

# Brandeis University Procurement Card User Manual

Welcome to the Brandeis University Procurement Credit Card Program. The procurement credit card is a procurement tool that offers an alternative to the existing University procurement process and provides an extremely efficient and effective method of purchasing and paying for goods and services with a value of less than \$1500.

This User Manual outlines the benefits of the procurement credit card program to you, your department and the University, 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 benefits to you and Brandeis 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 University:

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

The procurement credit card is designed to be used for purchases related to University business only. **Use of the card for personal purchases is strictly prohibited.** Procurement Services and the Controller's Office are responsible for monitoring the effectiveness of the Procurement Credit Card Program. If you have any questions regarding the program, or the appropriate use of the procurement credit card, please contact Procurement Services at 6-4500.

## Procurement Credit Card Program

### General Overview

The Procurement Card 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. Then the Visa system validates the transaction against pre-set limits established by Brandeis. Transactions are approved or declined (instantaneously) based on the following Purchasing Card Authorization criteria:

- Number of transactions allowed per day
- Number of transaction allowed per month
- Single Purchase Limit

- Spending limit per month
- Approved commodity type (For example, office supplies are allowed while Travel Expenses are not allowed)

Typically charges will be electronically posted to the PaymentNet system within three days of the date of purchase. The Procurement Card representative designated by each department 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 Procurement Card transactions is performed electronically, eliminating the need to process vendor invoices and to issue checks for each invoice.

The Procurement Card Representatives within each department are responsible for the integrity and accuracy of procurement card purchases. All departments must establish internal control procedures. Departments are the official office of record for the charge slips, shipping orders, and receipts. Appropriate maintenance of the purchasing/payment receipts and other documentation is essential to the success of the program (See Required Documentation section)

Each procurement card is issued to a named individual within the department. The credit card is identified as a "Procurement Card" and the Brandeis University 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.

### **Acquiring a Procurement Card**

Permanent Brandeis University employees (non-students) who regularly purchase goods and services, can request a Procurement Card. The cardholder is required to read this procurement card manual and adhere to all procurement card policies and procedures. Individuals must complete the application form, attend a training session, and sign a Card Holder Agreement before they can receive their card.

### **General Procurement Card Policies**

1. 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 Procurement Card must be made by the person to whom the card is issued.
2. Fraudulent or misuse of the Procurement Card may result in disciplinary action (see Card Holder Agreement in Appendix).
3. The cardholder must sign the Brandeis University Procurement Card Cardholder Agreement that specifies he or she will protect the card and adhere to proper policies and procedures.

4. The Procurement Card Representatives within each department are responsible for maintaining adequate records to document what specific goods or services were purchased.

#### **5. Restricted Commodities:**

The Procurement Card **may not** be used to purchase the following items:

- Cash Advances
  - Travel and Entertainment Expenses including airfare, restaurants, hotels, and rental cars
  - Alcoholic beverages
  - Gasoline
  - Construction and Renovation services
  - Equipment Maintenance Contracts
  - Prescription Drugs and Controlled Substances
  - Radioactive Materials
  - Select Agents as defined by the CDC through the Patriot Act (Please see Bob Elias, Environmental, Health, and Safety Manager for a detailed list)
  - Animals
  - Personal Computers (Due to University's lease for Personal Computers)
6. Procurement Card transactions for non-restricted commodities may not exceed the \$1500 (including all delivery, shipping and/or special handling charges) per transaction limit.
  7. Purchases must be for the sole use and benefit of the University. Personal purchases are not allowed under any circumstances – regardless of intent to reimburse the University.
  8. It is the Cardholder's responsibility to report the loss of the card immediately to the issuing bank, JPMorganChase, and the Procurement Card Program Administrator in Procurement Services at 6-4500. (see procedures for reporting a lost or stolen card in this manual).
  9. 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 Procurement Card Program Administrator who will work with JPMorganChase 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 a Brandeis University Procurement Card are very similar for those used when making a purchase with any commercial credit card. The important differences are:

1. 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 University.
2. Supporting documentation must be maintained (see Required Documentation section of this guide.)
3. The charges are electronically submitted to the University and are posted to a default chart string for each cardholder. Using the PaymentNet System, the charges can be redistributed to other accounts, Department ID, or grants.

The Procurement Card 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 a Brandeis University 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 Procurement Services or Accounts Payable.
- Provide cardholder name
- Provide individual Procurement Card number
- Provide expiration date on the card
- Provide correct delivery address, either Epstein Central Receiving or Kalman Central Receiving depending on your office location
- 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, PaymentNet 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.

### **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 Requisition for Supplies and Services and forward it to Procurement Services for a Purchase Order.

If the supplier is interested in obtaining the ability to accept credit cards refer the supplier to the University's Purchasing Card Program Administrator in Procurement Services.

### **Accounting or Redistribution of Charges**

Procurement Card transactions are usually posted to the PaymentNet System within one to two business days. Designated users will log on to the web based system using a unique login and password. Procurement Card Representatives will have the ability to change chart strings on individual transactions using PaymentNet. This responsibility may be delegated to the Cardholder, however the Procurement Card Representative will have ultimate responsibility to approve the reallocations and ensure they are done in a timely manner. Users will have five business days to make any necessary changes to the default chart string.

Procurement Services posts transactions from PaymentNet into the general ledger every Friday for the PREVIOUS WEEKS transactions. These transactions will be updated to the general ledger and marked as posted. Once transactions are posted to the general ledger, adjustments to chart strings can only be made through a journal entry form.

If you have any questions regarding access to PaymentNet, please refer to the section on "Using PaymentNet Software" in Section II of this guide.

### **Required Documentation**

**With the authority to purchase comes the responsibility for maintaining adequate documentation at the source of the transaction. It is the responsibility of each department to develop a process and assign a responsible person(s) for document retention in accordance with this Procurement Card Guide.** The Procurement Card Representative for each department is responsible for maintaining documentation. A pre-printed envelope will be supplied to departments to assist in the maintenance of documentation. Documentation can be placed in the envelope on a monthly basis and transactions can be tracked on the log sheet provided on the back of the envelope. This envelope can then be filed at part of the departments document maintenance.

Whether a purchase is made in person or via telephone, fax, or mail, the cardholder must obtain a sales receipt, invoice, or a Procurement Card sales slip (the same document you receive when you use your own credit card) from the merchant. All supporting documentation must be forwarded to the departments Procurement Card Representative. 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 Procurement Card. 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
- Statement of work reports from suppliers
- Invoices

### **Procurement Card Audits**

To ensure the continued success of the Procurement Card program and to meet the audit requirements of Brandeis University and various government agencies, the Controllers Office will make periodic audits to verify that items purchased have been made in accordance with Procurement Card Policies and procedures. A representative from the Controllers Office will contact a department Procurement Card Representative and will ask for an envelope from a selected cardholder and month to ensure that proper documentation has been filed, including appropriate Equipment Asset Forms.

Adequate documentation must be maintained to record the transaction at the source. These receipts assist in the verification of the online transaction and proper allocation of the purchase. Failure to meet audit standards may result in the loss of Procurement Card privileges. (See section on Required Documentation).

### **Disputing a Transaction**

A cardholder may dispute a charge that appears on his/her statement. The cardholder is responsible for following up with JPMorganChase 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 JPMorganChase regarding disputed transactions through the PaymentNet 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 JPMorganChase at 1-800-VISA-911 and the Procurement Card Administrator in Procurement Services 6-4500.

### **Tax Exempt Status**

When purchasing goods, inform the vendor that Brandeis University is exempt from Massachusetts State Sales Tax. Brandeis' tax exempt number is pre-printed on the front of your Procurement Card. 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 University as a result of a Procurement Card transaction. The following procedure must be followed when a tax exemption certificate is requested.

Suppliers requesting a tax exemption certificate are to be directed to fax their request to Brandeis University Procurement Services. The supplier should indicate that the request is for a credit card transaction. Procurement Services fax number is 781-736-4503. Brandeis University Procurement Services is responsible for authorizing the use of the University's tax exempt certificate. Procurement Services will fax the certificate directly to the supplier.