



Policy No: **103.00**
 Revision No: **5**
 Effective Date: 12/5/2014

UNIVERSITY POLICIES & PROCEDURES

Category:	Financial
Title:	PROCUREMENT CREDIT CARD - USE OF
Applicability:	Thomas Jefferson University (TJU), Jefferson University Physicians (JUP)
Contributors/Contributing Departments:	

PURPOSE

To establish the policies related to the proper use of the Thomas Jefferson University Procurement Credit Card.
ROLES:

- 1. Cardholders.** Only those Jefferson employees who have: (a) completed an application to be a Cardholder; (b) signed the Procurement Credit Card Cardholder Agreement describe below in Policy Paragraph 3; and (c) successfully completed initial and ongoing training, as required by Thomas Jefferson University, including training required by the Office of Research Administration (“ORA”) if the Cardholder will be charging sponsored programs, may be a Cardholder.
- 2. Approver.** An Approver is a Jefferson department employee who has been given signature authority. For use with sponsored programs (payment using 08X), approvers will be from RACE (Research Administration Center of Excellence) Principal Investigators and other scientific personnel may not be Approvers.

POLICY

- 1.**The Procurement Card is not to be used for payment of *items or services that are available through Jefferson Supply Chain Management system(s). Users are responsible for checking Supply Chain prior to using the Procurement Card.*
- 2.**The Procurement Card must be used for all other purchases up to \$2,500, except for those goods or services outlined below. Any Request for Payment or Request to Purchase submitted for eligible Procurement Card purchases will be returned to the initiator unless documentation is attached denoting that the vendor does not accept credit card payment.
- 3.**All Cardholders must sign and accept the terms and conditions of the Jefferson Procurement Credit Card Cardholder Agreement Form (see Attachment 1).
- 4.**All purchases processed with a procurement credit card must be made by the individual to whom the card is issued.
- 5.**The procurement credit card cannot be used for the following transactions unless otherwise approved by TJU Vice President for Finance/CFO or TJUH Senior Vice President for Finance:
 - o Alcoholic beverages

- o **Animals**
- o **Annual contract maintenance**
- o **Cash advances**
- o **Catering services where a signed contract is required**
- o **Consulting services**
- o **Entertainment (e.g. restaurants)**
- o **Equipment purchase or lease in excess of divisional capital equipment threshold; see TJU Policy Number 103.08 or TJUH Policy Number 106.09**
- o **Inventory items (stocked in Hospital Storeroom)**
- o **Leasing**
- o **Items for personal use**
- o **Phones (cellular/mobile) and related charges**
- o **Prescription drugs and controlled substances**
- o **Radioactive chemicals/materials**
- o **Travel (e.g. hotel, airlines, rental cars, automotive gasoline and tolls)**
- o **Utilities**
- o **Internal Purchases from Medical Media Services, Catering or any transactions that should be settled using the Interdepartmental charge process.**
- o **Computer hardware meeting the capital threshold standards TJU, Policy Number 103.08 and TJUH, Policy Number 106.09 (all computer equipment purchased with the P-card must meet Information Services & Technology standards).**
- o **In addition, all policies related to direct charges to sponsored programs accounts shall apply.**

6.All purchase transactions for non-restricted commodities cannot exceed the \$2,500 (cost of goods/services including all delivery, shipping and/or special handling charges) per transaction limit. All purchases in excess of \$2500 per transaction must be processed via the Supply Chain Management Systems.

7.Any requests for exception from any of the restrictions identified in item 5 above must be justified in writing and approved by the University Vice President for Finance/CFO or the Hospital Senior Vice President for Finance, and ORA if applicable. Such approvals must be renewed with each credit card renewal.

8.Purchases must be for the use and benefit of Jefferson. No personal purchases are permitted at any time.

9.A Paper statement will not be issued/mailed to the cardholder or department. Reconciliation will be completed using the on-line reconciliation system.

10. By the 25th of each month, each Cardholder must reconcile their transactions. Cardholders must access their account at www.paymentnet.com to review and approve each transaction. If necessary, the Cardholder can perform charge code changes or add transaction notes to document the purpose and/or basis of split charge codes at any time prior to payment, but not after payment. If reconciliation has not been performed prior to payment processing, the Cardholder and their supervisor will receive an e-mail reminder that reconciliation needs to be performed. It is critical that the Cardholder reconcile the transactions and the Cardholder's supervisor approves the reconciliation. Failure to reconcile or approve transactions for two periods within any 12 month period will result in the suspension of card privileges. All charges must be approved by 12:00 p.m. on the last business day of the month.

- o **Disciplinary Action for Cardholders related to reconciliation and approval**

1.Card privileges will be revoked after failing to reconcile for two periods within a 12 month period. The employee will be precluded from any procurement responsibilities, including preparation of Request for Payment or Request to Purchase forms. Accordingly the

Department must assign cardholder responsibility to another employee.

2.Reinstatement requires a memo request from a Senior Officer indicating approval of the Department's plan (attached to memo) outlining their internal processes and procedures to ensure timely reconciliation going forward.

o Disciplinary Action for Approvers related to reconciliation and approval

1.After-the-fact approval is required of every transaction. Departmental identification of an Approver who is an approving official who has signature authority and is able to access the PaymentNet system on frequent basis is critical. Failure to approve the transaction for two periods with any twelve-month period will result in the suspension of an Approver's approval privileges.

2.Reinstatement requires a memo request from a Senior Officer, indicating approval of the Department's plan (attached to memo), outlining their internal processes and procedures to ensure timely approval going forward.

- 11. Each Procurement Card will be issued with a default departmental (non-08X) charge code assigned to the Card. The Cardholder may re-allocate charges at any time prior to the monthly cut off established for reconciliation purposes. The re-allocation is done on-line using the PaymentNet system.**
- 12. There can be no re-allocation of charges *through journal entry, Interdepartmental Transfer, or transfer request* once the reconciliation period has passed. In the event that charges must be re-allocated, a memo must be provided to the Accounts Payable Department with Senior Officer Approval and/or in the case of Grants, ORA approval utilizing *only* the cost transfer mechanism *through Accounts Payable*. *An IDT is not acceptable*. Excessive requests to re-allocate charges after the reconciliation period as defined in Section 8 above, will result in the suspension of card privileges.**
- 13. Procurement cards will not be distributed until the completion of Payment Net Training by both Cardholders and Approvers, and other training as deemed necessary by Jefferson, including ORA. Training can be completed by attending a group training class or viewing the on-line Tutorial. Training classes are regularly scheduled by Supply Chain Management and Accounts Payable. The Payment Net Training Tutorial is available on the web at https://jeffnet.tjuh.net/tjuh4/supply_chain_management/index.cfm?fuseaction=content.displayMain&id=3027#Procurement_Card_Policy. It is necessary to logon to the Jefferson Pulse Campus Portal utilizing your campus key. Select the Organization Tab, and then select Procurement Card Information. This tutorial is a prerequisite for formal training, facilitated by the Procurement Card Administrative Team.**
- 14. Procurement cards will not be distributed until the completion of the HealthStream training. Health Stream training should be completed on an annual basis. If the training is not completed, the procurement card and access to payment net will be revoked until training is completed.**
- 15. For 08X accounts, RACE (Research Administration Center of Excellence) will maintain documentation; however the cardholder must send RACE the documentation to maintain. For non 08X accounts, it is the Cardholder's responsibility to maintain adequate documentation in the department. Adequate transaction documentation includes item(s) ordered, price of ordered item(s), delivery address, vendor, and business purpose of the transaction, for all transactions for seven (7) years. Documentation must have proof of order, proof of payment and appropriate allocation across grants for purchases on 08X accounts. All Cardholders are subject to internal and external audit. In the event that storage capacity becomes an issue,**

the department may arrange for the delivery of documents to the Accounts Payable Office on an annual basis. All documents must conform to the standard retention requirements as outlined in the User Manual. In the event that adequate supporting documentation cannot be produced upon request, any such charges to 08X accounts must be cost transferred to a non-sponsored programs account; any such charges to any other account will be considered a personal expense. Both must be repaid to Jefferson..

- 16. **It is the Cardholder's responsibility to report the loss of the card immediately to JPMorgan Chase at 1-800-270-7760 and the Procurement Card Administrator at 215-503-3384. Should the loss be noted after normal business hours, the Procurement Card Administrator must be notified immediately on the next business day.**
- 17. **It is the Cardholder's responsibility as an agent of Jefferson to ensure proper use of Jefferson's tax exempt registration number. If a sales tax charge is incurred, it is the Cardholders responsibility to obtain credit from the vendor.**
- 18. **It is the Cardholder's responsibility to attempt to resolve a dispute with the vendor within thirty (30) days of receipt of a disputed purchase. If a resolution is not possible, the Cardholder must report the problem to JP Morgan through www.paymentnet.com.**
- 19. **Fraudulent use of the Procurement Card and/or intentional violation of this policy will result in disciplinary action in accordance with the procedures established in the Procurement Credit Card Cardholder Agreement Form (see Attachment 1).**
- 20. **This policy is to be reviewed for update annually.**

Attachment 1: [Cardholder Agreement Form](#)

Revision Date(s): 11/30/2003,06/22/2004, 05/24/2006, 03/31/2011,12/05/14

Review Date(s):

Responsibility for maintenance of policy: Associate Vice President/Treasurer & Vice President for Supply Chain Management

(Signature on File)

Approved by:
 Al Salvato
 Senior Vice President, Finance, Chief
 Investment Officer

(Signature on File)

Approved by:
 Robert Burkholder
 Vice President, Supply Chain Management