

TRINITY UNIVERSITY
THE PURCHASING CARD
A GUIDE FOR USERS

THE PURCHASING CARD IS FOR UNIVERSITY BUSINESS ONLY AND MUST NOT BE USED FOR ANY PERSONAL TRANSACTIONS.

Questions concerning permissibility of a particular purchase, when not clear, should be directed to a purchasing card contract administrator. The purchasing card contract administrators are:

Cindy Lara
Director
Purchasing Office
Telephone: (210) 999-8291
Fax: (210) 999-8229
E-Mail: Cindy.Lara@trinity.edu

Ray Sanchez
Senior Buyer
Purchasing Office
Telephone: (210) 999-8250
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Applicability:

These procedures apply to qualified University employees who have:

- Obtained permission to participate in the purchasing card program.
- Completed the required program application.
- Met all applicable requirements as set forth by the University.

References:

Purchasing card transactions must adhere to the University's purchasing policy and procedures.

Responsibilities:

The Purchasing Office and the card contract administrators are responsible for program development, implementation, administration, cardholder customer service, bank relations, training, monitoring, and enforcement of the University's purchasing card program policies and procedures. The Internal Audit Office is responsible for the Purchasing Card Program compliance auditing. The Business Office is responsible for the coordination of payment to JP Morgan Chase.

While it is the respective vice-president, chair, or director who has the overall responsibility for ensuring the University's interest is best served; the cardholder or the designated card administrator is responsible for monitoring the activity of the purchasing card issued to the department/office staff members. For the purpose of this document, the card administrator is defined as the individual responsible for departmental expenditures.

Purchasing card policies and procedures must be strictly adhered to and failure to comply may result in the suspension of purchasing card privileges and/or disciplinary action, up to and including termination. A cardholder who makes an unauthorized purchase or carelessly uses the purchasing card may be liable to the University for the dollar amount of the unauthorized purchase plus any administrative fees or legal fees incurred in connection with misuse.

What Is the Purchasing Card?

The purchasing card is a corporate liability card issued to an individual but the University is responsible for paying the bill. The card is a fast convenient way for departments to spend monies directly from their designated budget.

What Are the Benefits of the Purchasing Card?

The purchasing card delegates low dollar value purchasing authority to the end-user. The end-user gets exactly what they want, when they want it, faster and with minimal paperwork. The purchasing card allows the end-user to buy over the telephone, fax, and by Internet. Cardholders may make University-related travel and entertainment expenditures including airline reservations and conference registrations over the telephone, fax, or by Internet.

The Purchasing Card: A Guide for Users (Cont.)

What Can Be Purchased With the Purchasing Card?

- General goods and services
- Airline reservations
- Registration fees
- Travel related expenses (If allowed by department/office)

In general, the Cardholder may purchase goods and services **EXCEPT**:

- Capital equipment
- Cash advances
- Travelers checks/securities
- Pay fines/penalties
- Firearms/ammunition/explosives *
- Make gifts/contributions
- Pay for loans
- Material prohibited by local, state or federal law
- Narcotics/all drugs*
- Personal purchases
- Radioactive materials
- Orders over \$1000
- Splitting purchases to circumvent the \$1000 limit is prohibited.

*Exceptions to these will be handled on an individual basis and must be approved by a purchasing card contract administrator prior to incurring the expenditure.

Authorized Purchasing Card Use:

The purchasing card will be issued with the cardholder's name embossed on it and can only be used by the named cardholder.

Safeguarding the Purchasing Card:

It is the cardholder's responsibility to safeguard the purchasing card to the same degree that an individual safeguards personal credit cards or cash.

Reporting Lost or Stolen Purchasing Cards:

The cardholder must immediately notify JP Morgan Chase customer service and report a lost or stolen purchasing Card. JP Morgan Chase representatives are available 24 hours per day, seven days per week including holidays.

LOST OR STOLEN PURCHASING CARDS TELEPHONE NUMBER: 1-800-270-7760

The cardholder must also notify the contract administrator of the lost or stolen purchasing card within one (1) workday after discovering the purchasing card missing,

Limits:

When applying for the purchasing card, the department's vice-president must establish the following control limits for each cardholder:

- The single purchase transaction Limit (*Default: \$1000*)
- The daily transaction limit (*Default: 10 transactions*)
- The monthly transaction limit (*Default: 25 transactions*)

Note: A transaction is any purchase or adjustment posted to the cardholder's account.

If control limits are violated, the transaction will be declined. The purchasing card administrator has the capability to customize and set specific limits for each purchasing card issued. Please contact the purchasing card contract administrator to discuss your specific requirements if the above limits do not meet your requirements.

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University' Billing Cycle:

The billing cycle is defined as the monthly period ending on the same day each month. The University's billing cycle will be the last day of each month. All transactions will appear on the departmental budget report for the month.

Activating the Purchasing Card:

In order to provide a measure of security, the purchasing card requires activation. When the purchasing card is received, a sticker prompts the cardholder to call JP Morgan Chase for purchasing card activation. The cardholder's identity is verified using the information provided on the application. Once activated, the purchasing card is ready for use. Activation is required only once for each purchasing card received.

Making a Purchase:

When making a purchase the cardholder must check as many sources as reasonable to assure best price, quality, and delivery.

In Person:

Verify that the vendor accepts VISA. Select the merchandise making sure the total amount of the order is less than \$1000 or JP Morgan Chase will decline the charge. When ready to check out, inform the cashier that Trinity University is tax-exempt. Keep all receipts for month end reconciliation.

Phone/Fax Orders: You may call or fax an order. The supplier will request your card number and expiration date. If you are buying from a local vendor, advise the supplier that the University is tax exempt. Request that the supplier include an authorization slip, paid invoice, and/or delivery slip with the order. If the supplier intends to mail the transaction documentation, you must ensure the documentation is mailed to your University mailing address. Retain all purchasing card transaction documentation for cycle end reconciliation of your statement.

Internet Orders: You may use the Internet to place an order. You must retain all purchasing card transaction documentation for cycle end reconciliation of your statement.

IT IS YOUR RESPONSIBILITY TO ENSURE YOU ARE GIVEN AN ORIGINAL ITEMIZED CASH REGISTER RECEIPT OR PAID INVOICE FOR EACH TRANSACTION

Rebates, Refunds, and Promotional Items:

Any rebates, refunds, and promotional items received as a result of a purchasing card transaction becomes the property of Trinity University and must be deposited into the applicable department account.

Shipping:

For Purchasing Card transactions, advise the vendor to include the following information on the mailing label and packing list: **VISA CARD PURCHASE**. All shipments must be shipped to the following address:

Trinity University
Central Receiving
607 Kings CT
San Antonio TX 78212

Delivery to Your Department by Central Receiving

Central Receiving will accept delivery of all purchasing card orders placed by fax, phone or Internet. A Central Receiving driver will deliver all packages, unopened, to the requesting department. The cardholder is responsible for opening and inspecting all packages to determine if the order is correct. Any discrepancies must be brought to the attention of the supplier. The cardholder must make sure they receive and maintain all documentation.

Documentation, Record Keeping and Retention:

The cardholder and the card administrator are responsible for purchasing card transactions, record keeping, and retention of all purchasing card documentation. Record keeping and retention is crucial for audit substantiation. All purchasing card documentation must be retained within the department in accordance with Trinity University policy.

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For each purchasing card transaction, you must ensure that an original sales document (packing slip, invoice, cash register receipt, etc.) is received. Retain all purchasing card documentation for cycle end reconciliation. All transactions must be substantiated with receipts and /or invoices and reconciled with the statement at month-end and included in the monthly P-Card Documentation Envelope

All purchasing card documentation envelopes are due the Purchasing Office on the last work day of the new month. For example: June envelopes are due July 31 (or last workday); July envelopes are due August 31 (or last workday) and so forth. Envelopes will be stored in Purchasing for a period of five (5) years.

Statement, Review and Reconciliation:

The cardholder and the card administrator are the first line of defense in determining if all charges are accurate. It is recommended that the cardholder review their on-line account at least weekly to ensure all postings are legitimate. The cardholder will have two (2) workdays after the close of the billing cycle to review and make any necessary changes on-line. **Please note: Paymentnet usually posts transactions two (2) days after the transaction date so if you charge the last two or three days the month this charge will not appear until the following month.** At the end of each billing cycle the cardholder will receive a statement detailing purchasing card transactions for the cycle. The cardholder must reconcile and assure sales documentation (packing slip, invoice, cash register receipt, etc.) for each purchasing card transaction has been received.

Lack of Supporting Documentation:

It is the responsibility of the cardholder and the card administrator to ensure each purchasing card transaction is substantiated with the proper documentation. Should supporting documentation be lacking, the cardholder and/or card administrator must resolve any deficiency. The cardholder may obtain copies of missing sales from the supplier.

Purchasing Card Transactions and Posting to the University's Financial System:

Each purchasing card is assigned a specific department account number. Purchasing card transactions post to the University's financial system (Datatel) and will be listed on the monthly Detail Budget Status Report.

Expense Transfer Procedures:

If necessary, the cardholder or card administrator can re-distribute expenses from the default account and/or object code to another account and/or object code by going to the JP Morgan Chase web site and making the change(s) on-line. This must be done before the end of the second (2) workday of the new month. If the transaction is to be funded from a different budget account and/or object code, it is the responsibility of the cardholder to make necessary changes on line prior to month-end close. Changes not made prior to month-end close require a journal entry to make the correction and a \$10 fee is assessed and charged to the requesting department.

Payment of Cycle Statement:

Accounts Payable will process payment to JP Morgan Chase once every cycle. Errors will be credited in the next cycle.

Resolving Returns, Credits, Errors and Disputes:

In the event problems with a supplier are experienced (failure to receive goods, fraud, altered charges, defective merchandise, incorrect quantity or incorrect merchandise, duplicate charges, credits not processed or discounts not received), the cardholder must contact the supplier to resolve any concerns. Responsible suppliers will resolve any legitimate concerns. In the event the cardholder cannot resolve a difficulty with a supplier, fax a completed Dispute Notification Form to JP Morgan Chase at 1-801-281-5859 within sixty-days (60) after the end of a billing cycle in which the questioned transaction occurs.

JP Morgan Chase will review and investigate the items questioned. During this investigation, the cardholder's account will be credited for the amount in question. When JP Morgan Chase has completed the investigation, the cardholder will be notified of the results. If the dispute is not settled in the cardholder's favor, the cardholder's account will be charged for the disputed amount. During the dispute investigation process, the cardholder and/or JP Morgan Chase may need to obtain copies of sales documents. JP Morgan Chase may charge a fee for each copy. The dispute resolution process is not much

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different than how an individual resolves a personal credit card problem. Contact the supplier first, then the bank/credit card company.

Changing the Information On The Purchasing Card:

The cardholder and/or card administrator may change information on the cardholder's purchasing card account by sending an email to the p-card program administrator.

Cancel or Close the Purchasing Card Account:

To cancel or close the purchasing card account, due to cardholder transfer or separation, the cardholder must surrender the purchasing card to the contract administrator.

IF THE PURCHASING CARD IS NOT SURRENDERED, IT WILL BE REPORTED AS STOLEN.

CHANGES TO THE CARD ADMINISTRATOR:

Any changes in the status of an existing card administrator must be communicated to the contract administrator by the department or office chair or director.

END OF FISCAL YEAR PROCEDURE:

Goods and services must be expensed in the year they are received. When the purchasing card is used, the supplier may hold the transaction posting for several days. This event could create an accounting problem at the end of our fiscal year (May 31st). The cardholder must notify Purchasing of any transactions made the last week of May.

TRAVEL:

The use of the purchasing card is allowed for approved travel related expenses. All travel must be considered travel at the University's expense, regardless of the funding source and must be subject to University travel policies and procedures. The appropriate official, regardless of funding source, must approve all travel in advance.

Policies and procedures outlined in the *Trinity University Fiscal Affairs: Policies and Procedures* for travel must be strictly adhered to. For the most current version of the University's travel policy please refer to http://www.trinity.edu/departments/fiscal_affairs/fapolicy/business/ap/travel.htm#TOP

What Travel Items Can Be Purchased With the Purchasing Card?

Cardholders may purchase the following approved travel related items:

- Air Fares
- Registrations
- Other Expenses (if allowed by department/office)

PROCEDURES FOR USING THE PURCHASING CARD FOR TRAVEL:

Once the decision has been made to go on a University-related trip, the cardholder must submit a travel authorization form with appropriate approvals.

The same documentation, record keeping, retention, and reconciliation process applies.