PCard Guidelines

Responsible Office: University Procurement Services

Required Guidelines Approver: CPO

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2.0 Guidelines Statement

The card is an alternative procurement channel to facilitate department business-related expenses. The pcard is issued to an individual employee for the needs throughout the department. Account information should not be shared throughout the department and payment should only be executed by the cardholder or proxy. University Procurement Services reserves the right to revoke card privileges for uses that are non-compliant with published user guidelines, policies, and procedures. The University Pard is a corporate-liability Visa card, meaning that it is directly billed to and paid for by the university and allocated to the department account strings. The cardholder’s personal credit is not affiliated with the card.

When using the Pcard, the following applies:

- The Pcard must be used when incurring business expenses funded through the University.
• Full-Time faculty and staff (paid through the University’s payroll system) who procure department goods and services on behalf of the University are eligible to apply for the Pcard with business manager approval.

• The Pcard may only be used for appropriate and allowable expenses as defined in the University Pcard Guidelines (in addition to University Procurement Policy and Travel & Expense Policy and any other school/departmental policies, if applicable).

• The Cardholder or Proxy must review card charges in the BOA WORKS system in a timely manner and notify Bank of America and the Card Administrator immediately should any fraudulent changes be detected.

• Approvers have oversight of a cardholder’s access to and use of the Pcard; this includes the application process, reviewing and approving card charges for compliance, and ensuring that charges are reconciled in a timely manner.

• Personal charges are not allowed on the Pcard.

• Cardholders must complete mandatory Card training before a card can be issued. Any exception to training requirements must be approved by the CPO or Card Administrator.

• Cardholder and/or Approver must notify the Card Administrator in advance (or as soon as possible) whenever a cardholder is terminated or transferred to a different department.

3.0 Benefits

Using the university Pcard automates the approval process and improves before and after-the-fact reporting for emergency purchases, small-dollar purchases or university suppliers not currently in Marketplace. Improved reporting helps the University’s negotiating position for improved pricing and services. The Pcard alleviates employees from purchasing out-of-pocket expenses and waiting for reimbursement. The Pcard is tax-exempt, in the cases that Rutgers is exempt (Sales and Use Tax Guidelines), as it is a payment issued directly from Rutgers University.

These Guidelines and related procedures are designed to ensure that expenses on the Pcard are subject to appropriate review and approval, are reported and posted to the University’s books and records accurately and timely, and that processes are in place to prevent misuse of the card, and that fraudulent charges are detected and reported timely.
4.0 Definitions

| University Funds       | Any funds that are directly provided and administered by the University (e.g., endowment funds, gifts, general budget funds, and discretionary funds provided from University sources). |

5.0 Who Should Know these Guidelines?

Cardholders, Proxies, Approvers, Departmental Financial Administrators, Accounts Payable, Travel Department and Internal Audit should understand these guidelines. Departments are responsible for compliance with these guidelines and University Procurement Services is responsible for the management of the card program and guidelines.

6.0 Responsibilities and Roles

A. Schools and Business Units

Schools and Business Units have an important role in monitoring overall compliance with university policies and the Pcard guidelines to ensure that business expenses (including those charged to the card) are reasonable in nature. These responsibilities include confirming that Approvers are appropriate based on the employee’s role and assigned duties.

Schools and Business Units may impose more (not less) stringent controls over travel and business expenses than those required by these guidelines and are responsible for communicating and implementing any additional controls.

B. Cardholders

Each Cardholder must:
- Complete mandatory training administered by Card Services prior to the issuance of a Pcard. University Card Services will contact new cardholders to provide a training link or arrange a training session.
- Purchases must follow the University Procurement Policy and Travel & Business Expense Policy. Spending should always be consistent with each employee’s responsibility for stewardship and safeguarding of university assets. Use of the Pcard for purchases of certain commodities identified in the “Restrictions and Limitations” section of this guideline is not allowed.
- Retain all original itemized receipts for card charges $50 or greater in accordance with the Travel & Business Expense Policy and attach them to the relevant transactions for submission and approval.
- Contact the Card Administrator in writing at cardservices@finance.rutgers.edu to ensure that the most current information is on record for Cardholders, Proxies, and Approvers (i.e., name change, address change, phone number, e-mail change, Approver change).
C. **Approver**

Each Approver must:

- Complete mandatory training administered by Card Services prior to the issuance of a Pcard. University Card Services will contact new cardholders to provide a training link or arrange a training session.
- Provide a review of all Pcard applications and sign-off on those applications.
- Review and approve all Pcard transactions, business purposes, and receipts to be sure the transactions fall within University Policy.
- Review the “Unreconciled Card Charges” report distributed by University Card Services to ensure that Cardholders reconcile all outstanding charges in a timely manner.
- Communicate any intended changes in Cardholder employment status to University Card Services in a timely manner.
- Ensure cards are returned and canceled, as part of the standard termination procedures.

D. **Proxy (Optional Role)**

Each Proxy must:

- “Refer to Cardholder Responsibilities”

E. **Scoped Auditor (Optional Role)**

Each Auditor:

- Has the ability to run reports for any account or account activity for the assigned (scoped) group.
- This role is often held by a business office employee if not already assigned as Approver.

F. **Card Administrator (through University Procurement Services) will:**

- Provide oversight of the Pcard program for Rutgers University. In the event the Approver or School’s business office is unable to provide needed guidance, Cardholders should contact the Card Administrator at cardservices@finance.rutgers.edu.
- Manage and evaluate the Card program, act on unreconciled charges, and serve as a liaison between Rutgers University and Bank of America.
- Create and maintain a list of active Cardholders for distribution to departments/schools as needed.
- Develop, coordinate, and provide training programs for Cardholders, Proxies, and Approvers to ensure that Cardholders, Proxies, and Approvers thoroughly understand, agree to, and abide by all business rules, policies, and procedures that govern the usage of the University’s Card.
- Perform audits on Cardholder accounts at any time. These audits do not require advance notice and may be performed by the Card Administrator and/or by Internal Audit. Audits are a combination of a review of statements and meetings with cardholders to review receipts and related documentation.

G. **Bank of America will:**

- Authorize purchases 24 hours a day, 7 days a week, 365 days a year.
- Issue a temporary credit to the Cardholder’s account when notified of a questioned item. This credit will appear on the University’s Bank of America statement the month following Bank of America notification. If the dispute is resolved in favor of the University, Bank of America will issue a permanent credit to the account. If the dispute is denied, the temporary credit will reverse, and the original charge will be posted back to the account.
- Upon proper authorization, issue a new Pcard if a card is lost/stolen or expires.
A. Cardholder Eligibility

- All potential cardholders must complete an application:
  - Pcard Application
- Within the limits of these guidelines, University business units determine who is eligible to possess a Pcard. The Approver must sign off on the cardholder’s Pcard application.
  - Only full‐time faculty and staff (paid through the University’s payroll system) are eligible to apply for the Pcard. Students, part‐time or temporary employees, and TA/GA’s are not eligible to hold a Pcard.
- Issuance of a Pcard requires the Cardholder to complete mandatory training. Exceptions must be approved by the CPO.

B. Credit Limits

The University Pcards default limits are $10,000 per month and $2,500 for a single transaction. Limits outside of the default range will require business justification.

In some circumstances and for legitimate business reasons, the monthly, and/or single transaction limit can be temporarily adjusted by the Card Administrator with the approval of the card Approver. Single transactions over $10,000 must also be reviewed by University Procurement for approval.

C. Making a Purchase - Cardholders

**Step 1**
Activate the card and set up the PIN upon arrival. Activation and PIN creation instructions are sent along with the card.

**Step 2**
***Any purchase that has an agreement or contract should go through Marketplace. If only credit card payment is accepted, please reach out to cardservices@finance.rutgers.edu so the agreement or contract can be properly reviewed. DEPARTMENTS DO NOT HAVE SIGNING RIGHTS! Before making any purchase, ensure the purchase is consistent with Procurement Services ‘policies, the card has sufficient credit available, and that there are sufficient funds in the department budget to support the purchase. If the purchase is related to a sponsored award, verify that the items to be purchased are allowable given the sponsor’s policies and the specific terms and conditions of the award. As a reminder, cards are charged to a GL default string. Journal entries to applicable projects are the responsibility of the department.***
Step 3
Inform the supplier that the Pcard will be your payment method. Provide the card account number and expiration date printed on the back of the card. You may also be required to provide the card verification code which is the three-digit number located on the back of the card.

Step 4
Original and itemized receipt documentation is required to be uploaded for all card charges of $50 or greater. All receipts and other required documentation must be attached electronically to the related transaction in the WORKS system.

To prevent fraudulent activity, please review all receipt documentation prior to upload and submission to ensure that personal and confidential information (i.e., full account numbers) is properly concealed. For example, it would be acceptable to use a black marker to cover all but the last four digits of the credit card account number information.

Any additional documentation required in University Policies must also be attached (Conference agenda, list of attendees, etc).

Step 5
Log into Bank of America Works and check your “Action Items” to be sure Pending transactions are addressed. Transactions should be reconciled with receipt backup and business justification within 5 days of the end of the billing cycle.

D. Lost Receipts

If the cardholder has lost a receipt and a duplicate cannot be obtained from the merchant, the cardholder must use the Lost Receipt Certification Form feature on the Procurement website when completing and reconciling transactions.

E. Purchases Declined at the Point of Sale

Although the supplier may accept the Pcard for use, the purchase could be declined at the point of sale. The following are possible reasons for a decline:

- The transaction amount exceeds established limits.
- The transaction amount exceeds the remaining available balance of the total monthly spending limit.
- The cardholder has not activated a newly assigned or renewed card.
- The card has expired or has been terminated.
- The cardholder or the merchant transposed the card account number during the exchange of information.

All cardholders should ensure that the merchant has received the correct number to minimize the occurrence of this type of decline at the point of sale.

- The cardholder or merchant enters an incorrect expiration date or CVV code.
- The merchant category code is not included in the permitted MCC list.

Cardholders can review the reason a purchase was declined at the point of sale through the Auth Log found in the WORKs system on the Home Page dashboard.
F. Card Renewal

New Pcards are automatically reissued to all active cardholders prior to the expiration date. The card expires on the last calendar day of the month listed on the card. The cardholder is required to destroy expired cards upon receiving the new card. If a cardholder does not receive a card before the current one expires, contact Bank of America for assistance or the Card Administrator at cardservices@finance.rutgers.edu. **Cardholders are responsible for activating renewal cards.**

G. Credit Limit Change

Cardholders may request a temporary change in credit limit from the original pre-set limit. Requests for changes in temporary credit limits must be submitted by the card Approver in writing to cardservices@finance.rutgers.edu. It is strongly recommended that the Cardholder anticipate spending needs and initiate these requests in advance to allow Card Services time to perform necessary action.

H. Replacement of Worn-Out/Defective Cards

To replace a card that is worn out or defective, the cardholder must contact Bank of America to request a replacement card. Because the requested card will have the same number as the one it is replacing it will be sent ACTIVE to prevent suspending spending.

I. Termination-Cancellation of Card

A card may be terminated or canceled when:

- The cardholder no longer uses the card in 13 months or has no further use for the card.
- The cardholder changes departments.
- The cardholder is no longer employed at Rutgers University.
- The cardholder has not abided by the Pcard Guidelines.

To close a Cardholder account, the approver should email Card Services to notify the Card Administrator. This email should include the cardholder’s name, last four digits of card account, and date card should be canceled. When a Cardholder terminates employment with Rutgers University, the Cardholder has an obligation to surrender the Pcard before the termination date and reconcile any available charges (with appropriate receipt documentation) in the BOA WORKs system. The Approver should ensure that all transactions are reconciled with proper documentation and signed off prior to the employee’s departure.

If Cardholder transfers to a new Business Unit, the Approver must contact card services, and collect and destroy the Pcard.

A new application will need to be completed, cards cannot be transferred to another employee’s name and should not be transferred to another department.
8. Unreconciled Charges / Timely Report Submissions / Personal Charges

**Unreconciled Charges**
All card transactions are required to be signed off and approved in the WORKs system within 10 days after the card statement date. The statement date is the last business day of the month. For any charges that are not reconciled within WORKs,

|Within 10 days of the statement date| Cardholder and Approver will be notified via email to reconcile and sign off on transactions in WORKs system|
|Within 40 days of the statement date| Second notification may be sent to Cardholder and Approver requesting that all transactions be reconciled and signed off on in WORKs system. Card may be suspended. |
|Within 70 days of the statement date| Final Notification may be sent to the Cardholder and Approver. Card shall be suspended. |

Transactions not reconciled within 70 days will be reviewed by University Travel and Card Services, and the Cardholder’s card will be placed on “hold” status until charges are reconciled. “Hold” status means that new charges cannot be made using the card until the hold is released.
**Personal Expenses Charged to the Pcard**
Personal expenses are not allowed on the Pcard.

**Personal/Unallowable Expenses Charged by Employee**
Transactions may be identified for additional review by University Card Services or University auditors during an after-the-fact audit or review. If charges originally treated as university expenses appear not to have been valid business expenses, University Card Services will immediately notify the Cardholder and the Approver to verify or resolve the finding. In the event the review establishes that the charges are not valid University expenses, and the employee agrees with this determination, the employee may be asked to authorize reimbursement to the University. In the event the review establishes that the charges are not valid University expenses, and the employee does not agree with the determination, the matter will escalate to the Business Unit’s finance department and the card will be suspended until reimbursement is completed.

### 9.0 Repayment Methods

If it is determined that funds are owed to the University, charges determined not to be valid during an audit or review as described in Section 8.0 of this Guidelines, and the employee agrees that these funds are owed, the employee will make a reimbursement payment by personal check (payable to Rutgers University) listing the transaction number(s) in the memo and mail to Attn: Card Services/Procurement Services, 33 Knightsbridge Rd., Piscataway, NJ 08854. The card may be suspended until funds are received.

### 10.0 Pcard Purchases

**Typical Purchases Made by Cardholders**
The Pcard facilitates the purchase of goods or services to support a university business unit, center, program, work group, or organization. The Pcard should be used to procure smaller dollar goods or services (typically less than $2500) that cannot be purchased from one of the university’s punch-out suppliers in RU Marketplace. The punch-out catalogs are the preferred procurement method.

Common examples of approved items for purchase using the Pcard:
- Catering
- Emergency office, maintenance, or operational supplies
- Facebook, LinkedIn, or other online forums used for ads (approval from Communications and Marketing required).
- Newspaper, journal
- Postage
- Professional memberships, applications, and license fees
- Printing and binding services
- Registration for conference and seminars
- Utilities
- Specialty cards with scoped categories are available. (Example: Water services and home supply)

**This is not a complete list of allowable uses for the Pcard**
Purchases that are prohibited with the Pcard include, but are not limited to:

- Purchases that are against University Procurement Policy.
- Some additional expenses that are prohibited with the Pcard:
  - Animals
  - Capital Equipment
  - Cash advances, cash back on purchases, cash refunds on returns
  - Cell Phones
  - Charitable contributions
  - Chemicals
  - Computers or digital goods
  - Contracted services from an individual
  - Employee relocation
  - Furniture
  - Gasoline
  - Gift Cards
  - Hazardous/radioactive materials
  - Independent contractors or sub-contractors
  - Legal Fees
  - Medical/surgical supply items
  - Non-qualified scholarship/fellowship payments
  - Personal purchases
  - Pre-payment for Purchase Orders
  - Prizes or Awards
  - Purchases from punch-out suppliers participating in RU Marketplace catalog
  - Rental Agreements

### 11.0 Lost or Stolen Cards, Fraudulent or Disputed Transactions

#### A. Lost or Stolen Cards

To limit potential risk to the University, action must be taken immediately to report lost or stolen cards as well as any unauthorized or unidentifiable charges. It is imperative that the cardholder take immediate action by following these steps:

1. **Contact Bank of America**

   The cardholder should contact Bank of America immediately for cancellation of the card account whether the card is lost or stolen. Bank of America representatives are available 24 hours a day, 7 days a week by calling 888-449-2273.
2. Notify the Card Administrator of the Cancelled Account

The Cardholder should also contact the Card Administrator and inform the Approver.

B. Unidentifiable or Fraudulent Charges

Unidentifiable and fraudulent charges are charges that result from the unauthorized use of the card account number by a party who gains access to the card account number or establishes a counterfeit representation of a card account. If your statement contains an unidentifiable or fraudulent charge, contact Bank of America immediately.

12.0 Compliance with Policy; Violations and Consequences

Violation of these Guidelines will be investigated and may result in one or more of the following actions:

- Written warning
- Mandatory attendance at additional training classes
- Cancellation of Pcard
- Revocation of approver signatory rights (Approvers only)
- Disciplinary action
- Termination
- Civil and/or criminal prosecution
- Seeking restitution for lost funds

The Card Administrator and/or Internal Audit regularly review Pcard transactions, both through central electronic records and through in-person audits and have the authority to investigate and to determine whether a Guidelines violation has occurred. Major violations may be referred to the University’s Human Resources Office for further review. Guidelines violations include but are not limited to:

- Purchase of items for personal use
- Sharing the Pcard or card number with another person
- Use of the Pcard by a suspended or terminated employee
- Receiving cash back from any refund, return or exchange
- Purchase of items defined in Restrictions and Limitations
- Failure to take immediate action regarding lost/misplaced cards, including disputed charges
- Failure to return the Pcard when reassigned, terminated or upon request of the Card Administrator
- Failure to reconcile receipts, required documentation and business purpose information
- Failure to appropriately review and follow-up on Pcard activity (Approvers only)

A. Lending or Sharing Pcard is Strictly Prohibited

The only person authorized to use a PCard is the person whose name appears on the face of the card (proxy exception). Other users are prohibited.
B. Fraudulent and Personal Use

Personal charges or purposely fraudulent use of the Pcard are a major violation of the established policies and procedures.

The Pcard must be used solely for the purposes of Rutgers University and may not be used for any personal purposes. The fraudulent or intentional personal use of the Pcard is serious and will result in disciplinary action. Disciplinary action may include suspension or termination of card privileges and could include other actions up to and including termination and/or legal action. The University reserves the right to seek restitution for any inappropriate charges made with the Pcard. Should inappropriate charges be identified by University Card Services, the department will follow up with the Cardholder and the respective department/school immediately. Depending on the outcome, the employee may be asked to authorize reimbursement to the University. If there is an activity that appears fraudulent, the card will immediately be placed on “hold” status; if there is evidence of actual fraudulent activity, the card will be canceled.

Should a Cardholder inadvertently make a personal purchase with the Pcard, he or she must immediately (1) notify the Approver, (2) notify the Card Administrator. The employee will owe the University the funds. See Section 9.0 for additional detail about the repayment process.

13.0 Related or Affected Policies

Rutgers University Travel and Business Expense Policy 40.4.1:
https://procurementservices.rutgers.edu/policies

Rutgers University Procurement and Payment Policy 20.1.11:
https://procurementservices.rutgers.edu/policies

Rutgers University Code of Ethical Conduct:
https://uec.rutgers.edu/policies/ethics-code-of-conduct/

14.0 Tools & References

Cardholder Application
Card Approver form
Cardholder Proxy form
Violation form
University Card Training Videos
### 15.0 Contacts

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<tr>
<th>Name</th>
<th>Email</th>
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<tbody>
<tr>
<td>University Card Services</td>
<td><a href="mailto:cardservices@finance.rutgers.edu">cardservices@finance.rutgers.edu</a></td>
</tr>
<tr>
<td>University Procurement Services Help Desk</td>
<td><a href="mailto:procure@finance.rutgers.edu">procure@finance.rutgers.edu</a> or 848-932-4375</td>
</tr>
<tr>
<td>Bank of America Customer Service (24 hours)</td>
<td>888-449-2273</td>
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<tr>
<td>Bank of America Fraud Department (24 hours)</td>
<td>866-500-8262</td>
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<tr>
<td>Works Technical Help Desk (7am-9pm ET Mon.-Fri)</td>
<td><a href="mailto:CommCardTHD@bankofamerica.com">CommCardTHD@bankofamerica.com</a> or 888-715-1000 option 2, then option 4</td>
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