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Overview

The Purchasing Card Program (the “Program” or “Purchasing Card Program”) has been designed to allow for the direct purchase of small dollar items through the use of a University Procurement Card. The intent is to significantly reduce the need for small dollar purchase orders, direct reimbursements, petty cash accounts and operational advances. This manual should be read in its entirety by the cardholders and managers who will be approving transactions.

All transactions made using the Purchasing-card (“P-card”) must benefit and support Montclair State University’s mission of education, research, and public service. The P-card is a privilege that is granted to the cardholder by the University. Any use of the P-card, which is not in accordance with Montclair State University policies and procedures, will result in forfeiture of the cardholder’s card. Inappropriate use of the card is considered an unauthorized use of University funds and may lead to disciplinary action. Montclair State University will seek reimbursement for any inappropriate or unauthorized charges made with the card.

P-cards are issued to specific individual employees and are not transferable or assignable. They remain the property of Montclair State University.

The Purchasing Card Program’s objectives include the following:

- Simplify the acquisition of low dollar goods and services
- Streamline the Purchasing and Accounts Payable process
- Reduce processing costs
- Reduce Purchase Order (“PO”) and Accounts Payable (“A/P”) cycle time
- Reduce Purchasing and A/P transaction volume
- Increase Purchasing and A/P productivity
- Refocus resources to strategic activities

Introduction

Montclair State University has entered into a P-card Program agreement with Bank of America (the “Bank”). The Bank provides the University with...
credit card services through the use of the internationally accepted VISA® credit card. A number of unique features have been developed for this Program that do not exist in the traditional credit card environment. These features help ensure that the P-card can only be used for specific purposes and within specific dollar limits.

This Manual has been developed to provide step-by-step instructions for use of the P-card by University staff. In addition to receiving this Manual, new cardholders and the managers who will approve a cardholder’s transactions must attend a cardholder Training Session. Those Sessions will review and supplement the information provided in this Manual.

The P-card is only to be used for University business purposes. The University is responsible for payment of all compliant purchases made with the card. Although the P-card is issued to an individual, its use does not affect personal credit in any way.

If you have any questions about the University Purchasing Card Program or use of the P-card, contact the Card Administrator in the Procurement Services Department, Elizabeth Blades at (973)-655-4402, Lissette Bobett at (973)655-4410 or Christine Palma at (973) 655-4423.

**SECTION 1.0 - Card Management**

**1.01 Card Eligibility and Use**

The Department’s Manager shall designate a person who is authorized to use a P-card for departmental purchases of goods and services. All authorized cardholders must comply with the P-card Policies and Procedures included within this Manual. All P-card approvers must be in a senior position to the cardholder.

It is the responsibility of both the cardholder and the cardholder’s Manager to review all transactions to ensure that they are legitimate University expenses, billed correctly and charged to the proper departmental account. It is recommended both the cardholder and supervisor review of transactions take place at the same time the “tasks to perform” email is received, however it must take place by the end of the billing cycle, the 11th of each month. Failure to review/approve transactions by the end of the billing cycle

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can result in P-card suspension. The P-card will be suspended for 30 days after which it may be reinstated. Repeated offenses will result in permanent cancellation of the P-card. The Cardholder or Manager can appeal this suspension by submitting a request for review to the Director of Procurement Services detailing the circumstances.

The individual whose name is on the card is the only person authorized to make purchases using the card. The cardholder will be held accountable for any policy infractions. The cardholder shall follow proper procedure specific to their department in order to obtain authorization to make a purchase.

The cardholder is responsible to determine that the price quoted for a product or service is the best price that can be obtained. There are many new punch-out catalogs for commodities in FMS that have been contractually bound by the University and the associated supplier. The P-card should not be used when there is an existing punch-out catalog. Failure to comply with this requirement may result in P-card suspension. If the cardholder is uncertain about a punch-out catalog’s content, the cardholder should contact the Procurement Services Department.

Cardholders should be certain that the total amount, including shipping and handling charges, will not exceed the single purchase limit on the P-card. **Splitting a transaction into smaller amounts to avoid dollar limits placed on the card is prohibited and will result in suspension or cancellation of the P-card depending on the severity of the infraction.**

1.02 **Agency Accounts**
Because Agency Accounts are dependent upon fundraising and are not budgeted by the University, the use of these accounts in conjunction with P-card purchases is prohibited. Agency Accounts begin with 90.

1.03 **Paypal and Apple**
Paypal is the least preferred method of payment and can only be used when there is no other payment option available. Purchases through Paypal and Apple, require prior written approval by the cardholder’s manager. This approval must be noted in the comments section of the transaction approval screen in the Works™ program. The written approval must also be attached to the monthly P-card statement. In addition, the cardholder must take a
screen print of the items being purchased from the vendor. The screen print must include a description of the item, the cost of the item and the vendor’s name. The cost of the item on the screen print must match the receipt. The screen print, along with the receipt, must be filed with the monthly P-card statement and it must be scanned and attached to the transaction screen. Failure to do so may result in the suspension of the P-card.

**Acceptable P-card purchases include the following:**
- Educational Supplies
- Printing Supplies / Business Cards
- Subscriptions
- Housekeeping Supplies
- Maintenance Supplies
- Vehicular Parts and Repairs
- Computer Accessories (e.g.: mouse, keyboard, CD’s)
- Conference Registration
- Professional Memberships

**1.04 Restrictions and Control**

Use of the P-card to purchase any product or service must comply with those permitted by the University’s Procurement Policies. **Additionally, the P-card shall not be used to purchase the following:**

- Professional Services
- Desktop and Laptop Computers **
- Software **
- Network Printers **
- Consulting Services
- Chemicals
- Controlled Substances (gases, radioactive, alcohol)
- Construction/Renovation Services
- Travel or Entertainment
- Food or Catering
- Gift Cards or Gift Certificates
- Lottery Tickets
- Apple I-Tunes Products

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• Insurance
• Car/Van Rentals
• Bus Charters
• Catering Services
• Money Orders
• Office Supplies (which must be purchased from WB Mason via FMS e-Procurement.)

**With the exception of the OIT Department

There are electronic blocks in each P-card profile to prevent use at the locations listed below. In the event a department requires access to a specific MCC Code, on a permanent basis, a decision will be based their departmental need:

• Cash machines/Money Orders
• Restaurants
• Liquor Stores
• Drug Stores
• Grocery Stores and Bakeries
• Doctor’s Offices and Hospitals
• Hotels
• Florists
• Car Washes
• Insurance
• Car/Van Rental
• Bus Charters
• Catering Services
• Professional Services

1.05 Application Process

This manual should be read in its entirety by the cardholders and their managers who will be approving transactions.

The cardholder must complete and sign the P-card Account Application form and the Purchasing Cardholder Agreement. The P-card Account

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Application form establishes the Financial Reporting System account to which transactions are recorded, the P-card limits and the manager/supervisor who will review/approve transactions for each cardholder. By signing the Purchasing Cardholder Agreement, the cardholder agrees to comply with Program’s policies and procedures and the University’s Purchasing Policies and Procedures. The P-Card Administrator is available to answer questions and provide assistance in the application process.

Required forms may be downloaded from the Procurement Service’s website: http://www.montclair.edu/procurement/forms/index.html.

Forms should be completed and sent to the Purchasing Card Administrator in the Procurement Services Department. Upon receipt of the P-card from the bank, the Administrator will contact the applicant for training. Training is mandatory for all cardholders and managers/supervisors who will review/approve transactions. A P-card will not be issued until the end of training.

1.06 Spending Limits

Two spending limits are imposed on all P-cards: a monthly spending limit and a single purchase transaction limit.

The monthly spending limit is the maximum available credit for the billing cycle. The bank will reject any transaction that exceeds this limit.

The single purchase transaction limit is the maximum dollar amount allowable for each individual transaction. Each P-card transaction, regardless of the number of items ordered, is limited to this predetermined single purchase transaction limit assigned to each individual P-card. The bank will reject any transaction that exceeds this set limit. Splitting a transaction into smaller amounts to avoid dollar limits placed on the card is prohibited and will result in suspension or cancellation of the P-card depending upon the severity of the infraction.
1.07 Card Security/Liability

Cards must be strictly safeguarded. It is the responsibility of each cardholder to secure the card at all times. If a card is used infrequently, it must be stored in a secure location within the department.

In case of loss, theft or misappropriation of the card account number, immediately contact Bank of America at (888)-449-2273, seven days a week/24 hours a day. If the Bank is notified by the end of the month following the month in which the fraudulent charges occur (the “notification period”), the fraudulent charges will be waived by the Bank. However, if the Bank is not contacted within the notification period, fraudulent charges could become the liability of the cardholder.

The cardholder will not be liable for the unauthorized use of a stolen card by a third party as long as the card is reported stolen within 24 hours of when loss is detected by the individual. The cardholder must also notify the Purchasing Card Program Administrator and the cardholder’s manager/supervisor about the lost or stolen P-card. The notification should include the date the cardholder first discovered the card was missing and the circumstances of the theft, loss or misappropriation. In the event the cardholder has not notified the Bank, the Purchasing Card Program Administrator shall terminate the card immediately.

When the monthly statement is received, the cardholder must notify the Bank of any unauthorized charges by completing a Dispute Item Form. The Dispute Item Form must be faxed to the Purchasing Card Program Administrator, who will forward it to the Bank.

For reference, the toll free number that the cardholder may use to reach Bank of America Customer Service staff is (888)-449-2273. Customer service is available seven days a week/24 hours a day.

1.08 Card Activation

Once the cardholder has successfully completed training, the P-card Administrator will activate the card for immediate use.
1.09 Card Renewal

The P-card will be automatically renewed by Bank of America before the card’s expiration date. The new P-card will be sent to the Purchasing Card Program Administrator who will notify the cardholder when to pick up their card. The P-card must be picked up and signed for as it will not be sent via interoffice mail.

1.10 Cancellation

Upon termination of employment, transfer to another department, or if the cardholder’s responsibilities change within the Department and the P-card is no longer required in the newly assigned position, the cardholder must return the p-card to the approving manager. The approving manager must notify the Purchasing Card Program Administrator by submitting a Cardholder Maintenance Form. The Purchasing Card Program Administrator will deactivate the P-card.

The Purchasing Card Program Administrator will also require the cardholder to return the P-card in the case of misuse. In addition, the approving manager may require a cardholder to turn in a P-card for any reason.

1.11 Card Changes

If a Cardholder needs to make changes to name, address, phone, or account numbers, use the Cardholder Maintenance Form or send an e-mail to the Purchasing Card Program Administrator.

1.12 Assignment

A P-card may not be transferred or assigned to another person. P-cards are the property of Montclair State University and the Bank of America and must be turned in to the Department Manager upon changing departments or leaving the University.
1.13 Unauthorized and/or Inappropriate P-card Use

The P-card must never be used to purchase items for personal use or for non-University purposes.

Any unauthorized or inappropriate use of a P-card will result in cancellation of the P-card and will subject the cardholder to disciplinary action including possible termination of employment and criminal prosecution.

SECTION 2.0 – Order Management

2.01 General Instructions

Purchases of appropriate items using the P-card may be made from any vendor who accepts the VISA® card. To receive applicable discounts, if any, be sure to inform the vendor that your purchase is for Montclair State University. Notify the vendor that the purchase is exempt from New Jersey State sales tax, use tax and Federal excise tax. Provide the vendor with Montclair State University’s New Jersey State Tax Exempt Number 22-750050K (printed on the card). Contact Procurement Services if the vendor requests a copy of the University’s Exempt Use Certificate Form ST-4.

Please Note: The vendor must ship ordered material before they bill any costs to the University under your P-card.

Instruct the vendor to not send a separate invoice.

Verify the total amount to be charged with the vendor. Be sure to have the vendor identify and list all charges related to the transaction that will be charged prior to signing a charge slip or authorizing the purchase by telephone. Any charges for shipping and handling must be separately identified from the price of the item being purchased prior to authorizing the transaction.

2.02 In-Person Orders

In addition to the requirements noted in section 2.01, the cardholder must insure or perform the following:

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• The credit card receipt or merchant receipt must clearly itemize the merchandise.
• The cardholder must retain all receipts and submit them along with the monthly statement to Approving Manager.

2.03 Phone Orders

In addition to the requirements noted in section 2.01, the cardholder must provide the vendor with the following information:

• P-card number
• Expiration date
• Delivery address at the University.

The cardholder must also:

• Request that an itemized invoice be sent with the shipment.
• Scan and attach all receipts and additional supporting material to the transaction-screen in the Works ™ program.

2.04 Internet Orders

P-cards should be used on encrypted Internet sites. Please note that some vendors provide the option of following up the order with a card number via telephone.

Cardholders are ultimately responsible for purchases made with a P-card and are responsible for determining whether an Internet site is the most appropriate method to make a given purchase.

2.05 Invoices, Receipts, Packing Slips and Monthly Statements

All documentation including, but not limited to, receipts, packing slips, invoices and monthly statements must be retained in the cardholder’s department and is subject to random audit by either the University Controller’s Office, the Internal Auditor or the University’s External Auditors.

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2.06 Delivery/Billing/Mailing Address.

The University is the only authorized address for delivery or any other communication by vendors for all P-card transactions.

Cardholders shall provide the vendor with detailed instructions for delivery. If the cardholder has arranged desktop delivery, goods are to be shipped directly to the department.

All other shipments are to be sent to Central Receiving. **It is necessary that goods shipped to Central Receiving have the recipient’s name, department and address on the packing list.** All shipping costs (UPS, FedEx, etc.) must be prepaid.

2.07 Damaged Goods, Returns, Credits

It is the cardholder's responsibility to follow up and obtain a credit for any recoverable amounts due to damaged or returned goods.

If an item is damaged, or defective and needs to be returned, the cardholder should contact the vendor arrange for return and credit.

2.08 Taxes

Because Montclair State University is a tax exempt entity, if a cardholder is charged tax on a purchased item, it is the cardholder's responsibility to follow up and obtain credit from the vendor for the imposed tax. If the vendor requires a tax exempt form in addition to the tax ID number, the University uses the ST-4 Exempt Use Certificate which can be found at the following link:

http://www.montclair.edu/media/montclairedux/financetreasurer/forms/procurementforms/Tax-Exempt-Form-6-8-17.pdf

Failure to obtain credit for taxes may result in a 30 day suspension of the P-card.
2.09 Dispute Resolution

Items that appear on the monthly P-card statement may be disputed with Bank of America within 60 days after the P-card statement’s closing date. If there is a disputed charge, the cardholder should first consider contacting the vendor directly. Most vendors would prefer to resolve the problem themselves and may be willing to provide credits.

If the cardholder does not recognize a charge and the vendor is not willing to resolve the problem, the cardholder should promptly dispute the charge. If the charge is within the current billing cycle, the charge may be disputed in Works by using the dispute button. By doing so, Bank of America will not pay the vendor for the purchase. If the disputed charge remains unresolved after the billing cycle closes, the cardholder should submit a “Dispute Resolution Form” to the Purchasing Card Administrator, who will in turn sign it and forward to Bank of America for investigation. The transaction must also be marked as disputed in the Works™ program. All potentially fraudulent charges must be disputed with the Bank.

2.10 Lost Merchandise

If the ordered product has not been received, contact the vendor and inquire when the product was shipped, by what carrier (i.e., UPS, FedEx, US Mail, etc.) and to what location.

If there is no record of the delivery, request a proof of delivery from the vendor. In the event the vendor cannot supply proof of delivery, a decision must then be made to either ship the product or credit the account.

If resolution cannot be reached with the vendor, the cardholder must complete and submit a Dispute Resolution Form to the Purchasing Card Administrator, who will review and sign it before sending it to Bank of America for investigation. The transaction must also be marked as disputed in the Works™ program.
SECTION 3.0 Roles and Responsibilities

3.01 Cardholder

- Attends P-card training session. P-cards will not be issued until training is completed.
- Safeguards the P-card.
- Complies with all University procurement policies and procedures relating to the use of the P-card.
- Reconciles and signs off on transactions posted to the Works™ program prior to the end of each billing cycle. It is recommended that this be performed at the time the “tasks to perform” email is received, however it must take place by the end of the billing cycle, the 11th of each month.
- Prime contact with the Purchasing Card Administrator.
- Resolves any discrepancies directly with the vendor.
- Assures that correct FMS account/object codes are used on transactions.
- Receives documentation such as monthly statement receipts, packing slips, invoices, etc., and maintains them in a file for reconciliation and audit for a period of seven years, two years on-site and five years in archives.
- Scans receipts, packing slips, invoices, etc, and attaches them to the associated P-card transaction screen in the Works™ program prior to the end of each billing cycle.
- Receives and forwards all order documentation to the approving manager.
- Obtains approval for making a purchase through Paypal or Apple from the approving manager, attaches the approval to the transaction screen in Works and keeps the approval with the associated purchase receipts attached to the P-card Statement for that billing cycle.
- Reports lost or stolen cards immediately to both Bank of America and the Purchasing Card Program Administrator.
- Ensure the MSU address is correct or updated in Works.

3.02 Approving Manager

- Forwards applications and agreements to the Purchasing Program Card Administrator.
• Attends P-card training session. P-cards will not be issued until training is completed.
• Enforces internal department policies and procedures.
• Monitors department card activity.
• Submits maintenance forms if cardholder’s usage profile requires a change.
• Maintains copies of cardholder applications, agreements and card numbers.
• Assists with disputed charges that cannot be resolved by the cardholder.
• Responsible for secure storage of infrequently used P-cards.
• Collects purchasing cards from terminated employees.
• Approves in writing all purchases from Pay Pal, and Apple.
• Reviews and signs-off on transactions within Works™ program each billing cycle and verifies that required scanned documents are attached. It is recommended that this be performed at the time the “tasks to perform” email is received, however it must take place by the end of the billing cycle, the 11th of each month.
• Assures that correct FMS account/object codes have been used.
• Maintains archived P-card documents for audit purposes, in compliance with the Records Retention policy for seven years, two years on-site and five years in archives.

3.03 Purchasing Card Administrator

• Responsible for administering and overseeing all policies and procedures of the Purchasing Card Program.
• Receives P-card applications from departments, reviews for need then processes though Bank of America.
• Receives P-cards from Bank of America.
• Schedules training for each department/unit for cardholders and approving managers.
• Issues cards to cardholders after cardholders and approving managers attend P-card training session. P-cards will not be issued until training is completed.
• Performs weekly reviews of transactions and cardholder activity, and reports any activity that does not comply with the Program’s guidelines to the cardholder and the approving manager.
• Reviews vendor activity for compliance with general procurement policies and procedures.
• Helps resolve transactions that cannot be reconciled by the cardholder or approving manager.
• Tracks card expiration dates and issues replacement cards.
• Tracks termination of cardholders.
• Cancels cards as required.
• Access to all P-card accounts.
• Reviews MCC Codes quarterly.
• Reevaluate Program on an as needed basis, but not less frequently than annually.

3.04 Finance/General Accounting

• Downloads monthly summary bill from Bank of America’s website.
• Reviews monthly statements and conducts an audit of P-card transactions.
• Processes payment to Bank of America.
• Updates feed to the FMS system.

3.05 Internal Audit

• Reserves the right to conduct audits of the statements and supporting documentation for all P-card accounts.

3.06 Bank of America

• Serves as the P-card provider bank.
• Sends pin number for chip and pin identification, required by some vendor’s card readers, directly to the cardholders via U.S. Mail.

SECTION 4.0 Financial Requirements

4.01 Billing Cycle

Once per month, Bank of America will provide a summary bill to MSU Accounting. Each cardholder will receive a hard copy of their statement

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detailing all charges billed during the previous 30 day billing cycle. An electronic report is also available in the “Scheduled Reports” section in “Works” for review.

The University's 30-day billing cycle currently ends on the **11th of each month**. Cardholder statements are mailed within 5 working days after the end of the billing cycle.

The Cardholder Statement will contain the transaction date, vendor name, and the total amount charged for each transaction made by the cardholder during that billing cycle. There are three levels of detail which may be provided by the merchant, please see Section 7, Vendor Management.

### 4.02 Payment Process

The summary bill provided to Accounting each month covers all P-card activity during the 30 day billing cycle. Accounting processes the monthly University statement for payment upon receipt.

### 4.03 Reconciliation

Cardholders are responsible for the transactions identified on their statement and in the Works ™ program. Cardholder’s are responsible for the following:

1. Reviewing the Statement for accuracy.

2. Attaching copies of the sales receipts and supporting documentation to the statement. This includes credit receipts for returns. (It is the responsibility of the department to maintain records for audit purposes.)

3. Resolving errors and disputing problems with merchandise delivery or incorrect billing.

4. Contacting the vendor directly to resolve problems with merchandise, services or billing issues.
5. Notifying the Procurement Card Program Administrator of any error or problem that cannot be resolved with the vendor. A special dispute form and instructions are included on the reverse side of the monthly statement for your reference.

6. Reconciliation in the Works™ program should be an on-going process. This includes the review and sign-off of each transaction by the both cardholder and the approving manager within each billing cycle.

4.04 Approval Cycle for Cardholder’s Statements

Statement reconciliation should be completed within five (5) working days after receipt of the cardholder’s statement. The cardholder’s statement should be signed on the reverse side and all supporting documentation is to be submitted to the approving manager. Once approved, the approving manager will maintain a file in accordance with the Records Retention Policy.

SECTION 5.0 Data Management

5.01 Data Capture

P-card activity data shall be available to University authorized personnel within 24-48 hours of vendor posting. The data will be available for download as a text file and may be imported into Microsoft Excel or other similar software applications.

5.02 Management Reports

The following reports can be generated by the Works™ program:

- Employee – Available Limit
- Employee – Cardholder Profile
- Employee – Delinquency
- Transactions – Details
- Transaction – Summary
- Departmental – Details

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• Departmental – Summary
• Monthly Statement

Only authorized personnel will have access to these reports on a 24/7/365 basis. These reports are specific to your P-card and/or department.

5.03 **Audit Requirements**

The Purchasing Card Program Administrator and the Controller’s Office will review various reports on a monthly and quarterly basis to ensure that P-card policies and procedures are being properly followed. In addition, each month, random audits of P-card statements and cardholder activity will be conducted.

Instances of non-compliance with policies or procedures by cardholders or approving managers will likely result in revocation of P-card privileges and possible disciplinary action.

5.04 **Record Keeping**

It is mandatory for a cardholder to obtain and retain vendor documentation for all purchases. Examples of vendor documentation are:

- Itemized vendor sales receipts
- Itemized packing slips with prices
- Credit card charge slips with itemized description of products purchased.

According to NJ State Retention Laws, all receipts must be kept for a total of seven years, two years on-site and five years in archives.

5.05 **System Administration**

The Purchasing Card Program Administrator will have access to the system’s administration features to add/change/delete/update cardholder profile information. Cardholders will have restricted access to view data, review and reconcile transactions. Approving managers will have access to review, reconcile and approve pre-purchase requests submitted by the

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cardholder. The Purchasing Card Program Administrator will not have access to a P-card and cannot make purchases under the program.

SECTION 6.0 RESTRICTED FUNDS PROCEDURE -

Restricted Funds are defined as a reserve of money that can only be used for a specified purpose. The funds can include grants, endowments, and any other awards of a specified nature. The Restricted Funds card has a single per transaction limit of $1,000 and a monthly billing cycle credit limit of $3,000.

6.01 P-Card Application Process for Restricted Funds

1) Restricted P-Card Application and P-card Agreement are requested from the Manager of Grant Accounting. Grant Accounting verifies whether the needs of the Grant would warrant a P-card based on University P-card policies.

2) If in agreement, Grant Accounting requests the P-card Administrator to send forms to requestor.

3) Requestor completes the P-card Application and P-card Agreement and returns them both to Grant Accounting for final approval.

4) Grant Accounting approves the P-card application and gives both forms to the P-card Administrator for processing.

5) The P-card Administrator creates the P-card account and orders the card. All grant P-card transactions are reviewed by Grant Accounting for compliance with the terms of the grant.

6) When the P-card comes in, P-card Administrator notifies the cardholder and their manager, if appropriate, and trains both. The P-card will not be given to the cardholder without the required training.
6.02 Card Suspension For Restricted Funds That are Closing

1) Grant Accounting provides the P-card Administrator with a monthly schedule for Restricted Fund closures.

2) If the Principal Investigator associated with the P-card is to be awarded a new grant, rather than close the account the P-card Administrator will suspend the P-card until the new grant is issued. Once the grant is awarded, the P-card will be released from the suspended status.

7) Based on the provided schedule, the P-card Administrator will send an email to the card holder prior to the close of the fund. The email reminds the card holder of the closing date for the restricted fund and that the card will be suspended two weeks prior to the close of the grant.

8) Two weeks prior to the close of the Restricted Fund, the P-card Administrator suspends the required card(s). An exception is when the cardholder has multiple Restricted Funds assigned to the same P-card. In those cases, the P-card Administrator removes routing to the specific account to be closed. Once the routing is removed, any use of that Restricted Fund account in Works will display a red X indicating unauthorized usage.

   This acts as a red flag to the Grant Accounting staff who monitor the Restricted Funds in Works.

9) Once a new Restricted Fund is authorized for use by the P-card holder, the P-card Administrator assigns the new account number to the card and creates a new group for which it is associated.

6.03 Restricted Fund P-cardholder’s Responsibility

1) Place order for items that are allowable under the Restricted Fund as well as according to University Policies for P-card usage.
2) Verify in Works that the charge is correct and make note in the comments box what the charge is for. This is required of all Restricted Fund cardholders. Both manager and cardholder are responsible to verify/approve each charge within the billing cycle or the P-card will be suspended.

3) Send all receipts to Grant Accounting mailbox within a week of purchase.

6.04 Restricted Fund Principal Investigator’s Responsibility

Approve cardholders purchase by the close of business, the 11th of each month. This includes ensuring that the charges are allowable to both the Restricted Fund guidelines as well as the University’s policy for P-card usage.

6.05 Grant Accounting’s Responsibility

1) Sign off on P-card Application for Restricted Fund accounts.

2) Give P-card Application and P-card Agreement to P-card Administrator for process.

3) Weekly audit of 5-ledger account usage.

4) Notify cardholder and/or manager if charges need to be corrected prior to end of billing cycle.

5) Notify P-card Administrator to suspend card or close specific restricted funds account prior to the close of the funding.

6) Notify P-card Administrator when to reactivate a P-card and assign it to a new Restricted Fund Account.

7) Remind Restricted Fund’s cardholders to review their transactions if they have not done so when it is close to the end of the business cycle.
SECTION 7.0 Vendor Management

7.01 Vendor Enrollment

Bank of America is responsible for enrolling vendors.

7.02 Data Level Hierarchy

Vendor purchase information will be made available to comply with reporting requirements by the University. Different levels of data that can be captured include:

- **Level I**: Standard financial information present on all credit card transactions. 1. Transaction date
  2. Merchant Name
  3. Card/Account Number
  4. Total Dollar Amount
  5. Merchant Category Code
  6. 1099 and 1057 code
  7. Accounting/cost center code

- **Level II**: Level I plus additional information about each purchase:
  1. Sales Tax Amount – if applicable
  2. Customer Reference ID (CRI)

- **Level III**: Level II plus additional full line details:
  1. Freight Amount
  2. Product Description
  3. Unit Cost
  4. Ship to Zip Code
  5. Quantity Purchased
  6. Discount Amount
  7. Destination Zip Code
7.03 Vendor Classification

P-card transactions with Small Businesses will be captured. Bank of America will identify these purchases and provide a detailed report identifying dollar spends per classification as requested.

7.04 Vendor Reports

The following reports of vendor purchases can be made available. The frequency of the reports will be on a monthly basis, unless otherwise specified. The reports provide volume and dollar activity at the summary and detail levels.

1. Commodity Code (Object Code)
2. Vendor Category (Merchant Commodity Code)
3. Vendor Name
4. Vendor Classification (Quarterly)