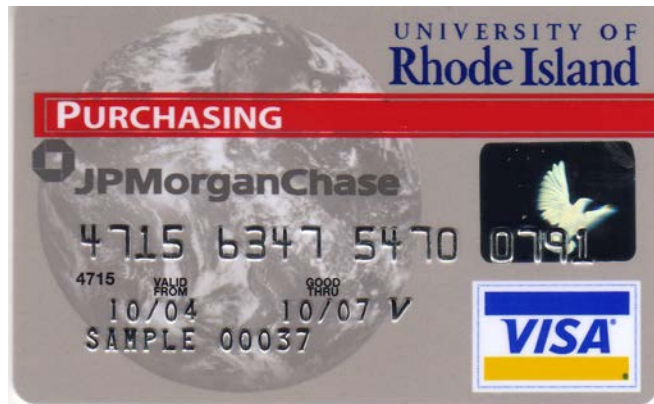


THE UNIVERSITY OF RHODE ISLAND
PCARD (PCARD) POLICY MANUAL

PROVIDED BY: JPMorganChase



ISSUED BY: OFFICE OF THE CONTROLLER
REVISION DATE: November 1, 2017

PCARD Email
PCARD@etal.uri.edu

PCARD Website
http://web.uri.edu/controller/purchase_card/
JPMorganChase Customer Service 1.800.270.7760

PCARD Office Location
103 Carlotti Administration Building, Kingston

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CONTACT INFORMATION

Purchase Card Administrator

If you have questions regarding the program or the appropriate use of the Purchase Card (PCARD), please contact:

***PCARD Administrator
401.874.4431***

Email: PCARD@etal.uri.edu

***Fax: 401.874.4825
Monday – Friday
8:00 AM to 4:00 PM***

***Carlotti Administration Building
75 Lower College Road, Room 103
Kingston, RI 02881-1966***

**Visit our website at:
http://web.uri.edu/controller/purchase_card/**

JPMorganChase Customer Service 1.800.270.7760

The PCARD Program is serviced by JPMorganChase. The center is available 24 hours a day, 7 days a week to assist the Cardholder with general questions about their account.

If a PCARD is lost or stolen, JP MorganChase **Customer Service should be notified immediately. Once you have notified JPMorganChase, please notify the PCARD Administrator.**

OVERVIEW

Introduction

The Office of the Controller offers an innovative program that simplifies the way in which departments may order and pay for goods and services.

The PCARD Program is a fast, flexible purchasing method that delegates small dollar purchasing power to individual University employees. The PCARD permits purchases to be made with minimal delay and clerical labor, while also providing accountability. This manual describes the proper use of the PCARD. The procedures established here also serve to protect the University from fraud and other deliberate or accidental misuse of its funds.

The University's PCARD Program is based on the existing State of Rhode Island Purchase Card Program. JPMorganChase VISA is the State of Rhode Island's current contracted provider of the PCARD. VISA is readily acceptable by most vendors and is a convenient purchase and payment tool for low dollar purchases.

Benefits

The benefits of the PCARD Program to the University are significant and include:

- Receive orders immediately or within days instead of weeks.
- Significantly reduces workload related to small dollar purchase and payment for goods by reducing clerical processing time and time associated with the approval process.
- Reduces the number of purchase orders, invoices and checks, saving valuable University resources.
- Prompt payment to the vendor results in better prices and improved vendor relations.
- Provides end users with greater autonomy, allowing them to be more efficient and to focus on the value added aspects of their jobs.
- Enables Purchasing and Accounts Payable to focus on higher yield, value added activities, e.g., negotiating better contracts, etc.
- Dramatically reduces the number of vendors in the University vendor database.

Potential Cardholders

The PCARD is available to University employees, paid through the state payroll system, upon the approval of their Dean, Director or Department Head, and President's delegated authorized signer (Vice President/Vice Provost or Provost). This card is issued only to those authorized to make purchases on the

University's behalf. Each card is issued to a specific person, who assumes responsibility for authenticating the validity of charges incurred.

IMPORTANT: PCARDS are assigned by the University to specific individuals and may be used **only** by that individual.

PCARD RULES AND RESTRICTIONS

The PCARD is designed as a payment method. The URI PCARD shall be used only for expenditures directly associated with the business of the University. Personal use of the PCARD is strictly prohibited. All expenses incurred on behalf of the University and paid with the PCARD must be reasonable and directly associated with the business of the University. All existing state and [University purchasing rules, policies and procedures](#) must be adhered to when utilizing the PCARD. Each employee receiving a PCARD and each Department Administrator will be required to sign an initial agreement, and annually thereafter, acknowledging that he/she has read and understands the Policy Manual and agrees to abide by it.

Any employee who violates the policies and procedures set forth in this policy manual may be subject to disciplinary action, including without limitation, termination of employment, civil penalties and/or criminal prosecution under Section 42-11-14.2 of the General Laws. Refer to *Personal Use of Card*, under the heading *Cardholder Non-Compliance*, for a full disclosure of penalties.

Grant Purchases: Refer to *Using the PCARD for Grant Purchases*, under the heading *Appendices*, for additional information regarding the use of the card for a grant or contract purchase.

Security of the PCARD

The Cardholder is responsible for security of the card and for all purchases made with it. It's important that the Cardholder work with their Department Administrator and Dean, Director or Department Head, as applicable, in establishing proper internal business control procedures and processes to ensure that all expenditures are compliant, accurate, and appropriate. The card is to be kept securely in the Cardholder's possession; the back of the card signed, and expired cards immediately destroyed by the cardholder or Department Administrator.

PCARD account numbers are considered confidential and proper care should be taken with the card and any documentation that contains the account number. **Please be sure to never include the full account number within an email to any individual, including the PCARD office.** Account numbers should be removed or made illegible on all documentation, including copies filed at the department.

Dollar and Transaction Limits

The PCARD is limited to \$1,000 per transaction and \$5,000 per billing cycle. (The billing cycle generally ends on the 25th of each month.) These amounts include the purchase price, delivery fees and any other charges.

Higher and lower limits, based on specific needs, may be accommodated. Refer to *Adjusting Limits*, under the heading *Managing Card Transactions*, for specific instructions.

NOTE: The credit limit is not tied to a department's available budget funds. The Cardholder is responsible for determining if funds are available for any transaction.

Split Purchases

Splitting purchases to circumvent the set limits is prohibited. A split purchase is defined as having a vendor charge the card multiple times for smaller portions of an order. For example, having a vendor split a \$3,000 order of science equipment into three charges for \$1,000 each is a violation of the PCARD rules as well as URI Purchasing Policy.

Sales Tax Exemption

The University of Rhode Island is a non-profit organization and is therefore exempt from Rhode Island sales tax. The tax exempt number (RI 189) is embossed on the front of the PCARD. Rhode Island sales tax should not be included in the purchase price for any goods or services purchased with the PCARD. A copy of the tax exempt certificate is available on the [Controller's website](#) should a vendor need proof of the tax exemption

NOTE: Purchases made from other states fall under Rhode Island state sales tax laws if the items are shipped to the University.

URI tax exemption status in other states as listed on the Controller [tax exemptions for URI](#) webpage.

Merchant Category Code

Merchant Category Codes and card limits provide the University and the Cardholder additional security that the PCARD will not be misused. A Merchant Category Code (MCC) is a four digit code assigned to every vendor that accepts a charge card, identifying the products and/or services they provide. The University assigns Cardholders the MCC Group that best relates to their needs as a purchaser. For every transaction or purchase, the MCC of the vendor is compared to the list of authorized codes for the PCARD being used. If a vendor

has an MCC that is not included as an authorized code, the transaction will be denied.

The bank that processes the vendor's charge card assigns the MCC to the vendor. The University has **no control** over what codes are assigned to a given vendor. Extensive efforts have been made to ensure that the MCC used by vendors in the normal course of business is not restricted.

If a PCARD is refused by a vendor, a request can be made to add an additional MCC. Refer to *Adding Additional Merchant Category Codes*, under the heading *Managing Card Transactions*, for specific instructions.

NOTE: MCC restrictions may not automatically prevent a Cardholder from making a purchase that is not authorized. A Cardholder must always adhere to purchasing rules, policies and procedures when utilizing the PCARD and not depend upon restricted MCC to determine if a purchase is authorized.

Purchase Rewards/Rebates

Purchase rewards received from a PCARD purchase are the property of The University, not the Cardholder. Purchase rewards from a vendor may include: rebate checks, store reward cards, promotional items, etc. Rewards are to be turned into the Department Administrator and any rebate check deposited into the University account from which the purchase was originally made.

Restrictions / Non-Allowable Expenditures

In addition to the personal and unallowable expenses set forth by the [URI Purchasing Manual](#) and the [URI Purchasing Policies and Procedures](#), the PCARD is not to be used to purchase any commodities from the list below, even if they are University business related:

THE PURCHASING CARD IS NOT TO BE USED FOR:

- Alcohol, Food & Beverages for any purpose (consumable items) (Restricted Exception to URI Day Care, Dining, W. Alton Jones)
- Automotive- Rentals, Repairs and Fuel (See exception to follow)
- Cash Advances
- Cellular Phones, Pagers and Calling Cards
- Consulting Services (Attorneys, Medical Services, Honoraria, etc.)
- Equipment Maintenance Contracts (Statewide contract exists with Remi Group / covering lab equipment, office automation, computers and other electronic equipment including telephone systems, security and communications)
- Fines, Penalties and Late Fees

- Firearms, Ammunition & Explosives (Exception restricted to URI Public Safety & Crime Lab)
- Gifts, Gift Cards, Donations and Contributions
- iTunes & Software downloads
- Leases or Other Contractual Agreements
- Major Construction or Renovation Projects
- Meals and Entertainment
- Personal Purchases (Even with the intent of reimbursing the University)
- Prescription Medications/Pharmacy (Including CVS Pharmacy and Rite Aid)
- Prizes and Awards
- Purchases from URI Employees
- Purchases in which a URI Employee has a Conflict of Interest
- Radioactive and Controlled Substances
- Rare and Precious Metals
- Special Occasion Items (Flowers, Fruit, Baskets, Candy, Balloons, etc.)
- **Travel Expenses (See *Exception* to follow)

**** Travel Exceptions:** Effective January 1, 2009 an individual's PCARD may be opened up to limited types of travel expenditures. This Travel Enhancement adds the ability to use the PCARD to pay for lodging, international travel insurance, immunizations related to travel, automotive rentals, railroad, taxis, ferries, local/suburban transportation (subways, bus, etc.), fuel (rental vehicles ONLY), parking and tolls in addition to the traditional small dollar purchases allowable with the Standard PCARD.

An approved **travel addendum form is required** before any travel exceptions will be granted. This approved addendum must be received at least, two weeks prior to travel so that the necessary modifications can be made. Refer to *Using the PCARD for Travel*, under the heading *Appendices*, for additional information regarding the use of the card for travel.

*** Other Exceptions:** At times there may be a benefit to the University to expand the use of the card to make purchases which may require an exception to the list above. Exceptions to these restrictions may be granted on a case by case basis upon the approval of the Controller in consultation, when necessary, with other URI offices or officials (e.g. the Office of General Counsel or the Office of Sponsored Projects). An exception request with detailed justification for business purpose should be emailed to PCARD@etal.uri.edu.

PROGRAM PARTICIPANTS ROLES AND RESPONSIBILITIES

Cardholder

Role: Utilize the PCARD to make authorized University purchases.

Responsibilities:

- Properly secure the PCARD.
- Make purchases in accordance with state and URI policies and procedures.
- Maintain all required supporting documentation (invoices, receipts, quotes, source justifications, etc.).
- Monitor all charges associated with the use of the PCARD: shipping, surcharges, exclusion of sales tax, etc.
- Resolve any discrepancies with the vendor including, but not limited to, returns, exchanges and refunds ensuring credits are posted back to the PCARD account.
- Access PeopleSoft Procurement Cards Module on a weekly basis to review and ensure that all purchases are valid and charged to the proper chartfield string.
- Immediately report loss, theft, or fraudulent use to JPMorganChase and the PCARD Administrator.

Department Administrator

Role: Reviews and approves PCARD transactions to ensure compliance with all University policies, procedures and program provisions.

Responsibilities:

- Work with the PCARD Administrator to ensure a system is established and implemented that promotes compliance within the University's policies and procedures governing the use and security of the PCARD.
- Monitor activity for unusual transactions or unusual patterns of use discussing with cardholder any transaction which is or appears to be non-compliant with policies and procedures. If concerns still exist, document on the Pcard Reconciliation Form and report any violations to the PCARD Administrator.
- Obtain and review monthly Cardholder reconciliation package to ensure package is complete.
- Access PeopleSoft Procurement Cards Module to approve authorized purchases and ensure each transaction is charged to the proper chartfield.
- Compile reconciliation package for all department Cardholders and forward to PCARD Administrator no later than five (5) business days after PCARD statement is available for post-audit review.

- Immediately report loss, theft, or fraudulent use to JPMorganChase and the PCARD Administrator.
- Notify PCARD Administrator of any Cardholder changes in employment status, including transfer or termination.

Dean, Director or Department Head, as applicable

Role: Determine who in the department should be a cardholder and Department Administrator.

Responsibilities:

- Individual ultimately responsible for department budget.
- Identify potential Cardholders.
- Authorize issuance, adjustments, suspension, reinstatement, and cancellation of individual PCARDS.
- Designate individual to act as Department Administrator.
- Designate PeopleSoft default chartfield string.

PCARD Administrator

Role: Participate in the administration of the University's purchasing card program, including monitoring and training. PCARD issuance and cancellation, manage reports, post auditing, and program development.

Responsibilities:

- Make recommendations for program policies and procedures as needed.
- Train Cardholders and Department Administrators in the management and use of the PCARD and the PeopleSoft Procurement Cards Module and continue to assist as needed.
- Provide PCARD account, set-up new cards, information updates, changes, additions, deletions, and lost, stolen or expired card replacement.
- Review of the reconciliation package. Perform post audit review to ensure compliance with program guidelines.
- Report all incidents of fraud, abuse, or misuse of the PCARD to the Controller.
- Process payment of JPMorganChase monthly billing.
- Review periodically list of cardholders for inactivity for extended periods and contact individual cardholders to see if still required.
- Review and issue periodic management reports to help assess the effectiveness of the PCARD Program.
- Notify Cardholder/Department Administrator of PCARD violations.
- Place PCARD on hold or cancel if Cardholder has recurring or major violations.
- Track Cardholder violations.

OBTAINING A PCARD

Applying for a Card

To obtain a PCARD the following process will be followed:

1. Obtain the [PCARD forms](#) on the Controller's forms website:
 - Application
 - Cardholder Agreement (initial)
 - Department Administrator Agreement
 - Travel Addendum Request Form (if applicable)
2. The completed application must be approved and signed by the Dean, Director or Department Head, Director of Sponsored Projects (required for all Fund 500 requests) and President's delegates authorized signer (Vice President/Vice Provost or Provost). Please note the Cardholder and Department Administrator cannot be the same individual nor can you swap roles.

Example: (Joe is applying to become a new cardholder and Allan will be Joe's Department Administrator. However, Allan currently has an active Pcard and Joe is his Department Administrator. In result, Joe cannot receive a Pcard with Allan listed as his Department Administrator for internal control purposes.)

3. Forward the completed signed forms to the PCARD Administrator or scan the completed forms to PCARD@etal.uri.edu and keep the originals for your records (not required).

***PCARD Administrator
Carlotti Administration Building
75 Lower College Road, Room 103
Kingston, RI 02881-1966***

4. Once the application is approved by the Office of the Controller, the applicant and Department Administrator will be contacted via email instructing them to complete online training via Sakai.

Signature Authority

The Department Administrator **or** Cardholder is **required** to have signature authorization for each unique chartfield string used for their department PCARD transactions.

Exception: Grants and alternate account. If a PCARD is utilized for grant purchases, an alternate account is **required** on each Cardholder's application. Only the Dean, Director, or Department Head, as applicable, is required to have signature authority on the alternate account. Refer to *Using the PCARD for Grant Purchases*, under the heading *Appendices*, for additional information regarding the use of the card for a grant or contract purchase.

NOTE: The alternate fund account cannot be another grant fund, i.e. Fund 500.

Security Verification

The applicant's URI employee identification number, date of birth, country of citizenship, home address and mother's maiden name are required fields in order to process a new PCARD request through JPMorganChase. These security verifiers will be used to identify you as the cardholder if you ever need to call JPMorganChase customer service or if they contact you regarding your account.

Training and Card Activation

All Cardholders and Department Administrators are **required** to complete online training via Sakai, on the use and management of the PCARD and navigating PeopleSoft Procurement Cards Module prior to receiving a PCARD. Sakai is the software utilized on campus for resource sharing and collaboration.

Cardholder Agreement

The Cardholder will be required to read and sign the Cardholder Agreement listing the conditions of use, including the University's right to cancel the card at any time and require its return, and agree to comply with the agreement's provision on penalties and disciplinary action. Additionally, in adherence with the RI Board of Education Office of Postsecondary Education Credit Card Policy and Procedures, Cardholders will be required to re-read and re-sign the agreement annually.

Expiration and Reissue of Cards

Cards expire every three years, on the last day of the month embossed on the front of the card (expiration date). New PCARDS are automatically sent to the Office of the Controller within 1 to 3 weeks prior to the expiration date. The Cardholder and Department Administrator will be sent an email notification regarding refresher training if initial PCARD training was completed more than three years ago. Upon successful completion of the refresher training another email will be sent notifying the Cardholder that their renewal PCARD is available

for pickup at the Accounting office during office hours. Cardholder needs to destroy and dispose the expired card.

MANAGING CARD TRANSACTIONS

JPMorganChase

The PCARD Program is serviced by JPMorganChase. The center is available 24 hours a day, 7 days a week to assist the Cardholder with general questions about their account. A Cardholder can contact the bank for many reasons, including inquiring about a transaction, questioning a declined transaction and reporting a lost or stolen card.

PeopleSoft Procurement Cards Module Access

In the PeopleSoft Procurement Cards Module, Cardholders have the ability to view their activity and statements, match transactions with receipts, reassign chartfields, allocate transactions amongst various chartfield accounts, add comments, attach scanned invoice/receipt, enter Travel Authorization Request (TAR) numbers and verify transactions. Department Administrators have the same abilities as Cardholders within their department and can approve transactions.

Cardholders and Department Administrators will be provided access to the PeopleSoft Procurement Cards Module upon the successful completion of PCARD training.

Updating Transactions

Dollar amounts charged will be allocated to the default chartfield assigned to the PCARD at the time of issue. Dollar amounts may be moved from one chartfield to another, or split between several, once they appear in PeopleSoft. The time from point of sale until the transaction is loaded in PeopleSoft can vary depending on the vendor; (larger vendors that submit their transactions to their merchant issuing bank will post quicker than transactions from smaller vendors that may not submit their transactions as frequently). Generally, turnaround time from point of sale to posting is approximately 72 hours; however, this time may vary depending on the vendor.

Approved transactions will be posted to PeopleSoft periodically during the month or 5 days after the statement end date. Transactions should be reviewed and approved weekly during the billing cycle. Transactions are required to be approved and budget errors cleared by the Department Administrator by the date the reconciliation packages are due in the PCARD Office.

The PCARD Office is highly encouraging our cardholder's to attach their scanned receipts to each PCARD transaction in PeopleSoft Procurement Card Module under the comment section. In addition, if the invoice\receipt does not clearly identify the business purpose of the purchase (especially on Fund 500), please provide a brief explanation in the comments section. At this time, the Pcard Office still **requires** the hard copies of invoices\receipts with your monthly reconciliation package.

TRANSACTION CORRECTIONS

The Journal Entry Form is used to make changes after charges have already been posted to PeopleSoft. This form is located on the [Controller's website](#). Provide detailed documentation with the form.

Forward the completed signed original form to the PCARD Administrator at:

***Carlotti Administration Building
75 Lower College Road, Room 103
Kingston, RI 02881-1966***

Or forward scanned signed form to PCARD@etal.uri.edu

Declined Transactions

Charges typically decline due to spending-limit restrictions (single-purchase or monthly limits), or because a particular vendor is categorized under a Merchant Category Code (MCC) that the University has restricted. In some cases, spending limits may be raised or an additional MCC added so that the PCARD can be used for a previously declined charge. If a charge is declined, the PCARD Administrator should be contacted via email. The reason for the denial will be assessed and measures will be taken to rectify the problem.

Adjusting Limits

All PCARDS have single transaction and monthly spending limits. Limits may vary for each Cardholder and will be established by the Office of the Controller. If a temporary increase is needed, please email the PCARD Administrator at PCARD@etal.uri.edu with the cardholder name, reason for the increase, the PeopleSoft chartfield to be charged and a TAR number if the increase is related to travel. Permanent requests to raise the limits, including justification and the chartfield string need to be provided on the "[Limit Increase Request Form](#)" found under forms on the Controller's website. If the request is granted by the Office of the Controller, the PCARD Administrator will adjust the limit accordingly.

Adding Additional Merchant Category Codes

If a Cardholder's PCARD is refused by a vendor where it should have been accepted, contact the PCARD Administrator. Requests to add additional codes, including justification (vendor and product or service and chartfield) are to be sent to the PCARD Administrator in an email. If the request is granted, the PCARD Administrator will then add the code accordingly.

Returns and Credits

If merchandise is returned for credit, the Cardholder is responsible for obtaining a credit receipt from the vendor and retaining that receipt with the support documentation for that billing cycle. Receiving cash or checks to resolve a credit is **PROHIBITED**.

Transaction Disputes

Disputed charges can result from failure to receive goods, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. In the event of a transaction dispute, the Cardholder should **immediately attempt to resolve** the dispute directly with the vendor involved. Most issues can be resolved this way.

If the Cardholder is unable to reach an agreement with the vendor, the next step is to contact JPMorganChase customer service to initiate a formal dispute. All disputed transactions must be submitted to JPMorganChase **within sixty (60)** days of the posted transaction. Once you have filed the dispute with JPMorganChase, please notify the PCARD Administrator.

When JPMorganChase has completed its investigation, the Cardholder will be informed of the resolution and any corrections that were made to their PCARD account. Any awarded credits will be applied to the Cardholder's account once the dispute has been successfully processed. That credit will eventually offset any incorrect charges on the account. Cardholders should assign the chartfield string to the credit, as was assigned to the initial charge. Dispute transaction needs to be reported on monthly reconciliation form.

Identifying and Reporting Fraudulent Transactions

It is the University's policy that the Cardholder or Department Administrator review transactions in PeopleSoft weekly, at a minimum, in order to minimize potential fraudulent activity. If suspected fraudulent charges are found, they **must** be **reported immediately** to JPMorganChase and the PCARD Administrator.

The 60 day time frame to report fraudulent charges is attributable to VISA regulations. Depending on the type of fraud, there are different windows of time that the bank's fraud department has to receive the report, investigate the charge, and post credits. Due to these time frames, and in the best interest of the University, JPMorganChase must be notified as soon as possible of fraudulent activity. If the bank is not contacted within the notification period and reporting requirements are not adequately met, fraudulent charges could become the liability of the University.

The JPMorganChase fraud department watches trends in fraudulent activity based on transaction amount, merchant name, location of merchant, type of merchant, etc. If the fraud department at JPMorganChase suspects any possible fraudulent activity, they will suspend the card until they can verify that the charge is legitimate. Usually, they will try to contact the Cardholder first and then notify the PCARD Administrator. NOTE: If the Cardholder is contacted directly, immediately notify the PCARD Administrator.

The role of the Cardholder and/or Department Administrator is critical at this point. The Cardholders and Department Administrators know their own activity better than both the JPMorganChase fraud department and the PCARD Administrator, so the University requires their assistance in identifying these charges.

Reporting a Lost or Stolen Card

The cardholder should notify JPMorganChase customer service immediately at 1.800.270.7760 if a card is lost or stolen. The center is available 24 hours a day, 7 days a week. JPMorganChase will ask you to identify yourself by confirming the last four digits of your employee ID and/or your mother's maiden name and confirm if any pending changes are valid. JPMorganChase will immediately close the PCARD and issue a new card. Upon notifying JPMorganChase, Cardholder needs to notify PCARD Administrator. The new card will be sent to the PCARD Administrator.

Other Changes to a PCARD Account

To update other Cardholder changes, such as the cardholder's email address, name change, phone number, default chartfield, etc., the Cardholder or Department Administrators are required to email the PCARD Administrator at PCARD@etal.uri.edu with the updated information.

Card Termination

When a Cardholder leaves the University, changes departments, or moves to a job within their department in which they are no longer authorized to make purchases on the University's behalf, the Department Administrator has the specific obligation to reclaim and destroy the PCARD and contact the PCARD Administrator prior to the employee termination/transfer date. Failure to do so may result in revocation of all department cards.

RECORD KEEPING, RECONCILIATION & PAYMENT

Reconciliation is the responsibility of the Cardholder and Department Administrator. Timely departmental reconciliations must be done to allow the PCARD Administrator adequate time to reconcile the University's payment amount against the departmental transactions.

Documentation Requirements

Receipt / Invoice

An original, itemized invoice or receipt is required for each transaction made on the PCARD.

A receipt is defined as an invoice, cash register receipt, sales slip, or packing slip which contains an itemized list of goods purchased, with dollar amounts, ship-to address and the name and location of the supplier. If a cash register tape does not have descriptions, then descriptions must be noted. An employee of the vendor must sign handwritten receipts. Small receipts are to be taped on letter sized papers (8.5 x 11 inches) when practical.

NOTE: Sales receipts should be sorted in the order listed on monthly statement.

Ship to Address

Purchases must be shipped to an appropriate University of Rhode Island department address.

Purchases Made in Person

Itemized receipts are retained in addition to the credit card copy to properly substantiate the purchase.

Faxed, Mailed or Telephone Purchases

A copy of the order as faxed or mailed and the fax confirmation (if available), is retained for record purposes. For purchases made by telephone, an order confirmation number should be obtained (if available). Cardholders should request that a receipt and/or packing slip be sent with the purchase.

Internet Purchases

At least one of the following types of documentation is required:

- ✓ Print-out of the completed online order form.
- ✓ Print-out of the online order confirmation.
- ✓ Print-out of the email confirmation.

Purchases from \$501 to \$2,500 (Not Applicable to purchases on Funds 110, 126 and 500)

REMINDER: In accordance with state and the URI Purchasing Policies and Procedures, three (3) quotes must be obtained for general procurements over \$500. Purchases from \$501-\$2,500, three (3) telephone quotes must be obtained and purchases from \$2,500-\$5,000, three (3) written quotes must be obtained. Additionally, purchases that are considered Single, Sole or Proprietary Sources must be documented as such.

NOTE: Quotes are not necessary for purchases under \$5,000 charged to Fund 110, 126 and 500, (Non-State funded research projects.)

Missing Documentation

If an original invoice or receipt is missing for the PCARD transaction, the individual should request a duplicate receipt from the vendor. In the absence of a duplicate receipt, a Missing Receipt Form (available on [PCARD website](#)) is to be completed and signed by the Cardholder and Department Administrator.

NOTE: Alternative documentation for missing invoices and receipts should be an exception, not a general practice. Employees who frequently fail to submit required receipts are advised that they are subject to loss of card privileges.

Monthly Activity Bank Statement

The billing cycle ends on the 25th of each month. However, if the 25th falls on a weekend or holiday, the billing cycle will end on the next closest business day. The monthly activity statement is obtained through PeopleSoft Report Manager.

Reconciliation by the Cardholder

At the end of each billing cycle the monthly statement will be printed out by the Cardholder. The Cardholder statement includes all individual charges and credits for the billing period. Upon printing out the statement, the Cardholder must:

- ✓ Review the statement for accuracy and verify each line with the vendor receipts/invoices.
- ✓ Access PeopleSoft to review and ensure that all purchases are charged to the proper chartfield, making changes as needed.
- ✓ Cardholders can attach scanned receipts to each transaction in PeopleSoft Procurement Module under the comment section. In addition, if the invoice\receipt does not clearly identify the business purpose of the purchase (especially on Fund 500), please provide a brief explanation in

the comments section. Original receipts are required to be submitted with the monthly reconciliation package.

- ✓ If an item is billed incorrectly, or is questionable and has not been addressed previously, the cardholder is to follow the applicable procedures. Specific instructions can be found in the section *Transaction Disputes* or *Identifying and Reporting Fraudulent Transactions*, under the heading *Managing Card Transactions*.
- ✓ On the statement, circle the dollar amount of any discrepancies and note "in dispute", "in transit", "sales tax charged in error", etc., as applicable.
- ✓ Once each line item has been verified or disputed, the Cardholder is required to fill out the *PCARD Reconciliation Form* listing discrepancies and providing an explanation in the space provided.
- ✓ Forward the *PCARD Reconciliation Form* to the Department Administrator containing the statement and supporting documentation.

Reconciliation by the Department Administrator

- ✓ Establish a date by which all Cardholders under his or her authority must submit their statements and supporting documentation.
- ✓ Review monthly activity statement(s) and receipts to ensure all charges are appropriate, all receipts are accounted for, and charges were coded to the correct PeopleSoft chartfield string.
- ✓ Access PeopleSoft and upon resolution of any problems, mark the transactions "Approved".
- ✓ Obtain required signatures and forward the *PCARD Reconciliation Form(s)* consisting of each Cardholder's monthly reconciliation package to the PCARD Administrator no later than five (5) business days after the bank statement is available.

Summary of Deadlines

typical billing cycle end date	25 th of each month
date statement available on PeopleSoft	on or about the 27 th of month
deadline for Cardholders to submit reconciled statement & receipts to Department Administrator	each Department to establish this date
deadline for Department Administrator to submit reconciliation packages to Program Administrator	5 business days after statement becomes available in PeopleSoft

Payment

JPMorganChase will mail one summary billing to the PCARD Administrator, listing all transactions during the period for all Cardholders. Payment is required within fourteen 14 days to JPMorganChase. The General Accounting Office will pay the summary bill in full. At this point, any unapproved transaction will be posted in PeopleSoft and payment will be made.

CARDHOLDER NON-COMPLIANCE

The Office of the Controller, Internal Auditors and the RI Board of Education Office of Postsecondary Education perform regular audits and quality assurances to ensure the proper usage of the PCARD. Review findings will be formally documented and forwarded to the Dean, Director, Department Head, Associate Controller and Controller as applicable. A history of all violations is kept and repeat offenders PCARD will be suspended/terminated and may be subject to disciplinary action. PCARD privileges may also be suspended or revoked at any time by the Office of the Controller.

In addition to Internal Auditing, external independent auditors perform an annual audit of the University and it is essential to adhere to the record keeping guidelines. During disbursement testing, specific transactions will be selected and receipts and other supporting documentation will be given to the auditors for their inspection. Failure to provide this essential documentation may be documented as part of the auditors findings presented to the RI Board of Education Office of Postsecondary Education and the State of Rhode Island Office of the Auditor General.

Examples of non-compliance include, but are not limited to, the following:

Personal Use of Card

If the offense is found to be accidental, the Cardholder will be required to refund the cost to the University. More than one accidental use will lead to card termination. If the offense was found to be fraud, the Cardholder could face termination and possible criminal charges.

NOTE: SECTION 42-11-14.2 OF THE GENERAL LAWS makes it unlawful for any employee of the state, or his/her designee, to use or permit others to use state-issued PCARDS for personal use. Any person who violates this law shall be liable for a civil penalty equal to three times the value of the unlawful use, plus an amount not to exceed \$10,000. The penalty shall be assessed and recovered in a civil action brought in the name of the people of the State of Rhode Island by the Attorney General. If two (2) or more persons are responsible for any violation, they shall be jointly and severally liable for the penalty. If the action is brought by the Attorney General, the moneys recovered shall be paid into the General Fund. Nothing in this section shall prevent the Attorney General from pursuing criminal charges against any person who violates the policies and procedures established pursuant to this section.

Sales Tax

If a Cardholder is found to have paid sales tax on tax exempt purchase, the PCARD may be suspended until the Cardholder has been reimbursed by the vendor. If the Cardholder fails to get reimbursement on three or more purchases, the PCARD privileges will be terminated and the card will be revoked. If a vendor will not accept URI State Tax Exemption, please notify PCARD Administrator.

Receipts

Proper documentation and record retention are imperative to the success of the PCARD Program. If a Cardholder is found to be missing invoices/receipts, quotes, etc., the card may be suspended until the Cardholder can produce the required documents. If a secondary receipt cannot be obtained from the vendor, a *Missing Receipt Form* must be completed for each lost receipt. This form must be approved by the Associate Controller or Manager of Accounting. If the Cardholder continuously fails to keep receipts, the card will be revoked.

Restrictions / Non-Allowable Expenditures

If PCARD is utilized to purchase or attempted to purchase restricted or unallowable items; depending upon the circumstances of the purchase, the card can be revoked immediately.

Monthly Reconciliation Submission

Failure to reconcile and submit the reconciliation package by the monthly due date without contacting the PCARD Administrator in advance will result in the following:

- First and second offense: the card will be suspended until the reconciliation has been completed.
- Third offense: the card will be revoked.

Irresponsible Card Management

Multiple offenses in different categories will result in card suspension pending a review.

APPENDICES

I. Using the PCARD for Grant Purchases:

Grant Purchases Checklist:

- Grant purchases are permitted provided that the item purchased is an allowable charge against the grant. Please refer to [Direct and Indirect Costs for Sponsored Projects Policy](#);
- The PCARD cannot be used for charging departmental costs to a grant account;
- Grant purchases must be made in accordance with the restrictions, terms and conditions of the grant;
- The grant account cannot be used as a clearing account for card purchases;
- The PeopleSoft chartfield assigned to the purchase must be appropriate;
- When placing an order against a grant account, the "received date" must be within the terms of the grant or contract. Caution should be used when ordering supplies toward the end of the award, since they should be utilized during the term of the award;
- A direct benefit must be shown for all card purchases made against a grant account;
- **All grant purchases/transactions require a brief note / justification in the PeopleSoft Procurement Cards Module explaining the purchase/transaction being charged to the grant. Or, scan receipts attached to transaction in PeopleSoft.**
- When purchases cannot be properly documented as allowable against the grant, the charge will be moved out of the grant account and will be charged against the alternate account indicated on your PCARD Application;
- Any questions on grant purchase should be directed to [Office of Sponsored Projects](#).

II. Using the PCARD for Travel:

An approved travel addendum will be required before any travel exceptions can be granted with the exception of Conference Registrations. Currently the use of the PCARD for travel expenses with the travel addendum is limited to official University of Rhode Island business only, which includes lodging, international travel insurance, immunizations, automotive rentals, railroad, taxis, ferries, local/suburban transportation (subways, bus, etc.), fuel (rental vehicles ONLY), parking and tolls.

The process begins with an approved Travel Authorization Request (TAR). It is at this point the traveler and his or her Dean, Director or Department Head, as applicable, discuss how the travel costs are to be paid. If the PCARD is deemed acceptable as the payment method the following procedures should be followed.

1. Prepare the TAR according to the URI Travel Procedures, include allowable items to be paid with the PCARD, clearly note to be paid *with PCARD*, and obtain all required signatures.
2. Once the TAR is approved, allowable expenses can be charged using the PCARD.
3. Within 10 business days of completion of travel, prepare your TEV, include all documentation as required by the URI Travel Policy and note all expenses *paid with the PCARD, and name of cardholder if not your own card*.
4. The TAR number must be entered in PeopleSoft in the Reconcile Statement Screen/Procurement transactions. A copy of the approved TAR should be included in the PCARD reconciliation package. [page 72-73 of the PCARD Training Presentation \(for NEW PCARD users\)](#)

The failure to follow the above procedures will result in the loss of the Cardholder's privilege to use the PCARD in the future.

NOTE: separate costs, in conjunction with the event, i.e., golf outings, tours and other extraneous costs, which are not included in the registration fee, are not allowable to be paid with the PCARD.