



MARSHALL UNIVERSITY
RESEARCH CORPORATION

Purchase Card (P-Card) Policies and Procedures Manual

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Section 1.0: Introduction

1.1 Introduction: The p-card provides a simple, streamlined way to purchase small-dollar items and manage expenses by offering control and monitoring of payments while reducing the time and paperwork associated with the use of purchase orders.

1.2 Policy: This *Purchase Card (P-Card) Policies and Procedures Manual* establishes minimum standards for the use of the Marshall University Research Corporation (MURC) p-card. It is the Cardholder's responsibility to be knowledgeable of and follow all p-card policies and procedures, all applicable award and purchasing laws, and ethical business processes. Participation in the p-card program is a privilege that may be revoked for violations of the p-card policies and procedures.

1.3 Usage: The p-card may be used for the payment of goods and designated services up to the \$4,999 maximum single transaction limit (including any shipping charges).

Section 2.0: Card Issuance

2.1 Application Eligibility: P-cards are issued at the written request of an eligible Principal Investigator (PI), with approval of the appropriate Dean or Vice President. A Cardholder must be a full-time employee of Marshall University or MURC. Cards *will not* be issued to students, temporary employees, contract employees, or volunteers.

2.2 Application Process: Applicants must obtain approval of the appropriate PI, complete and sign a MURC Cardholder Application & Agreement (Appendix A), and obtain all authorizing signatures up to the Dean/VP before submission to MURC. Each Cardholder application must include a MURC default fund for any purchases charged to the card that cannot be paid by the card. Generally this is an unrestricted MURC fund such as a cost recovery account.

Upon application receipt and approval, a Compliance Officer will contact the applicant to schedule the required p-card training.

2.3 Card Delegation: P-cards are issued in an individual employee's name. **Only** the person named on the card is an authorized user, and that user may not delegate the use of the card to other individuals. Card delegation increases Cardholder liability and the Cardholder is liable for all activity on card. *Card delegation is strictly prohibited.*

Card Delegation includes allowing an individual other than the Cardholder to:

- Have physical possession of the card to make payments to point of sale vendors.
- Have access to the card number and expiration date to make payments via telephone, internet, or in person.
- Have access to receipts or invoices that display the card number and expiration date.

2.4 Card Security: The MURC p-card must be kept secure at all times. *The Cardholder is personally responsible for every charge that appears on his or her p-card.* When purchasing via the internet, p-cards should only be used on secured sites. A secured internet site has a closed lock at the bottom of the screen or "https" at the beginning of the address. Electronic log sheets listing, for example, purchases and balances for the p-card must be password protected. All Cardholders must sign the back of their p-card immediately upon receipt.

Section 3.0: Card Activation

3.1 Card Activation: P-cards will be mailed directly to the P-Card Coordinator then distributed to the Cardholder according to the marked response on the Cardholder Application & Agreement form. To activate a card, Cardholders call the number on the sticker on the face of their card. Security information such as social security number, date of birth, or mother's maiden name/password will be requested.

****Please call Rebecca Hill (P-Card Coordinator) at (304) 696-3792 with questions concerning your new card.**

Section 4.0: Maintenance

4.1 Maintenance Forms: The P-Card Maintenance Request Form (Appendix C) must be completed to make changes to an individual card. Maintenance forms should clearly state the type of maintenance requested, such as address or name changes, credit or transaction limit changes, or card cancellation. Maintenance forms must be signed by the Cardholder and their PI and then submitted to the P-Card Coordinator at MURC.

4.2 Card Cancellation: To cancel a p-card, the Cardholder or PI must return the card to the P-Card Coordinator with the maintenance form requesting the cancellation.

4.3 Lost or Stolen Cards: Immediately report lost or stolen p-cards to the financial institution at 1-800-316-6056 and the P-Card Coordinator at (304) 696-3792. The Cardholder must notify the financial institution within 24 hours to limit Cardholder liability.

4.4 Employee Transfer: If the Cardholder transfers to another position within Marshall University or MURC that requires continued use of the p-card, the P-Card Coordinator must be contacted for instructions on having the Cardholder account transferred to the new department. A new cardholder application may be required.

4.5 Employee Termination: Immediately upon knowledge that a Cardholder's position within the university or MURC will end for any reason, the PI and the Cardholder must notify the P-Card Coordinator to close the card account.

Section 5.0: Instructions for Use

5.1 General Instructions: The p-card is to be used for small-dollar transactions. All purchasing policies must be followed. The p-card may be used to make payments for goods and designated services that do not exceed the current transaction limit and are not prohibited by p-card policies and procedures, the applicable grant/contract, or purchasing guidelines. The p-card is for official MURC use only. *Personal charges are prohibited.*

5.2 Transaction Limit: The maximum transaction limit is up to \$4,999. However, some Cardholders may have a lower transaction limit as determined by the PI and MURC.

5.3 Stringing: Stringing, also known as splitting, is the intentional manipulation of the ordering, billing, or payment process to circumvent the transaction limit. *Stringing of payments is prohibited.* Stringing includes:

- Splitting an order for more than the individual transaction limit into more than one transaction; and/or
- Collusion with a vendor to split an order into separate invoices.

5.4 Contracts: The Card may be used to make purchases against statewide contracts, but all other policies, procedures, and guidelines must be followed. Statewide contracts can be found on the university's Department of Purchasing website.

5.5 Restricted Items: The p-card may **not** be used to pay for any of the following items:

1. Alcoholic Beverages
2. Building Leases
3. Capital Equipment (\$5,000 or more)
4. Cash Advances
5. Contracts other than Statewide Contracts
6. Firearms
7. Flowers or Gifts for individuals/personal purposes (including funerals, Secretary's day, birthdays, etc.)
8. Fuel for personal vehicle
9. Insurance
10. Legal Services
11. Live Animals
12. Meals during travel
13. Personal travel costs
14. Radioactive Materials
15. Tax Reportable Services (see 5.6 below)
16. Telephone/Cell Phone Services and cell phone equipment
17. Utilities

Specific sponsored agreements and contracts may prohibit the purchase of additional items. All purchases must be in accordance with the project mission and award/agreement terms. *The p-card may not be used to receive cash or cash credits.*

5.6 Tax Reportable Services: The p-card cannot be used to pay for tax-reportable services. These are defined by an Internal Revenue Service requirement for the issuance of IRS Form 1099 to certain service-providing vendors. A service-providing vendor is one that performs a labor function for payment. The sole purchase of goods or materials is not tax reportable.

Examples of tax reportable vendors are those with business designations such as Individuals or Sole Proprietors. Vendors that are corporations, non-profit, or governmental entities are usually not 1099-tax reportable and may be used for business with the p-card. Please contact the P-Card Coordinator to have service vendors approved prior to purchasing services on the p-card.

5.7 Travel: The MURC p-card can be used for certain expenses related to business travel in the following areas: Air Fare, Train, Bus Fare, Lodging, Registration, Car Rental, Fuel for rental car, and Taxi/Shuttle. Excluded travel items are fuel for personal car, meals, and personal travel costs.

If a Cardholder rents a vehicle using the p-card and is involved in an accident, travel coverage is handled through MasterCard. To file a claim and take the necessary steps for processing, the Cardholder needs to either call MasterCard or access the link below:

1. Call 1-800-MC-ASSIST.
2. Provide your entire credit card number.
3. They will transfer you to the claims department to file the claim and receive your claim number.

Or

1. Access www.mycardbenefits.com.
2. On the left side, click on the “File a claim” link.
3. Then click on “MasterRental” link.
4. The next prompts will walk you through the claims process. You will need your rental car contract or agreement and police reports.

5.8 Sales/Use Tax: MURC is exempt from payment of West Virginia Sales or Use tax. An exception may occur if purchases are made out of state for out-of-state consumption. These purchases are allowed and may be taxable. When making a purchase, be sure to inform the vendor that MURC is tax exempt. The tax-exempt ID number is printed at the bottom of each card.

5.9 Ordering: Payments may be made with the p-card by phone, fax, mail, secured internet site, or in person. When paying by telephone, fax, mail, or internet, provide the vendor with your complete shipping address. Shipping and handling charges must be included in the stated price. The total charge may not exceed the transaction limit. The vendor may not charge the account until the merchandise has been shipped. When ordering always request that the vendor provide an itemized invoice or receipt.

5.10 End-of-Project Orders: The p-card **should not be used 30 days prior to the end of a project**. This deadline allows for processing of transactions prior to project close-out. Late-term transactions may not make the final project invoice and will be charged to the default fund.

5.11 Default Fund: *Each p-card application must include a MURC default fund for any purchases charged to the card that cannot be paid by the card.* Generally the default fund is an unrestricted MURC fund. Thus, any item purchased that is not allowable per the p-card policies and procedures, purchasing regulations or the project agreement will be charged to the default fund. Charges will be defaulted if there is insufficient supporting documentation or if you have not submitted all required p-card documents to MURC by the monthly deadline. Once charged, no transactions will be transferred out of the default fund without the submission of the expense transfer forms, including a written justification that has been approved and signed by both the PI and the applicable Vice President.

Section 6.0: Documentation

6.1 Documentation: Documentation must be obtained for each transaction and be available upon request by any official of the purchase card program. Documentation includes itemized receipts, log sheets, individual statements, and any other records required by p-card policies and procedures or other purchasing guidelines.

6.2 Receipts: An itemized receipt must be obtained for each transaction placed on the card. A receipt must contain specific information and meet certain conditions:

- Receipts must be itemized and include a description, unit cost, quantity, and total cost for each item. Use of terms such as “Miscellaneous” or “Merchandise” is not acceptable.
- Receipts must be marked “Paid” or show no balance due.
- Receipts must be totaled.
- The following may serve as a receipt: detailed cash register receipt which states the name of the vendor, an itemized invoice indicating that it was paid by credit card, or an itemized receiving report that indicates price per item and total amount paid.
- A receipt must have an indication that the payment was by credit card. A reference on the receipt such as “credit card” or “p-card” is acceptable.
- All receipts should be kept in chronological order by date of purchase.

6.3 Record Retention: For p-card post-audit purposes, documentation must be kept for at least three years from the end of the fiscal year in which the grant/contract was completed. These records must be available to the p-card audit staff upon request. *This rule does not supersede the record retention policy of the institution or other state or federal retention policies. These items are an integral part of OMB Circular A-110.*

Section 7.0: Reconciliation

7.1 Purchase Card (P-Card) Reconciliation: Each Cardholder is responsible for reconciling his or her statement every month. The statement closing date is the 26th of every month or the first business day immediately following the 26th; therefore, the billing cycle for reconciliations runs the 27th of each month through the 26th of the next month.

The Cardholder must compare transactions appearing on the Accounting Code Detail Report from the Smart Data Generation Two website against actual receipts.

Effective February 2014, by the 1st day of the month, the Cardholder must scan and email a PDF copy of the completed p-card reconciliation for the previous month to:

MURC_COMPLIANCE@MARSHALL.EDU

The scanned p-card reconciliation packet must include the following:

1. Completed Purchase Card Reconciliation Form (Appendix B);
2. Accounting Code Detail Report from the Smart Data Generation Two website coded with Fund/Org/Account/Description (printed in landscape format) and signed by the PI of each project being charged;
3. All original receipts attached to 8.5 x 11 sheets of paper in the order listed on the Accounting Code Detail Report; and
4. Any other necessary backup (participant lists, meeting/training form, ad tear sheets, etc.).

*****Please reference the p-card PowerPoint presentation for detailed instructions about how to prepare the monthly reconciliation packet.**

Section 8.0: Disputed Items

8.1 Disputed Items: Disputed items may result from failure to receive goods, fraud, misuse, defective merchandise, incorrect amounts being charged, duplicate charges, or credits not yet received.

8.2 Dispute Process: The first step in the dispute process is for the Cardholder to contact the vendor and attempt to resolve the problem. If a resolution cannot be reached, the Cardholder must email JPMorganChase at:

ccscolumbusdisputes@chase.com

as well as copy the P-Card Coordinator, Rebecca Hill at hill286@marshall.edu, and include an explanation of the fraudulent charge, amount, vendor and date, along with the last four digits of the p-card number. Fraudulent charges must be reported to JPMorganChase and the P-Card Coordinator immediately upon discovery.

8.3 Disputed Sales Tax: Charges of sales tax less than five dollars by in-state vendors *will not* be considered a disputed item; however, the Cardholder is responsible for contacting the vendor and resolving the issue regardless of the amount. If a charge of tax is less than five dollars and the vendor is unwilling to credit the tax, the Cardholder must document on the Accounting Code Detail Report that the vendor was contacted and was unwilling to credit the card. If a charge of tax is greater than five dollars and the vendor is unwilling to cooperate, a dispute email should be sent to JPMorganChase and the P-Card Coordinator.

8.4 Disputed Item Payment: The statement amount must be paid in full pending resolution of the dispute. Therefore, all disputed items will be charged to the default account designated on the card application pending final resolution.

Section 9.0: Post-Audit

9.1 Audit: Random audits of p-card transactions will be conducted to ensure compliance with all p-card policies and procedures. Statements, receipts, and additional documentation required by the purchase card program must be provided to auditors upon request. Failure to provide all required documentation may result in the cancellation or restriction of p-cards. The spending unit will be granted the opportunity to respond to any audit findings and recommendations. The final audit report will consist of the findings, recommendations, and written responses provided by the PI.

Section 10.0: Fraud and Misuse

10.1 Misuse of Card: The p-card is a privilege, and disciplinary action will be taken for its misuse. Individuals using the p-card to knowingly pay for items intended for personal use will be subject to disciplinary action up to and including termination, prosecution by MURC or the granting agency, and civil action by the credit card company for personal liability.

10.2 Failure to Follow Purchase Card (P-Card) Policies and Procedures: Individuals failing to properly follow p-card policies and procedures and rules associated with the purchase card program will be subject to disciplinary action up to and including revocation or limitation of p-card privileges, a period of probation, or mandatory p-card training.

Confidential Cardholder Application & Agreement

Rebecca Hill P-Card Coordinator (304)696-3792

Cardholder Information

Full Name: _____ Date: _____

Home Address: _____

City: _____ State: _____ Zip: _____

Last 4 digits of Social Security #: _____ Mother's Maiden Name: _____

Email: _____ Date of Birth: _____

Home Phone: _____ Work Phone: _____

College/Department: _____

Project Name: _____

Are you a full-time MURC or MU employee? Yes No

Please select one method for delivery of card:
 Campus Mail Pick-up Send to home address

Estimated Purchasing Limits

Credit Limit per Cycle: _____ Single Transaction Limit (max \$4,999): _____

Signatures/Approvals

The Cardholder and Principal Investigator agree to be bound by the terms of the following Cardholder Agreement and to be responsible for all charges made by the cardholder in accordance with the terms of the agreement.

In the event the purchase card monthly reconciliation is not received by MURC by the due date or purchases are deemed inappropriate, purchases made with this card will be charged the following default fund/org:

***Note: This must be an unrestricted MURC fund, such as cost recovery account.**

Fund/Org: _____

Cardholder's Signature: _____ **Date:** _____

Principal Investigator's Signature: _____ **Date:** _____

Dean or Vice President's Signature: _____ **Date:** _____

Cardholder Agreement

This agreement outlines the responsibilities I have as a holder of the MURC Purchase Card (Cardholder). My signature indicates I have read and understand these responsibilities and that I agree to adhere to MURC Purchase Card Policies and Procedures and any applicable purchasing guidelines of the Institution or the specific project sponsor.

1. I understand that the Purchase Card is solely for official business of MURC, intended to facilitate the payment of goods and services for the conduct of MURC business within applicable activity limits and is not for my personal use.
2. I understand that use of the Purchase Card for payments not authorized within MURC Purchase Card Policies and Procedures will be considered misuse of the Purchase Card and will be grounds for (a) immediate forfeiture of the Purchase Card, (b) disciplinary action which may include termination of my employment and (c) conviction of a felony. I understand that I am personally liable for any payments not authorized by the spending unit and permitted within MURC Purchase Card Policies and Procedures.
3. I understand that all charges will be billed directly to and paid directly by MURC and that JP Morgan Chase cannot accept payment from me directly.
4. I understand that the Purchase Card is issued in my name and I am responsible for all charges made against it.
5. I will safeguard the Purchase Card with appropriate security from the time I receive the card until it is surrendered to the MURC Purchase Card Coordinator. If the Purchase Card is lost or stolen, I agree to notify JPMorgan Chase *immediately* at 1-800-316-6056 and the MURC Purchase Card Coordinator at (304) 696-3792.
6. I agree to follow purchasing guidelines of my sponsored agreement, MURC, and established Purchase Card Policies and Procedures.
7. I understand that the Purchase Card must be canceled and surrendered upon request and/or upon my termination of employment from MURC.
8. I agree that, should I violate the terms of the Purchase Cardholder Agreement, I will reimburse MURC for all charges improperly authorized by me to the Purchase Card and all costs incurred by MURC related to the collection of such charges.

Cardholder Signature: _____ Date: _____

Cardholder Name: (Please print) _____

MURC Internal Use Only

Approval
P-Card Coordinator: _____ Date: _____

Purchase Card Reconciliation Form

Rebecca Hill, P-Card Coordinator (304)696-3792

| | | | |
|-----------------------------------|--|---|----|
| BILLING CYCLE (MONTH/YEAR) | | | |
| CARDHOLDER NAME | | | |
| LAST 4 DIGITS OF CARD | | BALANCE PER ACCOUNTING CODE DETAIL REPORT (CADR) | \$ |

Comments/Identification of any disputed charges below:

_____ **Cardholder Signature**

_____ **Date**

Internal Use Only

Date Approved: _____ / _____ / _____

Approved By: _____

P-Card Maintenance Request Form
 Rebecca Hill, P-Card Coordinator (304)696-3792

Cardholder Information

Name:

Last 4 digits of Card:

Maintenance Request Type

Select all changes that apply:

- | | | |
|-------------------------|-------------------|-------------------|
| *Credit Limit per Cycle | Contact Info | Cancel/Close Card |
| *Single Purchase Limit | Employment Status | Other |
| Name | Default fund/org | |

Maintenance Request Details

Please identify details of the change below:
 (*Justification required for limit change)

Required Signatures

Cardholder: _____ **Date:** _____

Principal Investigator: _____ **Date:** _____

MURC P-Card Coordinator: _____ **Date:** _____

Internal Use Only
 Real Time Entry Date