



EMORY  
UNIVERSITY

Purchasing Card (P-Card)  
JP Morgan Chase VISA

*Procedure and Reference Manual*

July 2013



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## 1. INTRODUCTION

The purpose of this manual is to provide instructions pertaining to the issuance and use of the JP Morgan Chase Visa Purchasing Card and the related software.

The Emory Procurement and Contract Administration Department provides two methods for obtaining goods and services. The primary method is through Emory Express. Using Emory Express is the most cost effective and efficient way to obtain most goods and services. The Purchasing Card Cardholder should first review the University's current list of items obtainable through Emory Express. If the item cannot be found and has the potential to be a recurring purchase, a non-catalog form within Emory Express should be used for your purchase. Any questions should be directed to Procurement Services Customer Care at (404)727-5400.

The secondary method provided is that of the Purchasing Card (P-Card). The P-Card may be utilized to purchase the following (preferred suppliers should be utilized whenever available):

1. Recurring Coffee Services
2. Teleconference Services
3. Non-Verizon cellular PDA services that are 100% Emory business
4. Professional subscriptions, memberships and registrations
5. Records Storage/Document Retention
6. **Emergency** purchases by Service and Maintenance Personnel (Campus Services, Police, Technical Support)
7. Paging Services
8. Van Rental for local use only
9. Small Storage Rental
10. Courier Services
11. Printing/Copying Services (After hours, local)

For a more detailed listing of items that should be purchased using the P-Card, please refer to the Emory Commodity Matrix which can be accessed [here](#).

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## 2. DEFINITIONS

**Cardholder:** Employee or student who has been issued a Purchasing Card.

**Card Issuer:** JP Morgan Chase VISA

**P-Card:** A standard Purchasing Card with replenishing credit limits or a CVC (Controlled Value Card) with an assigned value that requires approval for replenishment.

**Merchant Category Code (MCC):** This is a code assigned to each merchant participating in the program identifying the product or service provided by the merchant.

**Purchasing Card Administrator:** The individual who is responsible for issuance of the Purchasing Card and other facets of the Emory University Purchasing Card Program.

**P-Card Software:** Software provided by Card Issuer and used to review transactions and change account numbers and/or Smart Key. PaymentNet is the P-Card Software for the Emory University Purchasing Card Program.

**Authorized Approver:** Either the immediate supervisor of the Cardholder or designee of the Cardholder's Chief Business Officer.

## 3. ISSUANCE OF CARDS

P-Cards are issued at the recommendation of the Chief Business Officer for each school/department. When the Purchasing Card Operations Office receives authorization to issue a P-Card to an individual, the individual will be contacted and instructions provided as to the training and application process.

### 3.1 Authorization

The standard monthly spending limits and single purchase limits are preset. The Chief Business Officer can request higher Cardholder spending limits for the P-Card holder. Higher limit requests must be supported with the business reason. Final approval is made by the Senior Director of Procurement & Contract Administration.



### 3.2 Issuance of Cards

The P-Card is issued and delivered at the satisfactory completion of the mandatory online P-Card Training available through the Emory Learning Management System (ELMS) and completion of the card application through JP Morgan Chase.

### 3.3 Card Activation

In order to activate the card, the phone number on the sticker on the front of the card should be called. The voice response unit at this number will ask for the Cardholder's account number, followed by a request for a security code. The security code will be the last 4 digits of the Cardholder's Social Security Number. Once entered, the Voice Response Unit will give confirmation that the card has been successfully activated.

## 4. CARD LIMITS AND RESTRICTIONS

### 4.1 Tax Exempt Status

Emory University is authorized to purchase tangible property and services to be used exclusively for educational purposes without payment of Georgia Sales and Use Tax.

Cardholders are responsible for asking for this exemption when purchase is made.

Please note the following EXCEPTIONS:

- The purchase of food at local grocery stores is NOT exempt from Georgia Sales and Use Tax.
- Flowers are NOT exempt from Georgia Sales and Use Tax under this authorization.
- The Georgia Sales and Use Tax exemption is NOT valid for purchasing gasoline used for any purpose. Gasoline purchases on the P-Card are strictly for University vehicles and Van rentals for University purposes. The P-Card should not under any circumstances be used to pay for gasoline for personal vehicles.

## 4.2 Cardholder Spending Limits

The Purchasing Card Single Purchase Limit has been set at \$1,499. As indicated above, the Chief Business Officer may request higher limits.

	<b>Monthly Spending Limit</b>	<b>Single Purchase Limit</b>
<b>Standard</b>	\$5,000	\$1,499

Larger amounts require approval by the Senior Director of Procurement & Contract Administration.

## 4.3 Merchant Restrictions

JP Morgan Chase assigns a Merchant Category Code (MCC) to each merchant participating in the program. The MCC identifies the product or service provided by the merchant. Emory has reviewed the major MCC codes and has placed restrictions on certain business types. As an example, Emory has deleted the travel and entertainment companies from the program.

## 4.4 Policy Restrictions

In addition to the SIC restrictions above, Emory University policy restricts use of the card for the following items or services:

- Animals
- Radioactive Materials
- Hazardous Chemicals \*
- Controlled Substances
- Pharmaceuticals
- Research Grade Alcohol
- Alcoholic Beverages
- Payments to Individuals
- Consultants & Employees
- Travel Related Expenses
- Capital Equipment
- Weapons and Ammunition
- Employee Relocation Expenses
- Individual Meals
- Fuel Purchases for Personal Vehicles
- Purchases over \$1,499

\*Chemicals require EHSO approval

Special Requirements are in place for Sponsored Projects (see Attachment 1).

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## **5. CARDHOLDER AGREEMENT FORM**

The Cardholder must agree to abide by all policies and procedures for the P-Card program when the online application is completed.

## **6. CARDHOLDER RESPONSIBILITIES**

When accepting the Purchasing Card, the Cardholder becomes an authorized purchaser of the University and has certain responsibilities.

### **6.1 Protection of Card**

The Cardholder must protect the security of his/her Purchasing Card and Purchasing Card number.

The Cardholder must notify JP Morgan Chase immediately by calling 1(800) 270-7760 if the card is lost or stolen.

The Cardholder must notify the Purchasing Card Administrator of any problems with the card.

### **6.2 Conflict of Interest**

The approved policies of the University pertaining to Conflict of Interest (Policy 4.87 Conflict of Interest found [here](#)) apply to all purchases made using the P-Card.

### **6.3 Limitations on What May be Purchased**

Cardholder accepts responsibility to ensure prohibited items, as outlined in Section 4, are not obtained with the P Card.

## **7. USING THE PURCHASING CARD - MAKING THE PURCHASE**

The P-Card can be used to make appropriate purchases online, over the counter, by mail, or by telephone. The following procedure should be followed for all purchases with the P-Card:



### **7.1 Making the Purchase - Online**

Most goods and services that can be made online can be purchased via Emory Express. Before making an online purchase with a P-Card, confirm first with Procurement Services at (404) 727-5400 that it cannot be handled through Emory Express.

- A. If it cannot, then verify the supplier accepts the P-Card (Visa) as a means of payment.
- B. Review your sales receipt for accuracy and make sure it is detailed enough to indicate what was purchased.

### **7.2 Making the Purchase - Over the Counter**

Verify that the supplier accepts the P-Card (Visa) as a means of payment.

When making a purchase, the Cardholder must:

- A. Present the card at the sales counter.
- B. Notify the sales attendant that the purchase is exempt from state and local sales taxes. The sales tax exempt number is printed on front of the card.
- C. Review your sales receipt for accuracy. Make sure you have not paid sales tax and if so, please have the merchant credit the card for the amount of tax paid.

### **7.3 Making the Purchase - Mail and Telephone Transactions**

Provide supplier with your name, card number, expiration date on the account, and your department's address.

- A. Specify that the purchase is exempt from state and local sales tax.
- B. Instruct the supplier of specific directions for delivery.
- C. Review your sales receipt for accuracy.



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## 8. RETURNING PURCHASES MADE WITH P-CARD

If the Cardholder determines that an item purchased with the P-Card is defective or incorrect, they should notify the supplier that the item needs to be returned and follow the supplier's return policy, which is generally available on the supplier's website. The Cardholder must request that the supplier process a credit transaction through the P-Card for the purchase amount and then ensure that the credit appears on the next monthly statement. This credit transaction should be reviewed in the P-Card software.

## 9. RESOLVING DISPUTES WITH SUPPLIERS

If the Cardholder is charged for an item incorrectly, they should contact the supplier and attempt to resolve the problem. Any communications should be documented and include dates, the persons involved, and a brief description of the problem. Emory University has sixty (60) days following the billing cycle ending date to dispute the charge with JP Morgan Chase. If the Cardholder is unable to resolve the dispute with the supplier, the following steps should be taken:

1. If it is determined that a charge will be disputed, the Cardholder should log onto [www.paymentnet.jpmorganchase.com](http://www.paymentnet.jpmorganchase.com) (first time users must register their account), pull up the statement that the charge appeared, click on the charge and then click on Dispute.
2. The dispute is logged with JP Morgan Chase and a temporary credit in the amount of the disputed transaction will be placed on the account of Emory University.
3. If the dispute is settled in favor of Emory University, the credit will remain. If the dispute is not settled in favor of Emory University, a charge for the disputed amount will be placed on the next billing statement to Emory University.

The Cardholder should ensure that the next monthly statement reflects a correction. The correction should also be reviewed on the P-Card software.

## 10. USING THE P-CARD SOFTWARE TO REVIEW AND COST ALLOCATE CHARGES

In the P-Card software, each card issued is assigned a single default Smart Key and account as identified on the Cardholder application. All charges MUST be reviewed by the Cardholder and approved by the assigned

Approver within **five** days of the post date to verify the Smart Key or account is accurate for that charge. Below is the process for reviewing and allocating charges.

The Cardholder must log into the P-Card system and review all transactions to make sure they are accurate and comply with University policies. The Cardholder is responsible for attaching a scanned image of the receipt and any other pertinent documentation to each transaction. The Cardholder should ensure that the Smart Key and Account are correct. The Cardholder must then mark the transaction as reviewed. At this point, the transaction is routed to an Approver.

The Approver is responsible for reviewing each transaction and the associated documentation to ensure the transaction is appropriate. The Approver must also review the Smart Key and Account to ensure that the information has been entered correctly. The Approver must then mark the transaction as approved. At this point the transaction cannot be modified and will be flagged to be transmitted to the General Ledger.

**IMPORTANT NOTE:** Transactions that have not been reviewed (by the Cardholder) and approved (by the Approver) will **NOT** be transmitted to the General Ledger. Cardholders who have transactions that have not been reviewed and approved within **twenty** days are subject to having their card suspended.

Email notifications will be sent out each Friday informing the Cardholder and Approver that there are transactions pending. These emails should not be ignored. The review and approval process is time sensitive. Failure to act within a timely fashion may result in suspension of card privileges.

## 11. REPORTING

The reporting within the P Card software is based on the organization hierarchy. The reporting function of the P-Card Software contains several generic reports that will be of use to all users. There are five (5) categories of reports included in this feature. These categories are:

- Accounts (Cardholders)
- Transactions
- Administrative
- Merchant
- Custom

Note: A Cardholder can only generate reports on himself/herself.

\*For more information on running reports please consult the "help" section of the software.

Changes to the transaction after it has been reviewed can be made; however, once the transaction has been approved and sent to the General Ledger no further changes can be made through the P-Card software. Any changes must be made via a journal entry in the General Ledger system.

## **12. LOST OR STOLEN PURCHASING CARDS**

The Cardholder must immediately contact JP Morgan Chase Customer Service when their card has been lost or stolen by calling **1(800)270-7760**. The Cardholder should also contact the Purchasing Card Administrator as soon as possible.

## **13. RETURNING P-CARDS**

Upon employee termination or retirement, it is the department's responsibility to ensure that the P-Card is surrendered to and Authorized Approver and to notify the Purchasing Card Administrator.

## **14. VIOLATIONS OF POLICY**

Procurement and Contract Administration is authorized to suspend and/or terminate P-Card privileges of any Cardholder who is deemed to be in violation of the P-Card policy. The Purchasing Card Cardholder Agreement further defines that improper or fraudulent use may result in disciplinary action, up to and including termination of employment.

Violations include but are not limited to:

- Inadequate and/or missing receipts which fail to document a valid business purpose
- Separating a single transaction into multiple transactions to avoid single purchase limit
- Personal or non-work related purchases
- Sharing the P-Card with any other individual, including co-workers
- Purchases that are allowable with University funds but not allowable on the P Card, as outlined in Section 4

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## 15. PAYMENT

The Purchasing Card Operations Office will receive consolidated monthly statements from JP Morgan Chase.

The statement will be reconciled to the charges approved for the month. Prior to payment to JP Morgan Chase, the statement will be reviewed and approved by the Senior Director of Procurement and Contract Administration as well as the Associate Vice President of Financial Operations.

## 16. KEY CONTACT LIST

The following resources are available to help you with the use of the P-Card, answer any questions you may have, or help solve any problems that may arise:

1. To cancel or report your Purchasing Card lost or stolen please call (24 hours a day):

**JP Morgan Chase**  
**Lost/Stolen Card Service**  
**1(800)270-7760**

2. For any other Purchasing Card customer service needs, please call:

**JP Morgan Chase**  
**Purchasing Card Customer Service**  
**1(800)270-7760**

3. To request assistance with use of your Purchasing Card, for questions related to procedures or policies, please call the Purchasing Card Administrator:

**Denise L. Hadley**  
**(404)727-0252**  
**pcards@emory.edu**

4. The Purchasing Card Web Site is located at:

[Credit Cards at Emory](#)

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## ATTACHMENT 1

### Special Requirements for Sponsored Projects

1. Use of the P-Card does not waive any of the standard sponsored projects compliance or accounting requirements. All costs incurred on a sponsored project must be reasonable, necessary, allocable and appropriate to the specific account charged. Costs may not be incurred on a sponsored project for preplanned transfer or redistribution to another account.
2. Because of the limited life of a sponsored project and possible compliance issues, while not specifically prohibited, use of a sponsored project Smart Key, as the P-Card default Smart Key, is not encouraged and should be limited. A sponsored project should only be used as a primary number under the following circumstances:
  - a. For multi-year projects (FDP/Expanded/Contract) where the Smart Key will not change on an annual basis, and
  - b. The project requires a large volume of small purchases that could be processed through the P-Card, and
  - c. All purchases are specific to and allowable on the specified sponsored project.
3. When the primary Smart Key is not a sponsored project, a sponsored project may be charged for a specific expenditure through the software redistribution system, provided that the charge is appropriate to and meets all of the other sponsored project requirements.
4. Because of the unique audit requirements for sponsored projects, some suppliers do not provide detailed receipts; the Department may need to retain a detailed log of a sponsored project purchase, so that the individual items purchased are clearly documented.

For example: A receipt may say "miscellaneous merchandise" with a total of \$150. This will be insufficient for Audit purposes or cost transfers. A complete summary of the items should be attached to the receipt. For example, \$150 receipt - 24 binders @ \$5 = \$120, 2 boxes of dvd-rs @ \$10 = \$20 and 4 boxes of felt tip pens @ \$2.50 = \$10.

5. A P-Card purchase may only be transferred (by eJournal) to a sponsored project if the eJournal includes a copy of the receipt and the purchase detail with the backup. All other sponsored projects requirements, such as 120-day justifications, also apply.