Emory University Purchasing Card (P-Card)  
Procedure and Reference Manual  

Updated December, 2010

1. INTRODUCTION

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

Emory Procurement and Contract Administration provide two primary 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 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 for recurring purchases, a non-catalog form within Emory Express should be used for your purchase. If questions, contact Procurement Services at 404-727-5400.

However, certain goods or services, listed below, are more efficiently and effectively obtained by using the Purchasing Card:

1. Catering Services on and off campus (with preferred vendors)
2. Box Lunches/Meeting Refreshments brought on campus (with preferred vendors)
3. Recurring Coffee Services (with preferred vendors)
4. Teleconference Services
5. Non-Verizon cellular PDA services that are 100% Emory business
6. Professional subscriptions, memberships and registrations
7. Records Storage (Adams Data Management is the preferred vendor)
8. Emergency purchases from vendors by Service and Maintenance Personnel (Campus Services, Police, Technical Support)
9. Paging Services (American Messaging is the preferred vendor)
10. Local Van Rental for local travel only (Enterprise is the preferred vendor)
11. Small Storage Rental (SpaceMax Storage is the preferred vendor)
12. Courier Services
13. Printing/Copying Services (After hours, local – FedEx Office is the preferred vendor)
14. Any unique, one-time purchase that cannot be found via Emory preferred vendors in Emory Express
15. Local Business Meals – the preferred method is the Emory Corporate Card. If the P-Card is used, follow the documentation guidelines, also found in Section 10, for the business purpose and names of attendees if ten (10) or less.

Note: A “Local Business Meal” is defined as two or more individuals going out to a restaurant for an Emory business purpose

2. GENERAL INSTRUCTIONS - DEFINITIONS
Cardholder – Employee or student who has been issued a Purchasing Card.

Card Issuer – American Express

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

Standard Industrial Code (SIC) - This is a code assigned to each merchant participating in the program identifying the product or service provided by the merchant.

Purchasing Card Administrator - Individual who is responsible for issuance of the Purchasing Card and other facets of the Emory Purchasing Card Program.

P-Card Software - Software provided by Card Issuer and used to review transactions and change account numbers and/or smart key.

Authorized Approver – Either the immediate supervisor of the cardholder or designee of the cardholder’s Business Officer.

3. ISSUANCE OF CARDS

To apply for an Emory Purchasing Card, the employee must complete the online cardholder application and agree and accept the Terms and Conditions of the Purchasing Card Cardholder Agreement. The application is found at www.finance.emory.edu, click on Procure & Pay, Payment Services then Credit Cards at Emory.

3.1 Authorization

The online application must be approved by the Senior Business Officer for the employee’s school or operating division. In addition to using the form to authorize issuance of the P-Card, the Senior Business Officer reviews and approves the authorized approver as well as the default smart key and account for charge allocation.

The standard monthly spending limits and single purchase limits are preset. The Senior 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 Financial Operation's designee.

3.2 Issuance of Cards

The P-Card is issued and delivered at the end of the mandatory P-Card Training Class. The Cardholder is responsible for signing up for and taking training. Direct delivery of the card to the cardholder by the Card Issuer is not permitted.

3.3 Card Activation

In order to activate the card, the phone number on 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:

Purchases of food at local restaurants, grocery stores and catering for meetings and business meals are NOT exempt from Georgia Sales and Use Tax.

Flowers for sympathy should be purchased via the Florist Form found within the Emory Express system. 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 purchasing 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 Senior Business Officer may request higher limits.

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<th>Monthly Spending Limit</th>
<th>Single Purchase Limit</th>
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<tr>
<td>Standard</td>
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Larger amounts require approval by the Financial Operation's designee.

4.3 Merchant Restrictions

American Express assigns a Standard Industrial Classification (SIC) code to each merchant participating in the program. The SIC identifies the product or service provided by the merchant. Emory has reviewed the major SIC codes and has placed restrictions on certain business types. Emory has, as an example, 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
Prescription Drugs
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
Special Requirements for Sponsored Projects (Attachment 1)
*Chemicals requiring EHSO approval

5. EMPLOYEE AGREEMENT FORM

The Employee agreed to abide by all policies and procedures for the P-Card program when the online application was 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

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

Cardholder must notify American Express immediately by calling 1-800-274-7378 if the card is lost or stolen.

Cardholder must notify the Purchasing Card Administrator of 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 at http://policies.emory.edu/4.87) apply to all purchases made using the Purchasing 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 Purchasing Card.

7. USING THE PURCHASING CARD - MAKING THE PURCHASE

The Purchasing 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 Purchasing 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 on Emory Express.
A. If it cannot, then verify the vendor accepts the Purchasing Card (American Express) 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 vendor accepts the Purchasing Card (American Express) as a means of payment.

When making a purchase:
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 back of 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 vendors 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 vendor of specific directions for delivery.
C. Review your sales receipt for accuracy.

8. RETURNING PURCHASES MADE WITH PURCHASING CARD

If you determine that the material is defective or incorrect, notify the vendor that the item needs to be returned, request a ship to address and a return authorization number. Request that the vendor process a credit transaction through the Purchasing Card. If keeping a Transaction Log and goods have been returned for credit; mark the transaction as “disputed” at reconciliation. Ensure that the credit appears on the next monthly statement and review the transaction in the P-Card software. Facilitate monthly reconciliation through the P-Card software. The Transaction Log should identify the cardholder, statement closing date, default account and the following information regarding each purchase.

9. RESOLVING DISPUTES WITH VENDORS

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

1. If it is determined that a charge will be disputed, the cardholder should log onto (first time users must register their account) www.netserviceaccess.com, pull up the statement that the charge appeared, click on the charge and then click on Dispute Charge.
2. The dispute is logged with the Card Issuer 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.

4. Cardholder should record the transaction as “disputed” on the Transaction Log and note an incorrect charge.

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

10. RECORD KEEPING AND STATEMENT RECONCILING

Emory University Policy and Procedures require all original and itemized receipts relevant to the purchase must be attached to the cardholder statement. The packing slip and/or order summary, when applicable, should be submitted with receipts. Faxes and e-mail notices from cardholders are not acceptable proof of payment. If an original itemized receipt is not available, please attach the Missing Documentation Affidavit, located on the Finance Division web-site to the cardholder statement. Documentation must be retained with the original monthly statement within the department in the event that an audit is requested. Statements must be signed by the cardholder and the authorized approver at the end of each billing cycle. For non-grant-related purchases, retain for seven (7) years after audit and then dispose. For grant-related purchases, retain for three (3) years after submission of the financial report or audit and then dispose. Offices should contact the Office of Grants and Contracts to verify that an audit has occurred.

When the Purchasing Card is used for catering, it is MANDATORY that the business purpose of the meal be documented as well as the attendees if not greater than 10. This can be done by typing the topic of discussion or business purpose of the meal and the names of those in attendance in the “NOTES” section (consult section 13 for further information) of the P-Card software. Examples of proper business purpose documentation include: recruiting dinner, staff meeting, budget review, etc. The P-Card Compliance Office will conduct audits of records periodically. Only approved contracted vendors can be used – see Buying in the Marketplace on the Finance Web Site for approved vendors.

Departments may wish to establish internal procedures that require each cardholder to keep a detailed list (Transaction Log) of all charges made during each monthly billing period. A sample of the log has been provided for use in this manual (Attachment 2). This log, if kept, will facilitate the statement reconciliation process.

11. KEEPING A TRANSACTION LOG

A monthly log of purchases may be kept based on departmental requirements. Keeping a Transaction Log will assist the cardholder in keeping track of what has been purchased and facilitate monthly reconciliation through the P-Card software.

The Transaction Log should identify the cardholder, statement closing date, default account and the following information regarding each purchase:

- Date of Purchase
- Vendors
- Items and Quantity
- Total Amount of Transaction
12. AUTHORIZED APPROVERS

Purchasing cardholder statements should be approved by cardholder’s Authorized Approver. Persons eligible to approve transactions for the department who are also cardholders are required to have their own monthly statements reviewed by the Senior Business Officer. The original statement signed by the cardholder and the authorized approver should be filed with the receipts mentioned in section 10.

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

In the P-Card software, each card issued is assigned a single default smartkey and account as identified by the Senior Business Officer on the cardholder application. All charges should be viewed within ten (10) days of the post date to verify the smartkey or account is accurate for that charge. Below is the process for reviewing and allocating charges.

The cardholder and Authorized Approver need to log into the P-Card system and review all transactions to make sure they are accurate and comply with University policies. Verify purchase information on the Transaction Review window, found on the home page of the P-Card Software. Check the transaction amount, the merchant or vendor name, check the accounting codes, and verify the tax information.

If you need to make adjustments to a transaction simply click on a transaction summary record and it will appear on the bottom half of the screen. Use the transaction detail record on the bottom half of the screen to edit the transaction. A description must be added, the account code can be changed and a charge can be split between different accounts in this feature. If you require extra space for remarks or are viewing catering or business meals, type all notes descriptions or comments by using the drop down arrow Summary Actions in the Transaction Summary and choose View/Edit notes. Once you have finished all changes that you wish to make save your edited information. To the left of the transaction summary record a box marked “Viewed” should be checked off to indicate that the charge is ready to be posted to the General Ledger.

This process should be completed within ten (10) business days of post date for all charges.

Once the charges have been posted, they will not appear on your screen under Transaction Review. To view old charges you must run a search. The search option is located on the transaction review screen. There are several different methods for searching, including vendor name, transaction amount, and post date. If the charge did post to an incorrect smartkey and account, it will have to be moved via a journal entry.

The P-Card Program Administrator receives a monthly billing statement (normally representing transactions from the 15th of the previous month through the 14th day of the current month). To ensure transactions are posted timely to the General Ledger, the Administrator will send out a mid-month reminder that all transactions must be reviewed within ten (10) days of the post date. On the 25th, any transaction on the monthly billing statement still not viewed and approved will be forced to the default smartkey and account.

14. REPORTING
Much of the reporting in P-Card software is based on the company hierarchy. The reporting function of the P-Card Software contains several generic reports that will be of use to all users. There are four (4) categories of reports included in this feature. These categories are:

- Cardholders
- Transactions
- Vendors
- Administrative

Note: A cardholder can only generate reports on himself/herself. The Authorized Approver can generate reports on all Cardholders for whom he is approver.

*For more information on running reports please consult the “help” section of the software.

Changes to the transaction after it has been viewed can be made, however, once the transaction has been 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.

15. **LOST OR STOLEN PURCHASING CARDS**

Cardholder **must** immediately contact AMEX Purchasing Card Customer Service when their card has been lost or stolen. (1-800-274-7378). Cardholder should also contact Purchasing Card Administrator as soon as possible.

16. **RETURNING PURCHASING CARDS**

Upon termination or retirement, card **must** be surrendered to Authorized Approver and the Purchasing Card Administrator should be informed.

17. **VIOLATIONS OF POLICY**

Procurement Services is authorized to suspend the Purchasing Card privileges of any cardholder who is deemed to be in violation of the Use of a Purchasing Card policy. The cardholder Terms and Conditions 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
- Splitting single transactions to avoid single purchase limit
- Personal or non-work related purchases
- Sharing P-Card with any other individual, including co-workers
- Purchases that are allowable with University funds but not allowable on Purchasing Card as outlined in Section 4

18. **PAYMENT**

Payment Services will receive consolidated monthly statement from the Card Issuer. The statement will be reconciled to the charges posted for month. It will be reviewed and approved by the Assoc VP, Financial Operations prior to payment to the credit card company.

19. **KEY CONTACT LIST**
The following resources are available to help you with the use of the Purchasing 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):

    AMEX
    Lost/Stolen Card Service
    1-800-274-7378

2) For any other Purchasing Card customer service needs, please call (8AM - 6PM Mountain Standard Time):

    AMEX
    Purchasing Card Customer Service
    1-800-274.7378

3) To request specific assistance with use of your Purchasing Card, or to apply for a Purchasing Card, please call the Purchasing Card Program Administrator.

    Tascha Short
    404-727-1526

4) To help Vendors begin to accept the Purchasing Card, refer them to:

    National Data Corporation
    404-728-2281

5) For questions about the Purchasing Card procedures or policy, please call the Purchasing Card Program:

    404-727-1526

6) Purchasing Card Web Site:

    https://www.finance.emory.edu/procurement
Special Requirements for Sponsored Projects

1. Use of the Purchasing 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 account number, as the Procurement Card primary cost center number, 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 account number will not change on an annual basis, and
   b. The project requires a large volume of small purchases that could be processed through the Purchasing Card, and
   c. All purchases are specific to and allowable on the specified sponsored project.

3. When the primary account number 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, Departments must retain all receipts for Purchasing Card purchases, charged against a sponsored project. Because some vendors 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. E.g.: $150 receipt - 24 binders @ $5=$120, 2 boxes of floppy disks @ $10 = $20 and 4 boxes of felt tip pens @ $2.50 = $10.

5. A Purchasing 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.
**Purchasing Card Transaction Log**

CARD HOLDER NAME: ____________________________

MONTH: ____________________________

<table>
<thead>
<tr>
<th>DATE</th>
<th>VENDOR</th>
<th>VENDOR CONTACT</th>
<th>PHONE NUMBER</th>
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**TOTAL**

REMINDER: **Emory University** IS EXEMPT FROM SALES TAX.