

# PURCHASING CARD USER'S GUIDE

## 1. OVERVIEW OF THE PURCHASING CARD (P-Card) PROGRAM

### 1.1 Purpose

This program is designed to dramatically improve efficiency in purchasing low dollar goods and services for University use from suppliers that accept the MasterCard credit card. Some examples of target purchases intended for this program include:

Books/DVDs	Computer Software and Accessories
Planners	Maintenance and Repair Materials
Office Supplies	Seminar/Conference Registrations
Subscriptions	Reprints of Journal Articles (in the U.S.)

**The P-Card may not be used to make personal purchases.**

### 1.2 Benefits

The use of this P-Card will:

- Allow employees to process a title for your department, as well as for the Purchasing and Accounts Payable Departments
- Enable employees to be more efficient and to focus on the value-added aspects of their jobs
- Provide cost savings through consolidated payment (one payment to the issuing bank, versus multiple supplier payments)

Important benefits for suppliers:

- Receiving payment in as few as three business days
- Elimination of invoicing and collection activities

### 1.3 The Credit Card Company

Credit cards will be issued from the bank with whom the University has contracted. Management reports and other usage information will also be provided by the contracted bank.

**Note:** All payments are made to the issuing bank electronically through the University's Accounting Services Department. Your default account will be charged weekly from the downloaded information received from the bank.

## 2. WHERE TO GET HELP

In most situations, individual cardholders will work with the Purchasing Card Coordinator or directly with the issuing bank.

### 2.1 Issuing Bank

To report a lost or stolen card or for assistance and information, call:

- **Customer Service: 1-800-316-6056**

**Note:** The cardholder must call the issuing bank immediately upon discovering that the card has been lost or stolen. Help is available 24 hours a day. Also, call the Purchasing Card Coordinator as early as possible on the first available business day during normal business hours at ext. 7113.

## 3. CARDHOLDER POLICIES AND PROCEDURES

### 3.1 Keeping Your Card Secure

Always keep your P-Card (credit card) in a secure place. Just as you would your personal credit card.

### 3.2 Sales Tax Exemption

It is the responsibility of the cardholder to ensure that no sales tax is charged when making a purchase with the P-Card. If you are charged tax in error, you must request a credit from the vendor as soon as possible after discovering the error. If the vendor cannot, or will not, remove the tax, note it on the receipt and monthly purchasing card statement.

The second embossed line on your P-Card reads “SALES TAX EXEMPT 12179945-002-STC.” The University is usually exempt from ALL sales tax, even when purchasing items from out-of-state suppliers, because the application of sales tax is determined by the location of the buyer, not the seller. A copy of the “**Utah State Tax Commission Exemption Certificate**” is attached, should the supplier require a copy for their files.

### 3.3 Limitations on Cards

**ALL PURCHASES MUST BE FOR OFFICIAL UNIVERSITY BUSINESS PURPOSES ONLY**

Your P-Card cannot be used to purchase items that exceed your single transaction limit or items on the “Restricted Items” list.





#### 4. HOW TO USE THE PURCHASING CARD

The cardholder is the authorized person to make purchases with the card. **Giving your card or card number to another person to make a purchase, or using someone else's card, may result in disciplinary action (including, but not limited to, revocation of your card and/or termination of employment).**

##### 4.1 Purchases in Person

- A. Follow proper internal procedures specific to your department to obtain authorization to make the purchase.
- B. Determine whether the P-Card is the most appropriate tool to use for the purchase (check the list on page 3 to make sure it's not a restricted item and determine whether a state contract is available).

**Note:** Remember that the P-Card is not intended to be the best available tool for absolutely everything your department purchases.

- C. Be certain that the total amount (including all shipping, handling, postage, freight, etc.) will not exceed your card's single purchase limit.
- D. Determine that the price quoted is the best you can obtain, including discounts.
- E. Ensure that no sales tax is charged.
- F. Obtain an **itemized** receipt at the time of purchase. Sign the receipt and place it in a secure location. Receipts need to be verified and attached to the monthly statement.
- G. The purchase **must** be recorded with complete description on the "**Purchasing Card Transaction/Reallocation Log**" form (attached).
- H. To Have Items Shipped:

I. When receiving the goods, always retain all boxes, containers, special packaging, packing slips, etc., until you are certain you are going to keep the goods. It is the cardholder's responsibility to inspect the goods upon arrival.

#### **4.2 Purchases by Phone, Fax or Mail**

Follow the applicable instructions for making purchases in person, including shipping/delivery instructions.

**Phone:** Use the **“Purchasing Card Telephone Order”** form, (attached) to make purchases by telephone (this form is necessary in case an itemized receipt is not received). If the supplier requires a PO number in addition to your credit card number, give them the number: “MST- \_\_\_\_\_” (the last four digits of your card number).

**Fax:** Retain a copy of the order form and fax confirmation (if available) for your records. You are urged not to mail the original to the company to prevent a duplicate order. If the company requires that the original be sent, be sure to clearly mark it “confirmation” and “order placed by fax.”

**Mail:** Retain a copy of the order form and the address to which it was mailed. Request that a receipt be sent to you for your records.

#### **4.3 Returns, Damaged Goods, Credits**

If goods purchased with a P-Card need to be returned, the cardholder should work directly with the supplier. Here are some pointers to make it easier:

- A. Always retain boxes, containers, special packaging, packing slips, etc., until you are certain you are going to keep the goods. Some items, such as software or fragile pieces, cannot be returned without the original packaging materials.
- B. Read all enclosed instructions carefully. Often a phone number and other instructions are included on the packing slip and/or receipt.
- C. Many suppliers require you to obtain a “Return Authorization” number before they will accept a return. If you neglect to get this number when it is required the package may be refused and/or no credit issued to your account.
- D. In some cases there may be a restocking fee (usually a percentage of the purchase price). If the supplier is completely responsible for the error or problem, you should not have to pay this, or any other fee. You may use the P-Card to pay this fee as long as it does not exceed any of your limits. However, in cases where the cardholder is responsible for an error, they may be required to personally pay for excess charges



and forward to the Responsible Person (RP) for review and signature. In most cases, the RP is the immediate supervisor. **This reconciliation process must be completed within 30 days of the statement end date.** Statements are to be retained (**with all the backup documentation attached**) in your department and/or archives for four (4) fiscal years.

**Note:** The three signatures (cardholder, reconcile and supervisor) are required on all statements, unless the supervisor and reconciler are the same person.

- C. To reallocate funds to a different account(s), use the “Purchasing Card Transaction/Reallocation Log” form: (attached or @ <http://departments.weber.edu/purchasing>)
- 1) fill in all the necessary information
  - 2) obtain the signature of the person responsible for the account(s)
  - 3) send a copy to Accounting Services at mail code 1014
  - 4) attach the original copy to your statement

## 5.2 Audits on Statements

- A. Periodically the Internal Auditor will do an audit on your p-card purchases. The Cardholder or Reconciler will provide the auditor with the statements and all the necessary backup documentation needed for the audit. The auditor will verify that the cardholder is following all p-card policies and procedures.

Upon completion of the audit, the auditor will report the findings to the cardholder, reconciler and responsible person. If the audit findings indicate sufficient lack of cardholder understanding of correct policy and/or procedures, Internal Audit will request Purchasing to temporarily suspended usage of the card until the cardholder attends a purchasing card training session. The card will be reactivated when the training has been completed.

- B. If misuse or abuse is suspected, the processes identified in PPM 5-25 i, Appendix I, will be followed.

## 6. DISPUTED TRANSACTIONS

### 6.1 Dispute of Statement Item

If there are any discrepancies (i.e., charges not recognized or incorrect charges), the transaction may be disputed with2fare otr2iscr11.1(g)6aepDi2(.)r(ll e)]TJ h( f)5(o)s7(tte)6mpoe4(i)-(h2

- **Email:** [ccscolumbusdisputes@chase.com](mailto:ccscolumbusdisputes@chase.com)
- **Your online account:** <https://www.paymentnet.jpmorgan.com>
- **Mail:** JP Morgan Chase & Co.  
Mail Code OH1-0506  
PO Box 182918  
Columbus, OH 43272-554

The bank will automatically issue a credit to the P-Card account in question for the