



Pcard Program
User Manual

For Approving Officials and Cardholders

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Section 1: Introduction & Overview

A. Overview

Welcome to Rice University's Pcard ("card" or "Pcard") program. The Pcard is the University's preferred method for purchasing and paying for goods and services costing less than \$3,000. Items \$3,000 or more cannot be purchased with the Pcard and must be purchased through Rice MarketPlace.

The Pcard is a corporate liability card issued in an employee's name. This is a benefit to the employee as Rice directly makes payment to the card issuer eliminating the need for an employee to use his/her personal card and then seek reimbursement.

Rice University paid faculty, staff and certain students responsible for making purchases on the University's behalf are eligible for a Pcard. Four profiles of cards are available.

- Non-travel
- Non-travel combined with Travel/Entertainment
- Travel/Entertainment
- Custodial/Department Card

B. Roles and Responsibilities

JPMorgan Chase, NA - Card Issuer

Commercial Card Services
2500 Westfield Drive, Mail Code 1L-6225
Elgin, IL 60124
Customer Service Department - (800) 316-6056

Cardholder

- Secure reasonable prices on behalf of the University;
- Ensure that all purchases made with the card are for the use and benefit of the University;
- Report immediately, the loss or theft of the card to JPMorgan Chase, the Pcard Administrator, and the Rice Police Department (if lost or stolen on campus);
- Ensure Texas state sales tax is not charged on University related Pcard transactions. For your convenience, Rice's federal tax exempt number is printed on the front of the card;
- Provide (in conjunction with your '**Concur Delegate**' if applicable) complete documentation for all purchases made with the card within 30 days of expenditure;
- *Reallocate* all charges made on the card to the appropriate fund/org/expense type (account code) *in a timely manner*;
- Attempt to *resolve* any *disputes* with the vendor *as soon as possible*. If resolution with the vendor is not possible, see Section 6C for further information regarding contact with JPMorgan Chase and the Pcard Administrator. **NOTE: If JPMorgan Chase is not notified within 60 days of a questioned item's transaction posting date, the cardholder risks the loss of his/her right to dispute the transaction.**
- Submit an expense report within 30 calendar days after a completed travel, business meeting or entertainment event.

*A traveler or user can assign a Concur Delegate to assist in monitoring & reallocating card transactions timely to ensure that required card documentation is available in Concur and can withstand the scrutiny of an audit/review. However, the **cardholder** must submit the report.

IT IS IMPORTANT TO REMEMBER THAT REGARDLESS OF HOW THE CARDHOLDER CHOOSES TO USE OR NOT USE A DELEGATE IN THE PROCESS, IT IS ULTIMATELY

THE CARDHOLDERS RESPONSIBILITY TO ENSURE THAT ALL EXPENSES ARE RECONCILED PROPERLY AND IN A TIMELY FASHION.

Approver

- Approve card for only those paid faculty, staff and certain students that have a valid need to purchase goods, services or travel/entertainment and who are anticipated to spend more than \$1,000 per year;
- Ensure the coding (fund/org, and account number(s) for transactions posting on Concur expense reports is appropriate;
- Review required documentation for each transaction;
- Ensure expense reports are submitted and approved within 30 calendar days for each card charge unless the charges are for a future trip/event and are noted in the header trip end date field of the Concur expense report;
- Recover, in cooperation with Human Resources and/or the Pcard Administrator, any card issued to an employee that terminates or is transferring to another department; and
- Encourage appropriate use of the card to all faculty and staff within his/her home department.

Rice University Controller's Office

The Controller's office works directly with the card issuer and is responsible to ensure that the pcard program operates within the parameters of the IRS accountable plan rules. In this role, the Controller's office has the authority to suspend or revoke individual's cards.

Payables - Processes applications, distributes cards, provides information or data as requested and monitors uncleared card charges.

Current Funds - Performs compliance reviews on card purchases.

Section 2: Card Usage

A. Inappropriate Use of the Pcard and the Consequences

Intentional misuse/abuse of the card will result in suspension/revocation of card privileges and may include further disciplinary action up to and including termination of employment. Additionally, taxable income may be reported on an individual's IRS W-2, Wage and Tax Statement.

B. Allowable and Unallowable Purchases

Non-travel

The Pcard may only be used to make purchases less than \$3,000 (including shipping & handling costs). This limit may be lower depending upon the purchasing authority of the cardholder.

Splitting transactions is not allowed. Dividing a large transaction into smaller dollar amounts to circumvent the individual's limits is *not* allowed. Intentionally splitting a transaction to avoid the \$3,000 is considered Inappropriate Use of the Pcard in accordance with Section 2, A. above.

Restricted Transactions (unallowable purchases with the card) are:

- personal purchases of any kind;
- radioactive materials;
- controlled substances;
- animals for research;
- Amazon prime memberships (Rice has a university membership)

- purchases deemed as restricted by the University's Purchasing Policy. http://professor.rice.edu/professor/Guidelines_and_Procedures6.asp

Travel/Business Meeting/Entertainment (TBME):

The card may only be used for University related expenses.

Restricted transactions (**unallowable** for purchase via the card) are:

- cash withdrawals (ATM machine);
- personal items;
- personal travel or entertainment; and expenses noted as unallowable for reimbursement in the University's Travel, Business Meeting and Entertainment Expense Policy and Procedures. http://professor.rice.edu/professor/Guidelines_and_Procedures6.asp

Section 3: Obtaining a Card

A. Application and Approval process

The following outlines the steps to obtain a card.

- Complete a cardholder application including obtaining the necessary approval signatures. (The form is available in the Forms section of the Controller's Office website - <http://professor.rice.edu/professor/Staff5.asp>)
- Return the completed application to Payables.
- Complete the required on-line Pcard training
- Pcard pickup by cardholder. This includes reviewing and signing the Cardholder Agreement, receiving and activating the Pcard and reviewing the cardholder's limits, appropriate use of the card and accounting for the charges).

The University has default settings for all cards regardless of user. Changes may be made to these settings for extenuating circumstances; however, the Approving Official must discuss this with Payables prior to the card being issued:

Non-travel

- 5 Transactions per day
- 20 transactions per billing cycle
- \$3,000 single purchase limit

Travel & Entertainment

- 20 transactions per day
- 100 transactions per billing cycle

B. Card Security

It is the responsibility of the cardholder to ensure the security of the Pcard. This should be treated in the same fashion as the cardholder would treat his/her own private information. The cardholder will be permanently removed from the Pcard program if they allow any non-Rice person to use the card for any purpose.

At a minimum, please consider the following:

- Keep the card in a secure location and guard account numbers carefully.
- **DO NOT** post or write the card number any place that is easily accessible by others.
- **DO NOT** email the credit card number.

The Cardholder whose name is listed on the card bears the responsibility for purchases charged to the card.

Section 4: Using the Card

The Cardholder is responsible for any charges on his/her card. The cardholder or their delegate is responsible for ensuring receipt of materials and for following up with the vendor to resolve any issues, discrepancies, or claims involving damaged goods.

Note: Funds are not encumbered when using the Pcard.

A. TBME Policy, Payment Policy and Procedures

All purchases and payments must comply with the RICE TBME policies and procedures. Those documents are available on the Controller's Office/Payables/Payment Solutions website or the Concur blog. Please refer to http://professor.rice.edu/professor/Guidelines_and_Procedures6.asp or <http://concur.blogs.rice.edu/>

B. Sales Tax Exemption

Rice University is exempt from paying sales tax in the state of Texas when it is the direct purchaser and payer of record. Rice's tax-exempt status extends only to certain student clubs or organizations – if you have any questions please contact Disbursements ext. 3432 or disbmt@rice.edu.

For inter-state purchases, the following applies:

- If a product is purchased outside of Texas and delivered to an address within Texas, Texas sales tax **may** be charged.
- If a product is purchased in Texas and delivered to an address outside of Texas, Texas sales tax **will be** charged.

It is the responsibility of the cardholder to ensure that Texas State Sales Tax is not charged. It is also the cardholder's responsibility to obtain a credit from the vendor if this tax is charged.

C. Accounting for Pcard Expenses

All items charged to a Pcard must be accounted for and reconciled within 30 calendar days after purchase or within 30 days of the completion of a trip or event for purchases involving a future dated trip. Failure to do so within 45 days will result in the Pcard being suspended; the third suspension for this violation will result in a permanent revocation of card privileges. Failure to account and reconcile within 60 calendar days may result in income being imputed to the cardholder – for which they will owe taxes.

All charges must be submitted on a Concur expense report on a monthly basis for cardholders that regularly use their Pcard. Cardholders with less frequent activity (one or two charges) may accumulate their charges into one report every two months.

Please note, due to the cost of processing, no expense report should be submitted for less than \$50.00. Expense reports under \$50 will result in charge back to the department for the cost of processing – currently \$10. Reports under \$50 held for two months will **NOT** be considered a late submission as discussed above.

The Pcard holder is responsible for providing the appropriate department personnel with trip/event/non-travel expense information and all required detailed receipts. The cardholder must submit or certify the expense report accepting the attestation that expenses are appropriate and that they comply with University policies and procedures.

Once the Concur expense report is completed, submitted and approved, the original receipts, if retained, may be discarded.

Section 5: Reconciliation of Pcard Transactions

A. Notification of Card Transactions

Pcard transactions are downloaded into the Banner finance system on a daily basis. They are also sent via secure transmission to Concur one to two business days after the download into Banner.

As the card issuer processes charges, the Cardholder and Approving Official (or Approving Official's designee) and any additional cardholder reviewers receive email notifications of the purchase transaction. The email notification will include:

- listing of each transaction including vendor name and purchase amount
- default accounting information (fund/org/account coding)
- Banner document number.

It is possible to add additional reviewers to the email notification process for a specific Purchasing Card by contacting the Pcard staff via email at payment@rice.edu

As email notifications are received, charges must be reviewed to determine if the charge is reasonable and that the default fund/org coding is correct for the expense. Charges must be reallocated via the Concur system. **The email notifications that occur when charges are made is a very important financial control step to ensure that charges are appropriate for University business.**

B. Verifying and Tracking Transactions, includes Pcard receipt requirements

Appropriate documentation should be kept for certain card transactions.

- Detailed receipts (regardless of dollar amount) are required for hotel, airfare, rental car, and entertainment or alcohol expenses.
- Detailed receipts for Pcard charges, not in the above categories, equal to or greater than \$75 are required to be submitted for all other transactions.

For some transactions, the vendor name on the receipt will not match the vendor name noted on the email notification. For example, the vendor, Fisher Scientific, might appear on email notification as "FSS HUS 011...."

In these instances, verify the transaction amount and billing date between the two references. In many cases, additional information will be available on packing slips or other documentation related to the purchase. If the cardholder is still unable to identify a transaction, the transaction should be disputed following the procedures noted in Section 6C.

C. Viewing Pcard Transactions in Banner

Once an email notification of a Pcard transaction has been received, authorized Banner users will be able to access and review the transaction on-line. Monthly Banner financial reports will include all Pcard transactions belonging to the specific fund and organization. Individual card history can be viewed through the web-based Banner "Purchasing Card Transaction History."

NOTE: *Pcard transactions (including Concur) in Banner are easily identified by the first two or three letters of the Banner document number. Documents beginning with the letter codes noted below identify specific types of Pcard transactions.*

- IP or IPB (purchase/expenditure; non travel/entertainment)
- CP (credit or return; non travel/entertainment)

- IT (purchase/expenditure; travel/entertainment)
- CT (credit or return; travel/entertainment)
- CON (Concur journals)
- IE (Concur expense reimbursements processed by payables for users not on Concur's direct deposit)

Section 6: Returns, Credits and Disputed Items

Most exceptions or issues can be resolved directly with the vendor, so it is important to contact the vendor for resolution as soon as possible. If the dispute cannot be handled directly with the vendor, JP Morgan Chase should be contacted. However, if they are not notified within 60 days of a questioned item's posting date, the cardholder might risk the right to dispute the transaction.

A. Returns and Credits

It is the Cardholder's responsibility to make sure that the proper credit is received for returns and that any original documentation regarding the credit is attached to the expense report.

B. Disputes

For items that cannot be resolved directly with the vendor or for any charges appearing on the monthly statement that do not belong to the Cardholder, contact a JPMorgan Chase Service Representative at (800) 316-6056.

- Contact must be made with the Pcard Administrator or JPMorgan Chase within 60 days of the transaction date in order to be disputed.
- During the investigation, a temporary credit will be issued to the Cardholder's account for the amount questioned.
- Upon completion of the investigation, the bank will notify the Cardholder of the resolution or credit the account.
- If the dispute is not settled in the Cardholder's favor, the Cardholder's account may be charged for the disputed amount.

Section 7: Lost/Stolen Cards and Card Cancellations

A. Lost or Stolen Cards

Immediately notify:

- JPMorgan Chase at (800) 316-6056 (open 24 hours/day; 365 days/year);
- Rice University Police, ext. 6000 (if lost or stolen on campus); **AND**
- Pcard Administrator (ext. 6708).

NOTE: *If the Cardholder has a card stolen or notices the Pcard missing outside of normal business hours, contact the Rice Police (ext. 6000) immediately. The Police Department is open 24 hours a day and can supply the Cardholder with the JPMorgan Chase phone number. Additionally, you must notify the Pcard staff on the following business day.*

The cardholder is responsible for all charges against the Pcard until JPMorgan Chase is notified of the loss or theft by the Cardholder.

Once JPMorgan Chase is notified, the Pcard will automatically be suspended and a new card will be sent to Payables staff for distribution to the Cardholder.

B. Cancellation and Return of a Card

The Card must be surrendered by the Cardholder if/when the Cardholder:

- terminates employment with Rice;
- transfers to another campus department (to receive a Pcard for a different position on campus, a new card application must be completed); and/or
- has abused purchasing card privileges.

In the cases noted above, the Pcard should be given to the appropriate Department or Human Resources personnel.

All returned cards should be forwarded to the Pcard Administrator.

Section 8: Contact Information

A. JPMorgan Chase, NA Customer Service

Pcard Customer Service Department
Phone: (800) 316-6056
Fax: (847) 497-8298
(Monday through Friday; 7:00 AM to 7:00 PM CST)

B. Rice Pcard Program Contacts

Barbi Huggins
Pcard Administrator
Payment Solutions (MS 77)
Phone: ext. 6708
Fax: ext. 6701
Email: bhuggins@rice.edu

Samia Davila
Pcard Assistant
Payment Solutions (MS 77)
Phone: ext. 6713
Fax: ext. 6701
Email: sdavila@rice.edu

C. Travel / Business Meeting / Entertainment Expense Policy and Procedures Questions, including training on the Concur system

Regina Diaz
Training Coordinator
Payment Solutions (MS77)
Phone: ext. 6715
Fax: ext. 6701
Email: regina.r.diaz@rice.edu

D. Payment Policy and Procedures Questions

Patricia Gaylord
Payment Solutions Manager
Payment Solutions (MS 77)
Phone: ext. 6707
Fax: ext. 6701
Email: pgaylord@rice.edu