



Procurement Card Program Policy and Procedures

1. Overview

- a. The purpose of the Procurement Card (P-Card) Program is to provide an efficient and cost effective method of purchasing and paying for small dollar transactions. The user benefits from having a streamlined purchase process highlighted by a reduction in processing time and the ability to make immediate purchases. The University benefits with the reduction of requisition to check processing costs. The vendor benefits from a shortened payment period.
- b. The program utilizes a Visa credit card to consolidate small dollar transactions with one monthly payment made by William Paterson University to the sponsoring bank, PNC Bank. By using the procurement card, the need to process most individual requisitions, purchase orders, invoices, and voucher is eliminated. The card can be used for in-store, mail, phone, fax or internet orders within the limits established by WPUNJ.
- c. This credit card is the property of William Paterson University and is only to be used for University business purposes. William Paterson University is responsible for payment of purchases made with the card. Purchases will be charged to the ordering Departments. This program is a tool to assist you in your normal purchasing activity. Fiscal responsibility and adherence to departmental budget limitations are essential.
- d. Use of this card will not affect personal credit in any way. Failure to follow the policy and procedures outlined in this document may result in revocation of card privileges or other disciplinary action. Cardholders will not be held personally responsible for purchases made with a card that is lost or stolen.

2. How to Obtain a Card

Deans and Administrative Department Heads determine who will have a card. Individuals authorized to purchase goods and services of low dollar amounts are eligible. Grant programs are not eligible. Deans or Administrative Department Heads must e-mail a completed Cardholder Enrollment form provided by the WPUNJ P-Card Program Manager and designate a department administrator.

- a. The Program Manager will contact PNC to process the request.
- b. The Program Manager will distribute the cards.
- c. Prior to card activation, the department must:
 - Designate a department administrator responsible for the monthly operations of the card. This individual must attend training provided by the program manager before activation can take place.
 - The department administrator must sign the Administrator Procedural Agreement
 - Cardholders must have a clear understand of the Procurement Card Policy and Procedures.
 - Cardholders must Sign the Employee Usage Agreement.
- d. Upon receipt of the card, the cardholder must contact PNC Bank to activate the account. Activation instructions will accompany the card.
- e. Unclaimed cards will be cancelled after 30 days.

3. Purchase Limits

- a. The standard transaction limit is \$500 with a monthly transaction limit of \$1,500. Limits are subject to change in order to accommodate specific needs and/or purchase responsibility.
- b. Purchase transactions may not be split into multiples to avoid the single transaction dollar limit. Such activity constitutes improper use of the card.
- c. All departmental budgets must be taken into consideration by the cardholder while using the procurement card. State and University procurement and budget procedures must also be followed.

4. Restricted Purchases

- a. The following is a list of commodities that are NOT permitted for purchase with the procurement card. These categories have been blocked and will result in a declined transaction.
- Automobile Rentals
 - Cash Advances
 - Chemicals
 - Computer
 - Contracting or Professional Services
 - Electronic Devices (*inclusive of cell phones, tablets, iPads*)
 - Florists
 - Food & Beverages including Alcohol
 - Furniture
 - Gasoline
 - Gift Certificates
 - Hazardous Materials
 - Items for Personal Use
 - Lab and Research Animals
 - Prescription Drugs
 - Radioactive Materials
 - Travel (Including but not limited to entertainment expenses, per diem, transportation, conference & training registrations)*

Certain departments have specific card needs that require a revision to this listing. This is to accommodate specific program needs which are addressed at the time of the cardholder application. Such adjustments can be requested prior to enrollment in the P-Card program. Please inquire with the WPUNJ P-Card Manager for further details.

** P-cardholders that have been approved to utilize their card for travel purchases are required to adhere to all University travel and ethical requirements. ELO approval is required prior to making any P-card purchases related to travel. Please reference the following websites for additional information:*

<http://www.wpunj.edu/business-services/travel.dot>

<http://www.wpunj.edu/human-resources/employee-relations/ethics/index.dot>

- b. In addition, each card has been customized to block any categories that are not within the approved purchasing responsibility of the cardholder.
- c. Use of the card for purchases that will be delivered to locations other than the William Paterson University campus is not allowed, except where prior authorization has been obtained.

- d. Each card is individually coded with the purchase and category limits as defined by the cardholder's departmental responsibilities. Merchants must request authorization for each transaction from the Card Company. Purchases outside the limit of the individual card will be declined.

5. Recommended Purchases

- a. Except for blocked categories, the P-Card can be used for low dollar purchases with any vendor that accepts Visa.
- b. Recommended uses include, but are not limited to: books, promotional items, printer cartridges, educational supplies, lab supplies, printing, office supplies, cleaning and maintenance supplies, and advertising.

6. Making a Purchase

- a. Adhere to departmental policy regarding purchases.
- b. Adhere to the William Paterson University P-Card policy.
- c. Use William Paterson University or State contracted vendors whenever possible.
- d. Contact the supplier.
- e. Verify that the supplier accepts Visa.
- f. Provide the supplier with your card number and expiration date.
- g. Remind the supplier NOT to send an invoice to William Paterson University.
- h. Ask the supplier to include the word "Visa" on all mailing and purchasing statements.
- i. Instruct the supplier to forward all applicable purchase documents to the cardholder and NOT to Accounts Payable.
- j. For orders by fax, e-mail or internet, DO NOT include the card number. The cardholder must request that the vendor call to obtain the card number.
- k. If ordering over the internet, make sure that the site is secured. A closed padlock icon indicates a secured site.

1. Advise the vendor that William Paterson University is a tax-exempt institution. If necessary, provide the vendor with an ST5 form for New Jersey or similar certificate for other states. (Contact the WPUNJ P-Card Program Manager for copies of the tax-exempt certificates.)

7. Declines

- a. A transaction may be declined at the point of sale. The Program Manager can provide assistance in determining the reason for the decline.
- b. On phone or internet orders, a decline may be the result of entering an incorrect card number, expiration date or mailing address.
- c. A decline may be the result of the value exceeding the individual transaction limit or the monthly limit. Your department administrator can check your transaction history by logging onto Visa Information Source.
- d. A decline can also be the result of a supplier's Merchant Commodity Code (MCC) being blocked by WPUNJ.

8. Receiving

Packing slips, register receipts, and charge slips obtained by the cardholder should be given to the Department Administrator for attachment to the monthly statement.

9. Returns, Credits and Disputed Items

- a. Return & Credits - The supplier should issue a credit for any item that has been returned. The credit will appear on the subsequent monthly statement. Cash/check may not be accepted as a refund. The cardholder is responsible for contacting the supplier to obtain credit and informing the department administrator of such activity.
- b. Disputes – If there are any discrepancies, the cardholder should first contact the supplier and make every effort to resolve the problem. If unsuccessful, the cardholder should contact the Department Administrator who should apprise the Program Manager.

10. Reconciling Monthly Statements

By the 25th of each month, each Department Administrator must complete a reconciliation of the Department's posted transactions for the period. This involves matching purchase documentation with the statement transactions, confirming/changing

account code data, and obtaining the Dean or Department Head's sign-off of the statement. Viewing of statements and confirmation of object code assignment will be done on-line utilizing the online verification system. The department administrator will receive instructions outlining how to do so during training.

11. Cardholder Responsibilities

- a. Use the card in a fiscally responsible way, following all Department, William Paterson University and State of New Jersey procurement, budgetary and ethical requirements.
- b. Provide all applicable purchase documents (order confirmations, receipts, on-line screen prints, e-mails, packing slips) to the Department Administrator responsible for statement reconciliation.
- c. Security
 - Card security should be treated with the same level of care as a personal charge card.
 - Store the card in a secure location, accessible only to the cardholder.
 - The card account number should also be secured and not posted at a desk or any other location.
 - For orders by fax, e-mail or internet, DO NOT include the card number. The cardholder must request that the vendor call to obtain the card number.
 - Use of the card by anyone other than the cardholder is prohibited.
 - Report lost or stolen cards immediately to the Program Manager
- d. Advise the Department Administrator of returns and credit charges.
- e. Advise supplier of tax exempt status and provide ST-5 for New Jersey or tax exempt certificates from other states, if necessary.

12. Department Administrator Responsibilities

- a. Obtaining and storing all receipts/purchase documents for each transaction.
- b. Logging on to the online verification system by the 25th of each month to validate all on-line charges against the purchase documents/receipts and verifying that all purchases are tax-exempt. This step also includes changing account codes for each transaction

within Visa Information Source and contacting suppliers or cardholders for missing credits and/or incorrect charges including incorrect tax charges if necessary.

- c. Printing out the cost allocation page form Visa Information Source, attaching all purchase documents, obtaining a signature of approval from the department Chair or Director on the cost allocation page and retaining all documents on file for audit purposes.

13. Deans & Administrative Department Head Responsibilities

- a. Identify employees as candidates.
- b. Establish spending requirements.
- c. Verify and sign-off on the month end Department statement printout by the 25th of each month.
- d. Notify the Program Manager of a change in cardholder status.
- e. Conduct periodic departmental audits as required.

14. How to Cancel a Card

- a. Any cardholder discontinuing employment at the University or transferring to another department must have their card cancelled.
- b. It is the responsibility of the Dean / Administrative Department Head to notify the Program Manager of any changes in employment status.
- c. Cancelled cards should be cut in half and forwarded to the Program Manager.

15. Card Renewal

All active cards will be renewed automatically reissued by PNC Bank.

16. Lost or Stolen Card

Immediately contact the Department Administrator and Program Manager.

17. Payment and Banner Posting

- a. One monthly payment will be made to PNC Bank covering all cardholder charges for WPUNJ.
- b. The billing cycle will end on the 21st of each month.
- c. The Accounting Extract file will be run by WPUNJ to upload the monthly expenditure data into the University's chart of accounts. The report will be run on the 28th of each month.

18. Sales & Use Tax

William Paterson University is a tax-exempt institution. Tax-exempt status and the tax number are listed on the face of the p-card. If necessary, forward a copy of the tax-exempt certificate to the supplier. The certificate for New Jersey purchases is ST-5. The ST-5 form for New Jersey and certificates for other states are available by contacting the WPUNJ Purchasing Department at X2101.

19. Contacts

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