

Procurement Card – Policies & Procedures

Welcome to the Emerson College Procurement Credit Card Program or PCard. The PCard is a procurement tool that offers an alternative to the College's existing procurement process and provides an efficient and effective method of purchasing and paying for goods and services.

This guide outlines the benefits of the Procurement Credit Card Program to you, your Department, and the College, and provides you with information needed to use the card. The procurement credit card concept is designed to delegate authority and capability to quickly and conveniently purchase approved commodities directly from vendors that accept the Visa credit card.

The PCard is designed to be used for purchases related to Emerson College business only. Use of the card for personal purchases is strictly prohibited.

The benefits to you and Emerson College are significant:

Benefits to the Cardholder:

- Goods and services can be more quickly and easily obtained
- Reduces the need to use personal funds and obtain reimbursements
- Work related to the purchase of and payment for goods and services is significantly reduced
- Provides convenience, security, and flexibility

Benefits to the College:

- Reduces the number of requisitions, purchase orders, check requests, invoices, and checks
- Enables Procurement and Accounts Payable to focus on higher yield value added activities

The Procurement Office is responsible for monitoring the effectiveness of the PCard program. If you have any questions regarding the program, or the appropriate use of the PCard, please contact The Procurement Office at x8590.

Procurement Credit Card Program

General Overview

The PCard simplifies both the procurement and disbursement process. When you make a purchase, in person or by phone, the vendor requests a purchase authorization at the point of sale. The Wells Fargo Visa system validates the transaction against pre-set limits established by Emerson College. Transactions are approved or declined (instantaneously) based on the following PCard authorization criteria:

There are two programs for PCard users: **Traveler and Non-Traveler**

- **Single Purchase Limit:**
 - Travelers: **\$5,000** / Non-Travelers: **\$2,500**
- **Spending Limit per Month:**
 - Travelers: **\$10,000** / Non-Travelers: **\$5,000**
- Approved commodity type/MCC Merchant Codes

Typically charges will be electronically posted to the Commercial Card Expense Reporting or CCER within one to two business days of the date of purchase. The PCard holder can review, distribute charges to the appropriate accounts or grants, and approve the transactions that have already occurred. Once the transaction has been approved the charges will be debited to the specified general ledger chart string. Payment for all PCard transactions is performed electronically, eliminating the need to process vendor invoices and to issue checks for each invoice.

The PCard holder is responsible for the integrity and accuracy of their PCard purchases. Appropriate maintenance of the receipts and other documentation is essential to the success of the program. Each PCard is issued to a named individual within the department. The credit card is identified as a "Procurement Card" and the Emerson College name and logo are clearly displayed on the card. The person whose name appears on the card is responsible for protecting the card and is accountable for all purchases made using the card number. Traveler cards will have a chip on the front of the card which is an added feature.

Acquiring a Procurement Card

Senior managers will identify and authorize who has access to the PCard. You must be a permanent Emerson College employee (non-students) who purchase goods and services. The cardholder is required to read this document and adhere to all PCard requirements.

Individuals must complete the **PCard Application Form**, submit to the PCard Administrator (purchasing@emerson.edu), and attend a training session.

A PCard User Guide will be distributed with step-by-step instruction on navigating the on-line review of the charges and reconciliation.

General Procurement Card Policies

The person whose name appears on the card is responsible for protecting the card and is accountable for all purchases made using the card number. All purchases processed against a PCard must be made by the person to whom the card is issued. Fraudulent or misuse of the PCard may result in disciplinary action. The cardholder must sign the Emerson College **PCard Access Form** that specifies he or she will adhere to the college's policies and procedures.

Allowable/Restricted Commodities

Allowed for the Non-Traveler PCard (Limits: \$2,500 Single Transaction / \$5,000 Monthly)

- Advertising Expenses
- Airfare and other forms of transportation (rail, bus, cab, etc.) for department administrators who book travel for department faculty/staff/students
- Books, magazines and subscriptions
- Catering for department functions in compliance with college policy
- Classroom supplies and materials
- Conference/registration fees
- Congratulatory or sympathy flowers
- Copier Supplies except paper (buy paper from Staples in EC marketplace)
- Copying Services
- Dues and Memberships (work related)
- Mailers, shipping, courier companies

- Non-employee expenses for job candidate airfare and lodging only
- Telephone pagers or cell phones monthly payments (department only - see policy) (monthly invoices for usage not hardware)

*Administrators to have authorization for booking travel for supervisors

Allowed for the Traveler PCard (Limits: \$5,000 Single Transaction / \$10,000 Monthly)

- All of the above plus:
- Airfare and other forms of transportation (rail, bus, cab, limousines etc.)
- Car rental
- Gasoline for car rental vehicles
- Hotels and lodging
- Meals, restaurants etc.
- Parking fees

Unauthorized P- Card Transactions

- Alcoholic beverages
- Any single transaction exceeding \$2,500.00 (Procurement Department Approval Required)
- Capital project items
- Cash advances
- Computer hardware, software and peripherals
- Cellphone or hand held device hardware – iPhone/iPad.
- Donations
- Entertainment
- Furniture - classroom, office, lounge or dormitory room
- Gas / Diesel except certain departments with College owned vehicles or rental cars
- Independent contractors/consultants
- Items for personal use
- Medical Doctors, Dentists, Chiropractors etc.

- Professional services (e.g. legal fees)
- Purchases that involve signing an agreement, license, contract or lease
- Radioactive or Hazardous Materials
- Salaries and wages
- Sales Tax

Additional restrictions may be included and have been "blocked" based on merchant category codes (i.e.: jewelry, furs, recreation vehicles, etc.)

Purchases must be for the sole use and benefit of the College. Personal purchases are not allowed under any circumstances – regardless of intent to reimburse the College. It is the Cardholder’s responsibility to report the loss of the card immediately to the issuing bank, Wells Fargo, and the PCard Program Administrator in the Procurement Office.

The Cardholder is responsible for attempting to resolve a dispute with a vendor within **fifteen (15) days** of receipt of a charge for a disputed purchase. If a resolution is not possible, the Cardholder should report the problem to the PCard Program Administrator who will work with Wells Fargo to resolve the dispute.

How Do I Place An Order Using My Card?

Most people are already familiar with making purchases using a credit card. The process for placing orders using an Emerson College PCard is very similar for those used when making a purchase with any commercial credit card. The important differences are:

- The purchase is subject to an electronic approval process at the point of sale. Approval is based upon several controls established by the department and the College.
- Supporting documentation must be maintained (see Receipts Documentation guide in this document.)
- The charges are electronically submitted to the College and are posted to a default chart of accounts for each cardholder. Using the Commercial Card Expense Reporting or CCER, the charges must be redistributed to other accounts, Department ID, or grants.
- The PCard can be used to purchase goods in person at the supplier site, over the phone, or via fax, or by mail. When placing an order:
 - Confirm that the purchase is appropriate by checking the list of **Restricted Commodities**
 - Identify yourself as an Emerson College employee
 - Provide the tax exempt status and tax exempt number listed on the front of the card

Inform suppliers that they are not to send a bill or invoice to **Accounts Payable**.

- Provide cardholder name
- Provide individual PCard number
- Provide expiration date on the card
- Provide correct delivery address
- Provide description of goods to be ordered and confirm prices
- Confirm that the total order including shipping and handling does not exceed your single purchase limit
- Provide any other information necessary to make the purchase

Upon receipt of your order, keep the documentation received from the supplier (typically a sales receipt or packing slip with pricing information) for reconciliation (see Required Documentation section of this guide).

Every day, Wells Fargo CCER will allow access to your most recent transactions. Check these transactions against your sales receipts or packing slips to ensure that you have received everything for which you have been charged.

The Cardholder is responsible for ensuring receipt of goods and follow-up with the vendor to resolve any delivery problems, discrepancies or damaged merchandise concerns. ***There is no budget check prior to purchase.*** A file will be posted to each department budget after the credit balance has been paid. It is the users' responsibility to ensure funds are available for your budget.

Suppliers Who Do Not Accept the Procurement Card

You may find suppliers who do not accept credit cards when you first contact them. If this occurs, you have the option of using another supplier who will accept a credit card OR you can complete a standard Purchase Requisition in Banner.

Accounting or Redistribution of Charges

PCard transactions are usually posted to CCER within one to two business days. Designated users will log on to the web based system using a unique login and password. PCard holders will have the ability to change chart of accounts on individual transactions using CCER. This is the responsibility of the Cardholder, however some people will have a reconciler who will have the responsibility to do the reallocations and ensure they are done in a timely manner. Cardholders/Reconcilers will have five business days to make any necessary changes to the default COA. Finance posts transactions from CCER into the general ledger on the 17th of every month. The transactions will be updated to the general ledger and marked as posted. Once transactions are posted to the general ledger, adjustments to COA can only be made through a journal entry form.

If you have any questions regarding access to CCER, please refer to our **PCard User Guide** which has step-by-step instructions on navigating the reconciliation process on line.

Required Documentation – PCard Receipt Imaging

With the authority to purchase comes the responsibility for maintaining adequate documentation at the source of the transaction. It is the responsibility of each cardholder to process receipts in accordance with this guide. The **PCard User Guide** will list the best options for uploading receipts to CCER.

Whether a purchase is made in person or via telephone, fax, or mail, the cardholder must obtain a sales receipt, invoice, or a PCard sales slip (the same document you receive when you use your own credit card) from the merchant. These receipts are required and will assist in the verification of the online transaction. They are also required to be filed for auditing purposes.

Original documentation must support the legitimate business purpose of all transactions made with the PCard. Documentation must include the name of the supplier, location, date, dollar amount, and business purpose. The following are examples of valid supporting documentation:

- Detailed cash or sales receipts
- Packing slips with a dollar amount
- Subscription or dues forms
- Conference registration forms
- Invoices

Procurement Card Audits

To ensure the continued success of the PCard program and to meet the audit requirements of Emerson College and various government agencies, Accounts Payable and/or Procurement Services will make periodic audits to verify that items purchased have been made in accordance with PCard Policies and Procedures. A representative from the AP/Procurement will contact card holders and will request a brief review process with cardholders to ensure that proper documentation has been filed.

Disputing a Transaction

A cardholder may dispute a charge that appears on his/her statement. The cardholder is responsible for following up with Wells Fargo and the vendor for any erroneous charges, disputed items or return. Disputed charges can result from failure to receive goods, fraud or misuse, altered charges, defective merchandise, incorrect amounts, sales tax charges, duplicate charges, credits not processed, etc. The cardholder can contact Wells Fargo regarding disputed transactions through the CCER Online system.

Returning an Item

Items should be returned directly to the vendor by whichever means the vendor requires. It is the cardholder's responsibility to determine that proper credit is posted for any returned item.

Lost or Stolen Procurement Cards

In the event of a lost, stolen or mutilated card, the cardholder is responsible for notifying Wells Fargo at **1-800-932-0036** and then call the P-Card Administrator at the Procurement Office at 8590.

Tax Exempt Status

When purchasing goods, inform the vendor that Emerson College is exempt from Massachusetts State Sales Tax. Emerson's tax exempt number is pre-printed on the front of your PCard. This number should be given to all vendors by the cardholder at the time of purchase.

A supplier may still request a tax exemption certificate from the College as a result of a PCard transaction. The card holder may contact Procurement Services for a copy of the certificate

Questions

Training and user manuals will be available on an on-going basis.

<https://finance.emerson.edu/hc/en-us/articles/360021383112-About-the-Procurement-Card-PCard-at-Emerson-College>

Please contact the PCard Administrator at **617-824-8590**, or by email at purchasing@emerson.edu