expenses charged on the card, the employee must submit the original receipts for reimbursement; a copy of the statement showing the charge is not acceptable. Also, the cardholder must pay the credit card company; the University does not pay the credit card company for these personal liability cards.

Although this corporate travel card may be used by the employee for personal expenses, as well as business related expenses, the program administrator is still responsible for monitoring the card and contacting the employee if the account becomes past due. The employee's supervisor may also be contacted if an employee fails to pay off their balances in accordance with University policy. The University may also deduct past due balances from an employee's paycheck to avoid the account being written-off by the credit card company. Write-offs affect the University's status with our credit card company. Also, failure to pay the charges each month may result in information being reported on the employee's credit report.

The corporate travel card is the only card which is a Visa card. This helps distinguish it from the other cards for which the University carries the liability.

**(Please note: you cannot have a Corporate Travel Card and a Travel card. You may have one or the other.)**

## **5. PAYMENTNET, THE ONLINE CREDIT CARD SYSTEM**

### **5.1 Using the Online PaymentNet System**

When a cardholder receives a P-Card, they will be set-up in the online credit card system, PaymentNet, so that they may review, allocate, and/or dispute charges, as needed. If someone other than the cardholder, for example a departmental administrative coordinator, will be responsible for allocating and reviewing charges in PaymentNet, the cardholder/approver must notify the P-Card Program Administrator when applying for a card, or as soon as possible, once the decision has been made.

All cardholders or allocators must receive training on PaymentNet. Cardholders should contact the program administrator to schedule training.

General information about using the online system follows.

#### **5.1.1 Accessing PaymentNet**

Cardholders access information about their P-Card charges online using a Web browser. The application, [www.PaymentNet.com](http://www.PaymentNet.com), provides cardholders the ability to monitor card activity, allocate charges to the proper G/L account(s), run reports, and access the detail of certain purchases. These activities are available anytime and anywhere you have an Internet connection.

#### **5.1.2 PaymentNet instructions**

##### **Logging in**

- Open your Internet Browser
- Enter the following in your address bar: [www.PaymentNet.com](http://www.PaymentNet.com)
- Enter the following on the PaymentNet Login Screen:

- Organization ID (provided to you by the administrator)
- User ID (provided to you by the administrator)
- Pass Phrase
- Click *Login Now*
- On the left-hand side toolbar of the Welcome Screen, select PaymentNet.

### 5.1.3 Viewing transactions

Once you enter PaymentNet, you will first see the Transaction Lists screen, displaying all of your transactions. To review the transactions:

- a. Click on the transaction.
- b. Compare the transaction details (e.g. amounts) with your receipts.
- c. Review accounting code allocations (defaulted codes may appear) and make any changes.
- d. Add Business Purpose to the Transaction Notes field.
- e. Check the Reviewed box,
- f. Click *Save*

### 5.1.4 E-mail notification

Each week, the cardholder will receive an e-mail generated by the PaymentNet system detailing all un-reviewed P-Card charges for that period. The notice will include the date, merchant name, and amount charged for each transaction.

### 5.1.5 Online review and allocation of charges.

- a. Following receipt of the e-mail notification, the cardholder should log on to PaymentNet to review and allocate all outstanding transactions.
- b. Accept/dispute charges. Cardholders must review and accept or dispute each charge to their P-Card via PaymentNet. Choose the appropriate selection. Disputed charges will be reviewed by JP MORGAN CHASE daily.
- c. Account distribution confirmation/change. While all P-Card charges will be directed to the card's default budget index and account code, PaymentNet provides an easy way to change the index/account for any transaction. PaymentNet also enables cardholders to split transaction charges up to 40 times for items that need to be charged to more than one index/account code.
- d. Adding business purpose. A business purpose must be added to the Transaction Notes section when reviewing transactions. All charges must have an explanation.
- e. Once the cardholder or allocator has allocated the charges and entered their Transaction Notes, the "reviewed" box must be checked and the transaction must be "Saved".

### 5.1.6 Splitting transactions for items that must be charged to more than one index/ account code

- a. From the Transaction Lists screen, click on the transaction
- b. Click *Split*.
- c. Select the number of splits from the drop-down box. The amount will be divided evenly among all the rows.
- d. Click on the first *Edit Row*.
- e. Select any changes to that row's allocations Split by either percentage or dollar amount.
- f. Click *Save Row*.

Two splits – the remaining amount will be automatically added to the other row.

Three or more splits – any changes to the first row, whether adding to or subtracting from the amount, will be added to or subtracted from the last row's amount.

Deleting rows – Change the number of splits from the drop down box. Be aware that this will reset your split and remove any previous changes.

Canceling a split – To cancel an entire split, click *Undo/Cancel Split*

### 5.1.7 Downloading statements

- Statements are available for download the 25<sup>th</sup> of each month.
- No statements are mailed. The cardholder or allocator must access PaymentNet and download the statement each month.
- Statements cover the period from the 25<sup>th</sup> thru the 24<sup>th</sup> of the month, i.e. September 25<sup>th</sup> thru October 24<sup>th</sup>.
- To print statements:
  - Sign onto PaymentNet.
  - Select Electronic Statement and Payment from the options listed on the left-hand side.
  - Select “Print Without Detail” from the options near the top of the statement.
  - Click on the green arrow to view the downloaded statement.
  - Select the “print” icon from the menu.
- Failure to follow these steps will cause the statement to be printed incorrectly. Accounts Payable may contact you to reprint the statement in the correct format.

### 5.2 Reconciliation Process

Each week, all P-Card holders (or designated allocators) are required to reconcile P-Card purchase documentation to the total recorded in PaymentNet.

- a. Cardholders must view and print monthly statements from PaymentNet. Statements are available after the 25<sup>th</sup> of each month. Each purchase listed on the statement must be supported by the applicable verification documents to ensure all charges are appropriate. The documentation must support the business purpose of the transaction.
- b. Print “Transaction Detail with Account Codes and Notes Report”.
  - From the PaymentNet drop down menu select –“Reports”
  - Click – “Transaction” – this will bring up the transaction reports
  - Click – “Transaction Detail with Account Codes and Notes” This report will give you a detailed breakdown of all your charges and allocations. This report needs to be submitted to AP along with your statement.

- c. Forward documents to Accounts Payable. The monthly statement, verification documents (original receipts), and the Transaction Detail with Account Codes and Notes report must be submitted to the cardholder's supervisor for review and approval and then forwarded to Accounts Payable for receipt by the 10<sup>th</sup> of each month.

### **5.3 Uploading Transactions into BANNER**

The Controller's Office will upload P-Card transactions to the general ledger (Banner), weekly. The charges uploaded will be for previous weeks.

**Once charges are recorded in the general ledger, the cardholder must submit a journal entry to General Accounting in order to transfer a charge to a different budget index or account code.**

### **5.4 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 vendor. Returns should be made directly to the vendor according to vendor 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 vendor. If the cardholder is unable to reach agreement with the vendor, disputing of transactions is done within PaymentNet.

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

1. From the Transaction List screen, click on the transaction
2. Click *Dispute*
3. Confirm your E-mail Address is correct and enter the Merchant State, if empty.
4. Choose the Dispute Reason from the drop-down box. PaymentNet will refresh and may require additional field input.
5. Enter text in Additional information about your dispute
6. Click *Save*
7. Red text will appear, providing a link to a pre-populated Adobe PDF form to be signed and faxed to JP Morgan Chase.

## **6. CANCELING P-CARDS**

To cancel a P-Card, the cardholder or approver should contact the P-Card Administrator at 289-8181 or [pcards@richmond.edu](mailto: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 index number associated with the card must also be changed, instead of issuing a new card. This must be done in writing. Please send all requests to the Program Administrator at [pcards@richmond.edu](mailto:pcards@richmond.edu).

## 7. 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.

## 8. PURCHASING CARD COMPLIANCE POLICY

In order to reap the benefits of the Purchasing Card Program, the University encourages the use of departmental purchasing cards, as much as possible, in lieu of issuing checks. However, the University must also safeguard its assets. To do this, the Purchasing Card Policy Manual and Compliance Policy have been created. It is important that the cardholder follows the policy in order to not have their departmental card suspended or terminated.

**Please note: if the Program Administrators suspect fraud at any time, the UR Police will be notified. Instances of fraud are outside the scope of the Program Administrators and this policy.**

There are 2 types of violations, “critical” and “non-critical”.

### I. “Critical” violations will be handled as follows:

Compliance letters, detailing the violations, will be sent each month for any statement which contains 1 or more “critical” violations. If there are 4 Accounts Payable statement audits with critical violations within a 1 year period, the departmental purchasing card will be terminated.

- a. Letter 1 will go to the cardholder (with the AP Director copied), notifying them that a violation has been made and that future violations may result in suspension of card and notification of the approver. This letter will come from the P-card specialist.
- b. Letter 2 will go to the cardholder, approver, AP Director, and P-Card Administrators and will include a warning that Internal Audit will be notified if there are additional violations and that the card will be suspended with the next violation. This letter will come from the P-card specialist.
- c. Letter 3 will notify cardholder, approver, Internal Audit and P-Card Administrators that the card has been suspended and the cardholder must attend additional training before the card can be reinstated. This letter will come from the AP Director.
- d. Letter 4 will be sent to the Approver, by the P-Card Administrators. The letter will inform approver and cardholder that the card has been permanently terminated. The Approver may request another card in someone else’s name.

### **The following items are considered “Critical Violations”:**

1. Missing or incorrect approval signature.
2. Grant index missing PI and/or Grant Accounting Manager’s signatures.
3. Purchases of a single item of \$5000 or more without a PO or written approval from Procurement. (Procurement must approve all purchases of items that cost \$5000 or more. Components of equipment are considered one item).
4. Computer equipment or furniture purchases (laptops, monitors, printers, scanners, software, chairs, tables, file cabinets, etc.).

5. Repetitive purchases to circumvent dollar or transaction limits.
6. Splitting charges to circumvent dollar or transaction limits.
7. Failure to allocate charges and provide adequate and appropriate Transaction Notes on the Transaction Detail Report.
8. Personal charges.
9. Travel related items on a purchasing card.
10. Donations/sponsorships (except in lieu of flowers or approved by the President's Office)
11. Any other items deemed questionable by the administrators or in direct conflict with other University policies, such as AAA memberships, travel insurance, etc.
12. Undocumented missing receipts.
13. Use of Missing Receipt Forms without following up with the actual receipt (except for instances of automatic renewals, i.e. subscriptions, etc.).

**II. "Non-critical" violations will be handled as follows:**

Email notifications will be sent for the first 2 Accounts Payable statement audits with only "non-critical" violations. If there are both critical and non-critical violations, the appropriate Violation Letter will be sent. Five (5) or more AP audits with non-critical violations will result in the termination of the card.

- a. The P-card specialist will contact the cardholder by email, letting them know of the violation(s).
- b. The P-card specialist will maintain notes about the contact.
- c. If the cardholder has 3 or more AP audits with non-critical violations within a 1 year period, the P-card specialist will notify the AP Director to request the cardholder receive additional training.
- d. The AP Director will send the cardholder (copying the approver), a violation letter and a request to schedule training. The letter will also warn that the card will be terminated if there continues to be a problem.
- e. After the training, if the cardholder has 2 or more statement audits (with either critical, non-critical, or combination) within 6 months of the training, the card will be terminated. The approver and the cardholder will receive a termination letter from the program administrators. The approver may request another card in someone else's name.

**The following items are considered "Non-Critical" Violations:**

1. Statement received after the due date (normally the 10<sup>th</sup> of the month, except during fiscal year end).
2. Names not included for group meals.
3. Detailed receipt not included for meal purchases.
4. Names of recipients not given for gift cards/certificates.
5. On-campus charges.
6. Failure to dispute a charge (or follow-up with administrators), when notes indicate charge will be disputed.

The goal of this policy is not to punish anyone or terminate cards, but to ensure the University's policies are followed. The administrators will make every attempt to assist the cardholder and approver in following the policies and keeping the departmental card active. It is ultimately the department's responsibility, however, to make sure the Purchasing Card Policy, as well as all University policies, are followed.

## 9. 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 following individuals for assistance with the card program.

Jean Hines, Director of Accounts Payable & Corporate Accounts, x8181, [jhines@richmond.edu](mailto:jhines@richmond.edu)  
Francheska Williams, P-Card Specialist, x8176, [fwillia2@richmond.edu](mailto:fwillia2@richmond.edu)

Or

[Pcards@richmond.edu](mailto:Pcards@richmond.edu)