PRATT INSTITUTE

PROCUREMENT CARD (P-CARD)
POLICIES AND PROCEDURES USER MANUAL

The Procurement Card Policies and Procedures User Guide provides a detailed account about the Purchasing Card program. This Guide will be updated and changed as necessary.

Rev. 01/09/2020

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INTRODUCTION

Welcome to the Pratt Institute Procurement Card Program (P-Card). The P-Card is a payment tool, which allows employees and departments to charge travel related business expenses and to make *certain* transactions without having to submit a requisition for the issuance of a purchase order.

The P-Card is intended to be used by authorized staff. It is NOT an authorization to extend employees/departments purchasing ability to acquire items previously unauthorized by policy or procedure. The Controller's Office and Purchasing Department will be monitoring transactions for violations and may set additional restrictions for use. This manual will serve as the guideline when using your P-Card.

Cardholders must adhere strictly to the P-Card policies and procedures which are in compliance to Pratt Institute's current purchasing policies and procedures set forth by the Controller's, and Purchasing Departments.

The procurement card is to be used for Pratt Institute business only, and should be closely monitored by the cardholder and the supervisor. It should not be considered as a means to circumvent the requisitioning and approval process.

P-Cards cannot be issued to students, clubs, volunteers, or temporary employees.

Individuals who fail to comply with this policy and all associated procedures may result in card suspension, or cancellation.

PURPOSE OF THE GUIDE

The purpose of this manual is to provide guidelines for the issuance and use of the P-Card and ensure that sufficient controls are in place to mitigate risk. Responsibility for financial control of the use of the procurement cards rests with each cardholder or administrative unit.

P-Card Goals:

The P-Card program provides an efficient, cost effective method of purchasing and paying for small dollar transactions, and travel related business expenses per the travel policy. The program is designed to reduce numerous processes including petty cash, cash advances for travel, paying on-line purchases, and small-dollar purchase orders (up to $500 per transaction).

- The P-Card is similar to a standard charge card, except payment is made by the Institute (and charged back to the department on a monthly basis).
- The P-Card allows you to purchase goods and services directly from vendors. Used solely for the purchase of non-capitalized equipment (less than $5,000), supplies and services (up to $500).
- The P-Card allows you to use the card for Institute travel related expenses.
- Each card is the property of the Institute and is to be used ONLY for Institute purchases as defined in this document.

POLICY GUIDELINES / CARDHOLDER RESPONSIBILITIES

New Accounts/Applying for P-Card:

New cardholder requests should be sent via email to the Program Administrator, Bing Fraser (bgwie@pratt.edu), by filling out the "Application Form" attached at end of the policy. All cards are to be issued at the request of your immediate supervisor.

The maximum credit limit is $3,000. If the request is above $3,000, an email from the Supervisor should be sent to the Controller, Tom Nawabi (tnawabi@pratt.edu), explaining the additional request, and cc: Program Administrator, Bing Fraser (bgwie@pratt.edu).

Once approved, the Program Administrator will e-mail the cardholder to make an appointment to retrieve the P-Card and for training on the online tool "SmartData". The cardholder must register in SmartData within two days of the issuance of the P-Card to avoid cancellation of their JP Morgan Chase Procurement Card.

Training:

Training is provided to individuals when a new card is issued. The session will take approximately 30 minutes. For additional training sessions or to be re-acquainted with the processes please contact the Program Administrator.

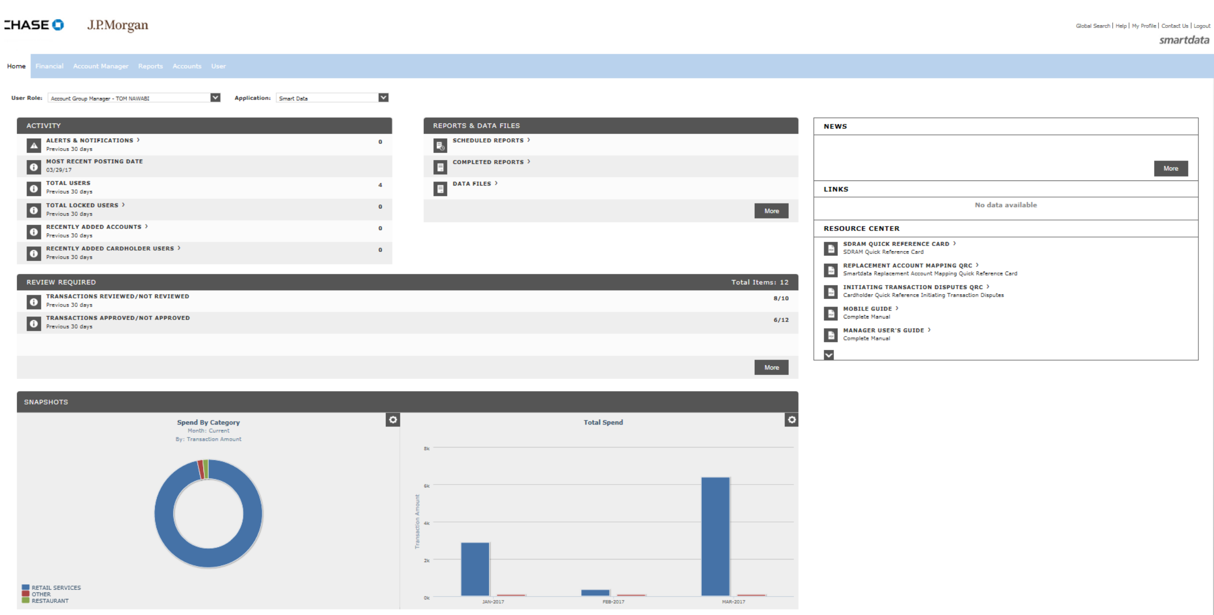
Registering on SmartData:

Click on the link: [SmartData]

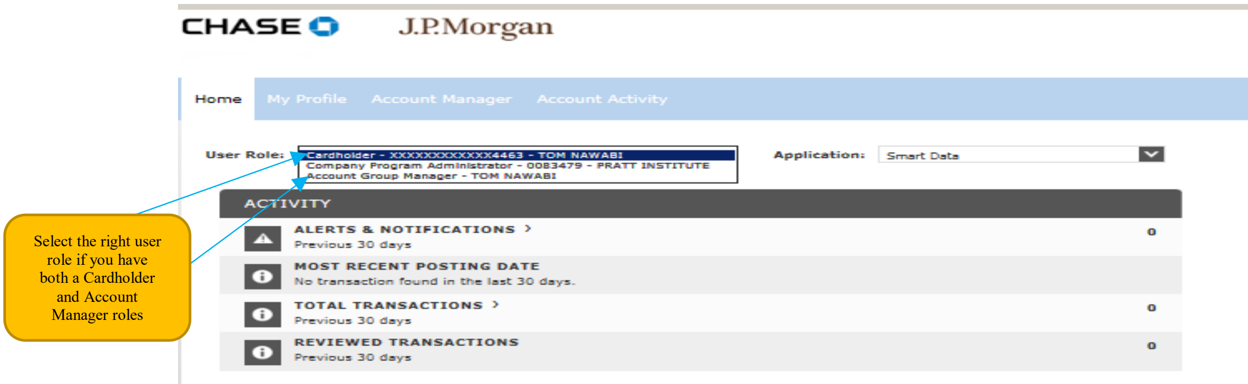
The site appears as follows:

Click on "Cardholder Self-Registration" as a first time registrar and follow the instructions. The Company Registration Code is 112051. The Account Number is your Credit Card Number - enter and follow the instructions.

The following sample screen shows the Home page for cardholders.



You may have multiple roles. One as a Cardholder and one as an Account Manager (Supervisor). Please make sure you select the right user role from the "User Role" dropdown box in the home page top left of the screen when navigating in SmartData.



Using the Card:

You are the only person authorized to make purchases using your card. Follow proper internal procedures specific to your department to obtain authorization to make a purchase.

The P-Card is for Pratt Institute business only. It will be monitored on a weekly basis, and should be used solely for the purchase of non-capitalized equipment, supplies and services. ***The P-Card should not be considered as a means to circumvent the requisitioning, approval, and purchasing process.*** Personal purchases are not allowed. Cards may be restricted or rescinded at any time for non-compliance to policy guidelines and inappropriate usage.

IMPORTANT: ***Before making a purchase, verify your P-Card's available spending limit by going to your SmartData account to avoid getting declined due to insufficient funds. Vendors must be informed that Pratt is tax exempt and not subject to NYS sales tax. The NYS tax exempt number is indicated on the front of your card. Review order with vendor for accuracy before providing card information.***

Examples of allowable purchases:

- Airfare (if airfare booked outside of Campus Travel)
- Lodging
- Car rental (if not covered by Pratt corporate accounts)
- Catering charges, excluding alcohol
- Conference registration fees
- Copying and duplication services
- Dues and memberships
- Mailers, shipping, courier companies
- Office supplies/materials
- Publications
- Subscriptions

Receipts Requirements:

Original receipts are required for all transactions charged on the P-Card. This includes, but is not limited to, conference itineraries, hotel invoices, rental car payments and any other travel-related purchases (incidental out of pocket expenses not charged on P-Card for travel may be totaled in reasonable categories without receipts as long as the total is under $25 e.g., parking, telephone calls/internet or taxi/shuttles. Out of pocket expenses can be reimbursed via eforms covered on page 19). *Receipts include charge slips, cash register receipts, printouts of e-mail or web page transaction confirmations and subscriptions, the original renewal notice or initial subscription request is a receipt.*

The SmartData system is set up to require receipts for all transactions. Receipts must be scanned and uploaded to your Chase SmartData account that identifies each transaction. The budget code must be entered for each transaction (instructions covered in next topic).

For international travel, it is the responsibility of the cardholder to inform Chase (the phone number is on the card) regarding the destination as well as the travel date to avoid problems for use of the card abroad. For international exchange fee charges on your P-Card, scan the original receipts associated with the international charges and upload to SmartData (the exchange fees should be charged to 79595 – Credit Card Fees).

Missing Receipt Affidavit (MRA):

Cardholders who lose receipts required by this policy must submit completed, signed MRA (at the end of the manual). Please upload the MRA in SmartData in lieu of the vendor's receipt. The MRA must be used as exceptions, not on a regular basis.

Receipts Upload and Inputting Budget Codes:

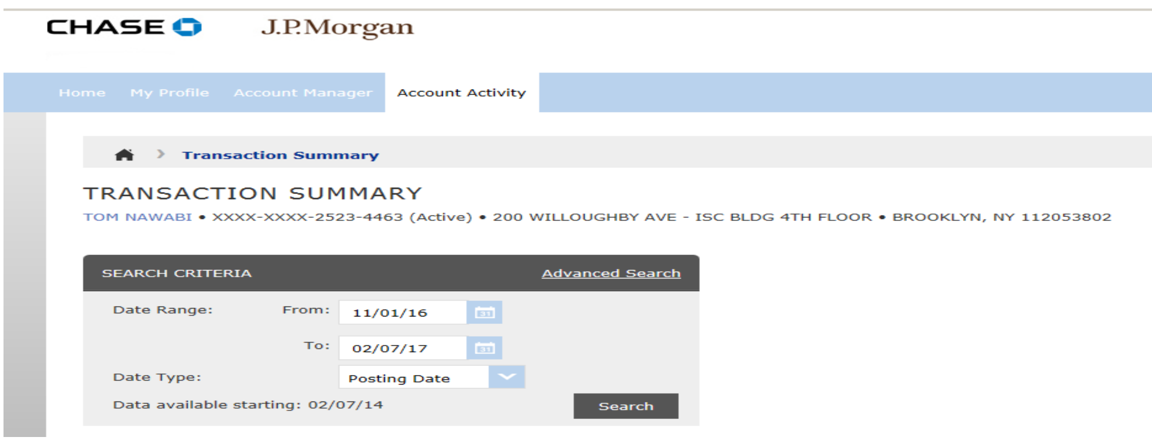
The cardholders should upload their receipts, review their card activities, and enter the budget code as well as expense description related to the purchase on a weekly basis. After the cardholder reviews their transaction, the supervisor will then need to approve the activity on the employees P-Card in SmartData on a monthly basis.

Receipts are critical to the integrity of the purchasing card program. Each cardholder must obtain and keep a receipt for each card transaction. These receipts must show the detail of each transaction. If receipts are lost or not available, please complete the MRA at the end of the manual.

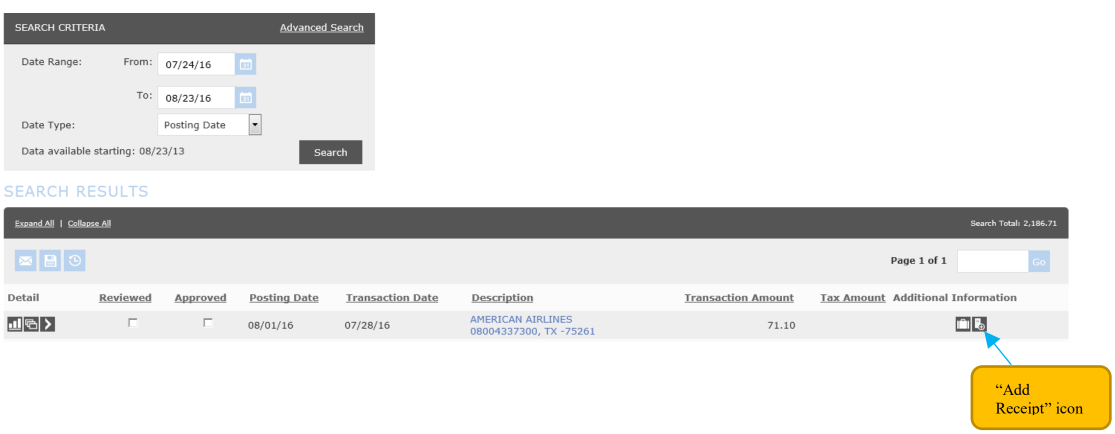
Procedure for the Cardholder to upload receipts, and input budget code to SmartData:

Scan the receipts by using scanner.

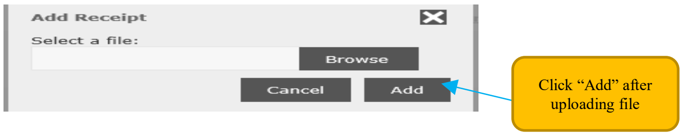
1. At the top of the page, select **Account Activity** > **Transaction Summary**.
   The Transaction Summary search screen appears.



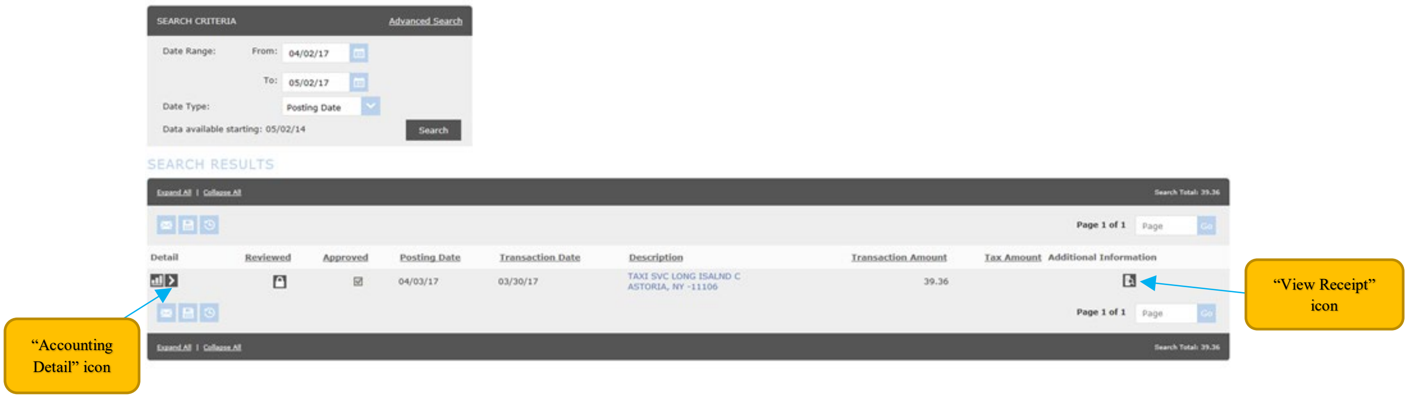
2. In the Search Criteria section, specify the date range to search by.
   The system looks for all transactions within the date range.



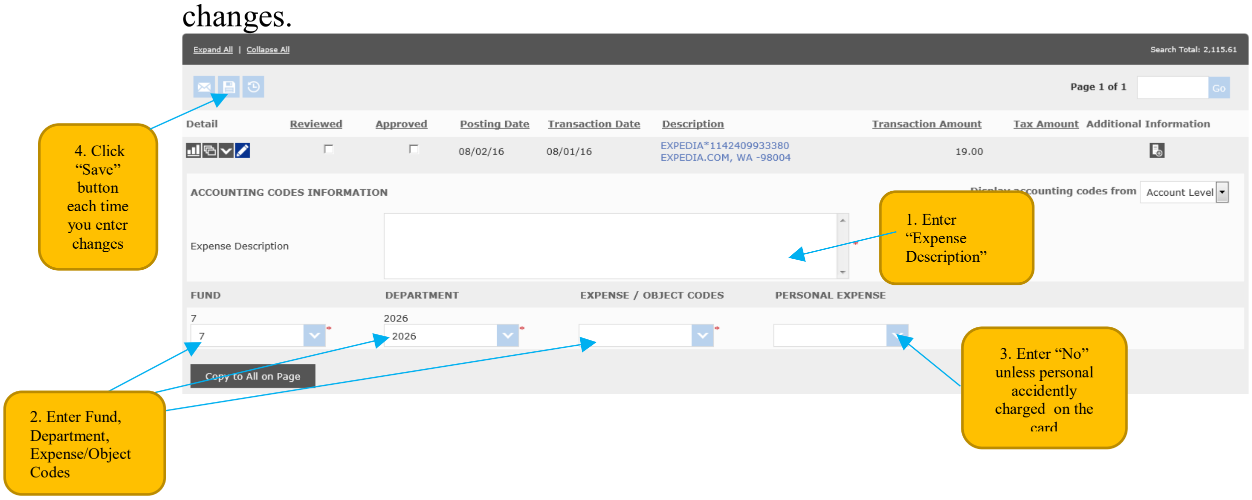
3. Click on the Add Receipt icon, which is located on the far right under additional information. Click on Browse, select the receipt file for upload and then click Add.



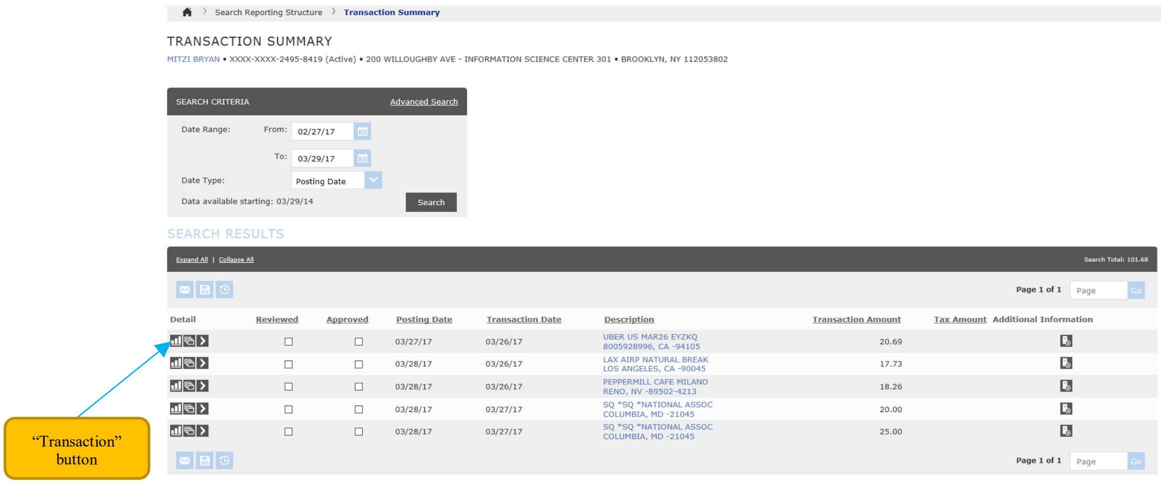
4. Once file is uploaded and added. The receipts icon changes to "View Receipt" icon. Then click on the "Accounting Detail" icon:



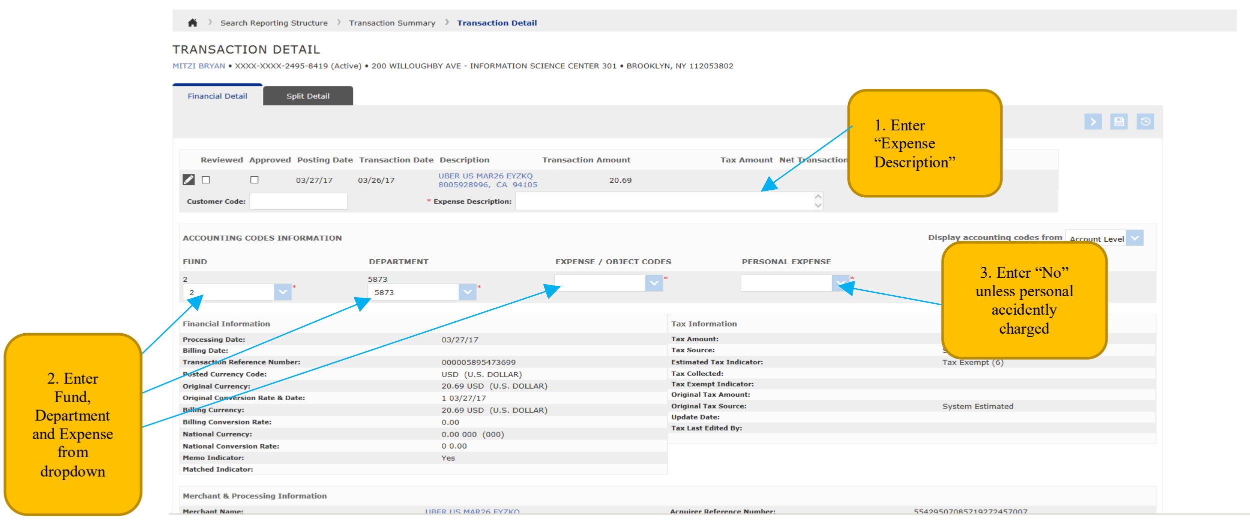
5. The page opens up and you can start entering information. Enter the expense description.
6. The fund code and department number should default to your budget code (if not please enter your accounts). Click on the Expense/Object Codes drop down and select the appropriate expense account.
7. Select "No" for personal expense from drop down.
If you accidently charge the card for personal use, please click yes on the personal expense info. A check must be made payable to "Pratt Institute" and submitted to the Program Administrator.
8. Click on the "Save" button after you are finished entering accounts and all other changes.



9. You can also enter the account coding and get a more detailed view of the transaction and the vendor by clicking the "Transaction" icon .



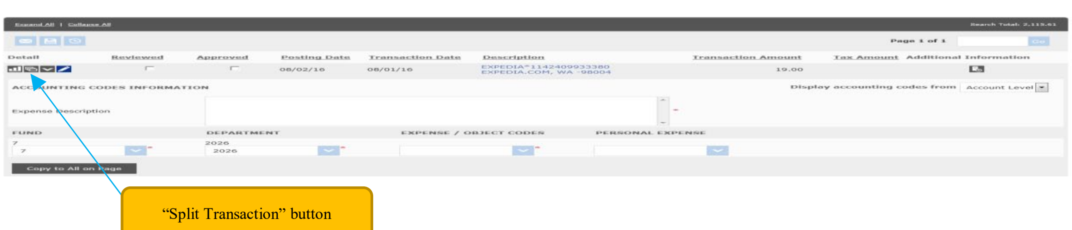
10. Once you click on the "Transaction" icon you can start entering the expense description and other budget related coding on the Financial Detail page. Entering information on this page is similar to previous instructions on "Accounting Detail".



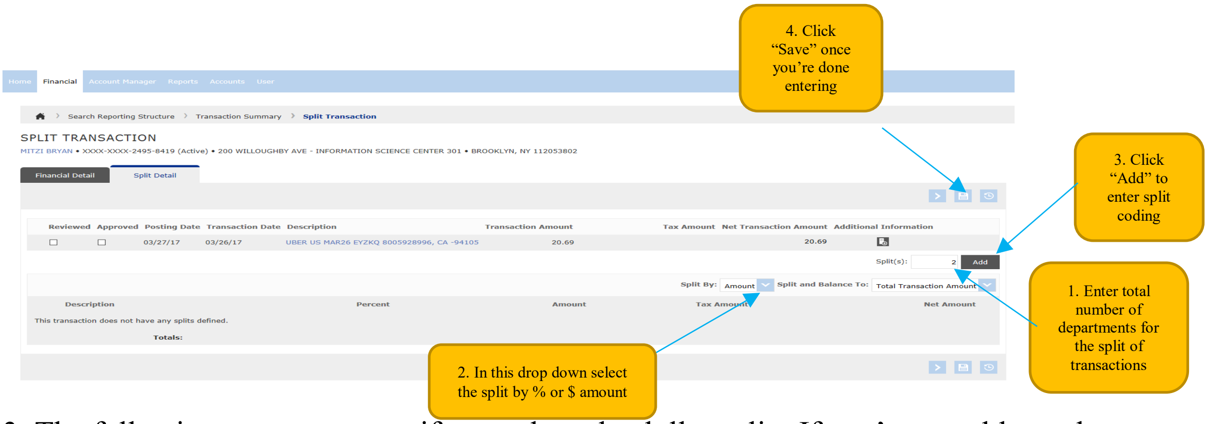
11. Always click save after you are done entering information.

Procedure To Input Budget Codes For Split Transactions:

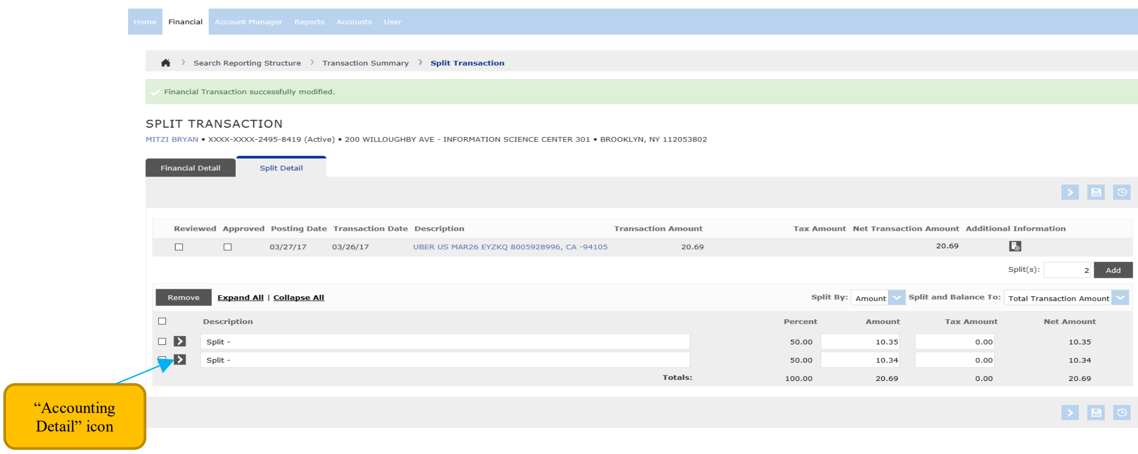
1. If you have a split transaction and you need to allocate the portion to a different department click on the "Split Transaction" icon :



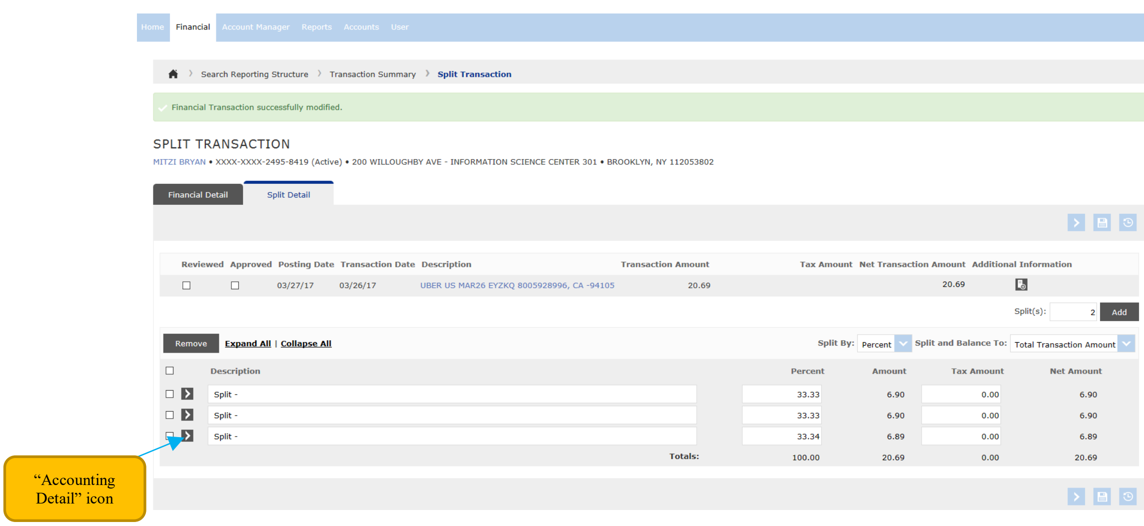
2. On the “Split Transaction” screen, enter the number of departments on the “Split(s)” field and select which method you want the allocation “Split By” either by percentage or dollar amount. Then click on Add:



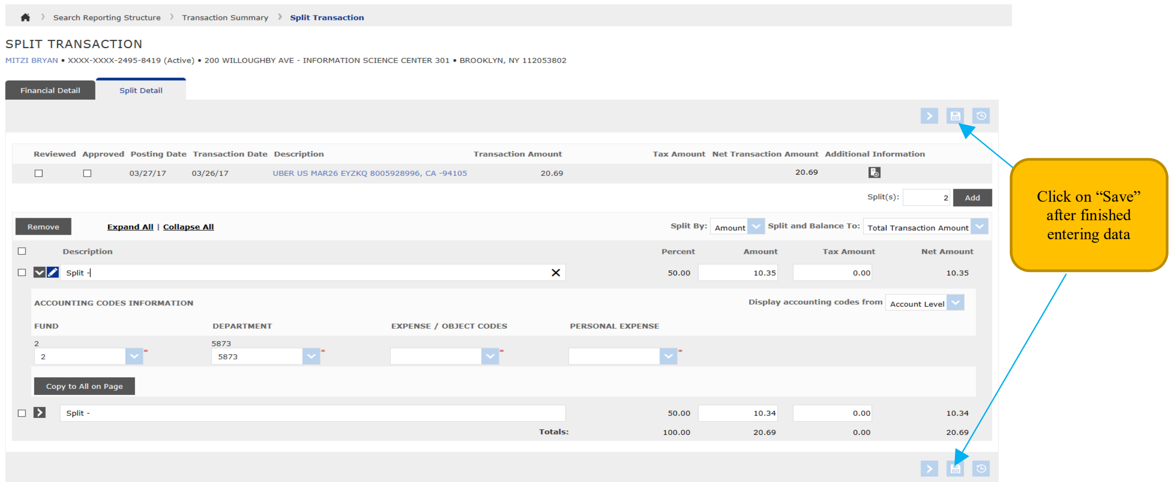
3. The following screen appears if you selected a dollar split. If you’re not able to charge to a particular department please contact Program Administrator.



4. Splitting transactions by percentage method

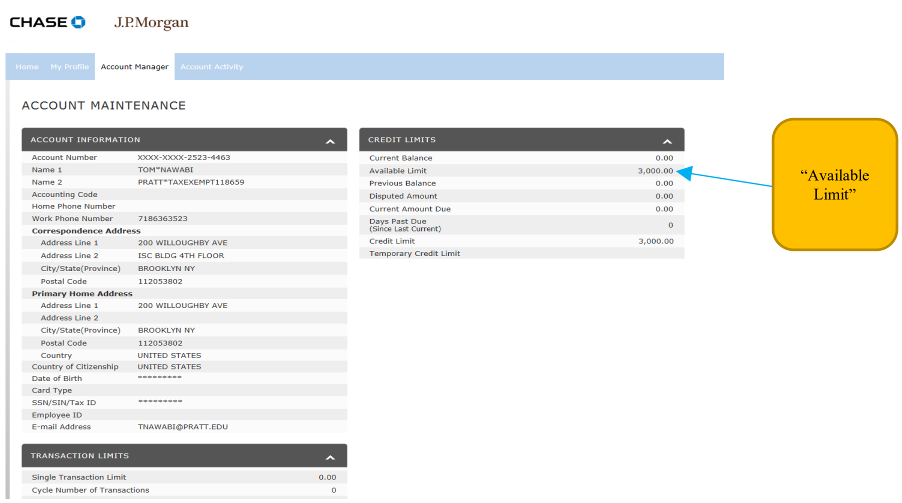


5. Click on the "Accounting Detail" icon . Enter all the budget code information by clicking on each "Accounting Detail" icon and after all data is entered click "Save".



<u>Steps to Review Available Limit:</u>

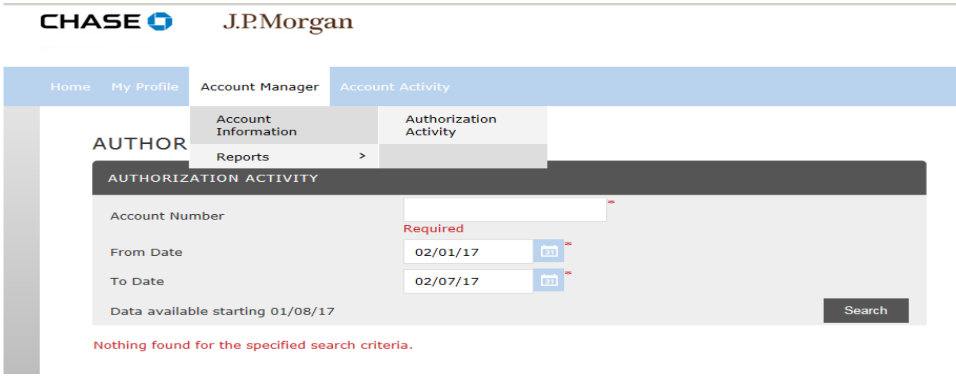
Click on Account Manager > Account Information



You will be able to see your available credit limits under the credit limits section. Please note this amount is not a reflection of your available limit. There may be pending charges which are not included in the available limit. All cards are replenished back to the original credit limit on the 1st of every month.

For purchases that will be shipped to Pratt Institute, email the Receiving Department at recg@pratt.edu with the order details and expected delivery date. Please use the following shipping address: Pratt Institute, 379 Dekalb Avenue, Brooklyn NY 11205. Also include your name, building, room number and phone number.

Note: If a card has been declined, contact Chase or check SmartData by clicking on **Account Manager** > **Reports** > **Authorization Activity**

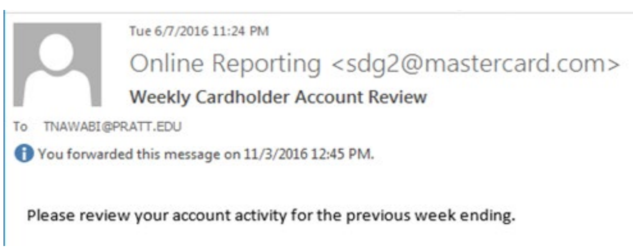


Enter the Account Number (credit card number) and the dates. The next screen will indicate if the transaction is approved or declined.

You may contact the Program Administrator if you need assistance.

Cardholder Review Process:

It is mandatory that cardholders and supervisors utilize the J.P. Morgan Chase SmartData on a frequent basis to review transactions. The system is set up to generate weekly reminders to cardholder to review their transactions. The notification will appear as follows in your email:



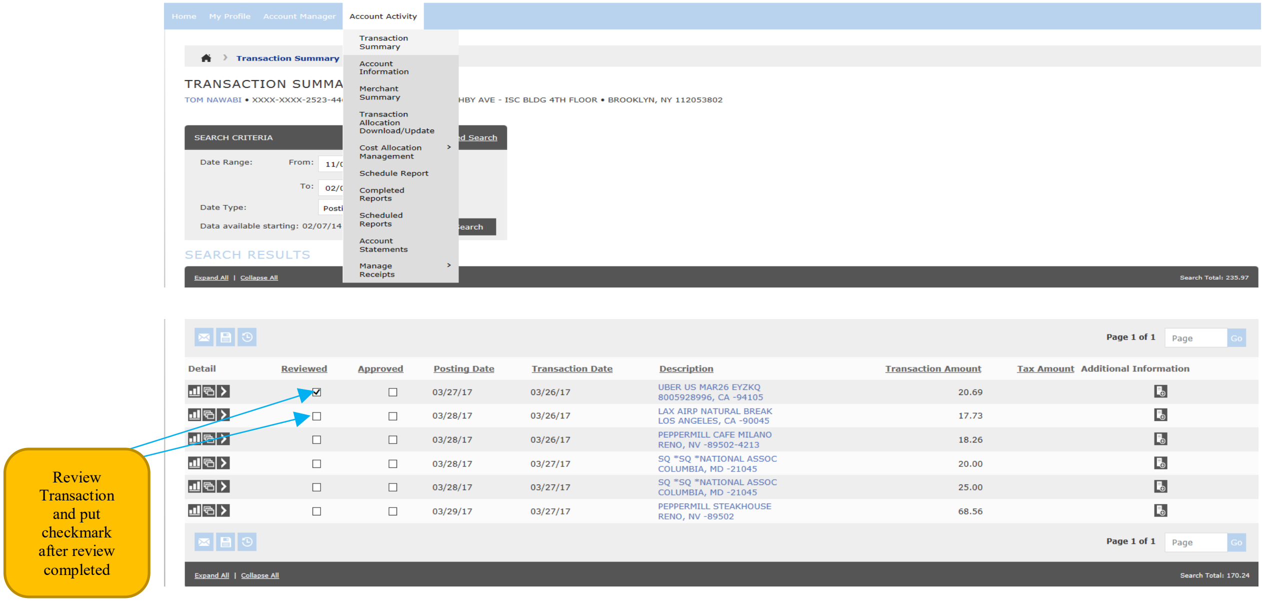
The cardholder needs to review the transactions and if charges are appropriate put a check mark on the "reviewed" box no later than the 3rd day of the following month. This is important as the supervisor will need to review the cardholders' transactions by the 7th of that month before we post the transactions. The save icon must be clicked every time there is a change or an update made in SmartData.

The transactions will be posted on the General Ledger on the 10th day of that month, and any transactions that are not coded on a timely manner will be charged to a default budget number. Any reclassification will be done by the cardholder through eforms please see page 20.

Please note: If there were no purchases during the month, then neither cardholder nor supervisor needs to do anything.

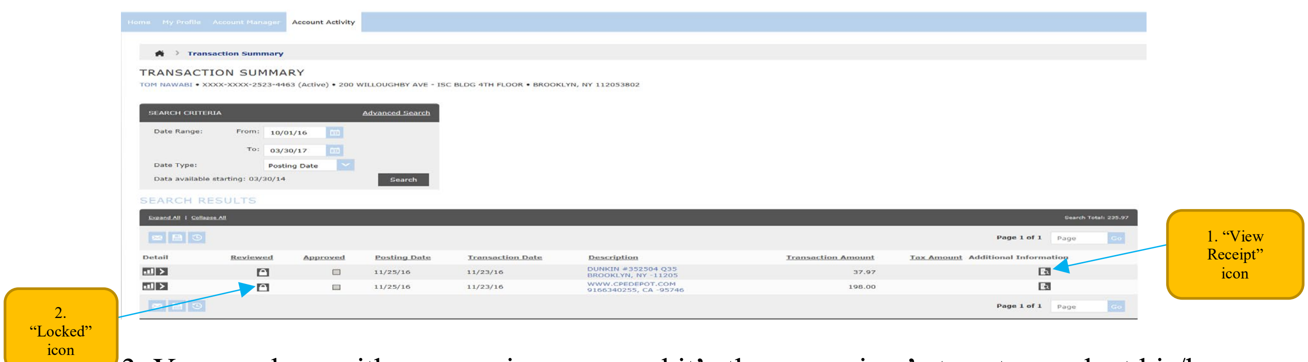
Procedure for the cardholder to review the transaction on SmartData:

1. Select **Account Activity** > **Transaction Summary**.
   The Transaction Summary search screen appears



2. Review transaction and click on the "Reviewed" box and a checkmark will appear then click save (it's the middle blue icon). The "Locked" icon will appear (it will only lock if receipt/documentation is attached and the "View Receipt" icon appears and the budget codes are entered. If one of them is not done an "Error" will appear).

If you accidently locked the transaction and you need to modify it, contact the Program Administrator to unlock the transaction.

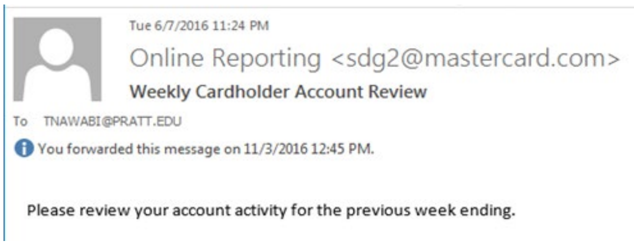


3. You are done with your review now and it's the supervisor's turn to conduct his/her review and approval.

<u>Supervisor Review and Approval Process:</u>

As a Supervisor you may have two roles in [SmartData](). One as a cardholder if you have a P-Card and a second role as an Account Manager. The cardholder role has the same responsibilities as outlined in the manual. As an Account Manager you have the responsibilites of reviewing and approving other employees transactions.

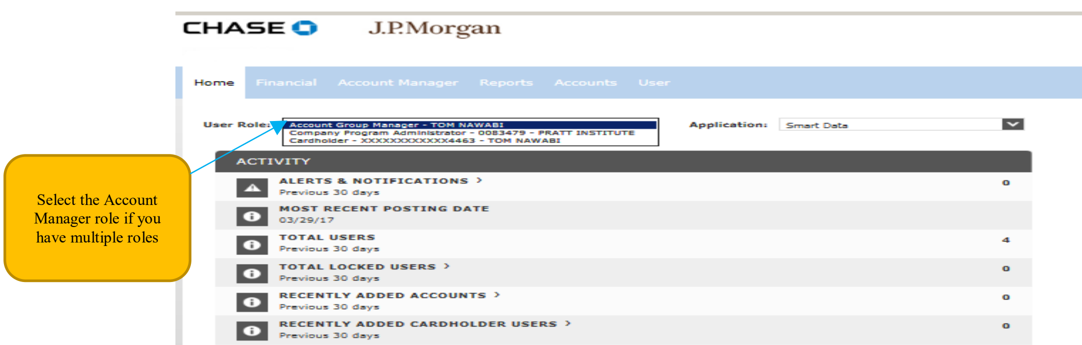
1. The system is set up to generate monthly reminders to Supervisors to review and approve the employees transactions. The notification will appear as follows in your email:



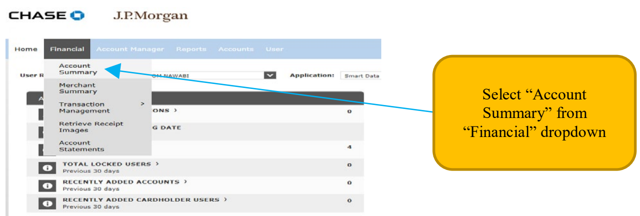
2. Although a notification goes out to review activity on a monthly basis its is advisable that the Supervisor check activity on a more frequent basis. The Supervisor must complete the review process by the 7th of the following month to approve the previous month transactions before Controller's Office posts the activity to the General Ledger.

Procedures for the Supervisor to review and approve transactions on [SmartData]():

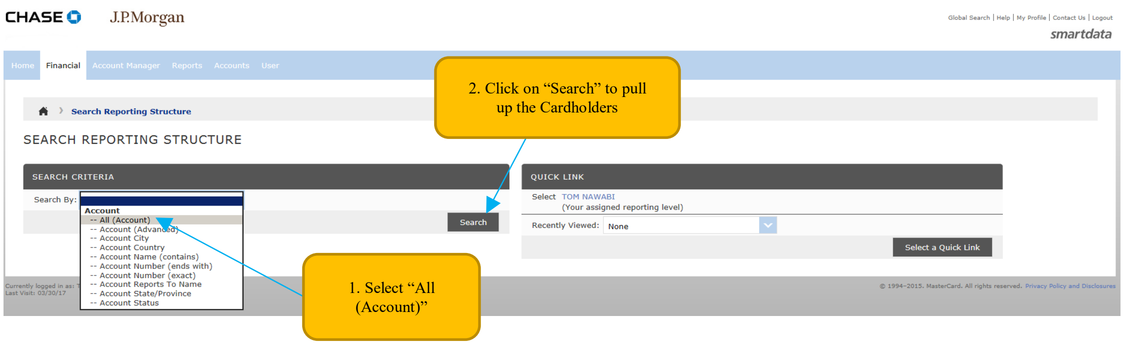
1. Select the "Account Manager" role from the "User Role" drop down box at the home page if you have multiple roles.



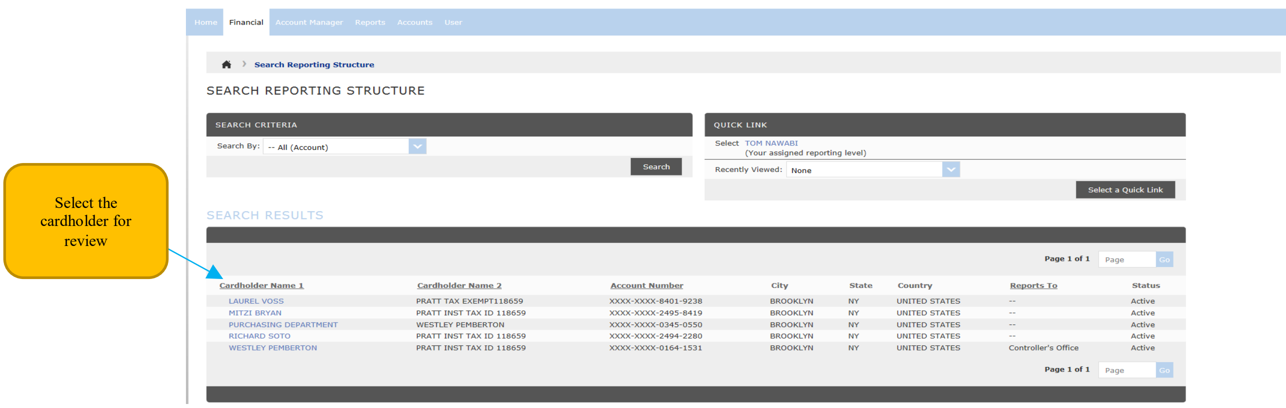
2. Select **Financial** > **Account Summary** to pull up the Cardholders screen.



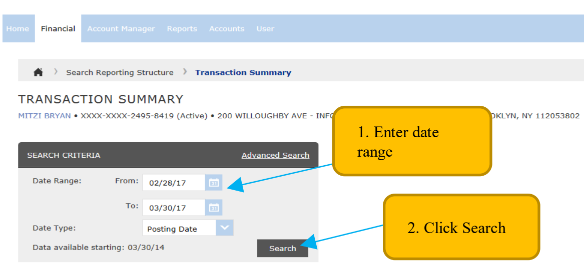
3. The Search Reporting Structure screen appears. Select "All (Account)" to pull up the Cardholders:



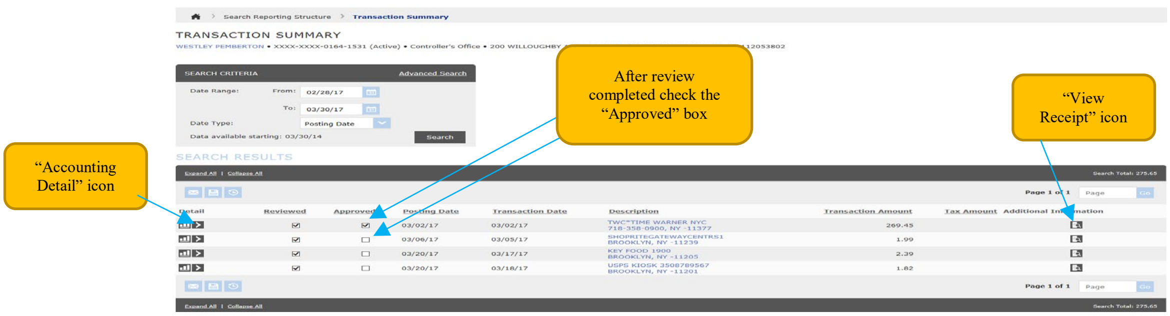
4. Select the individual cardholder for your review:



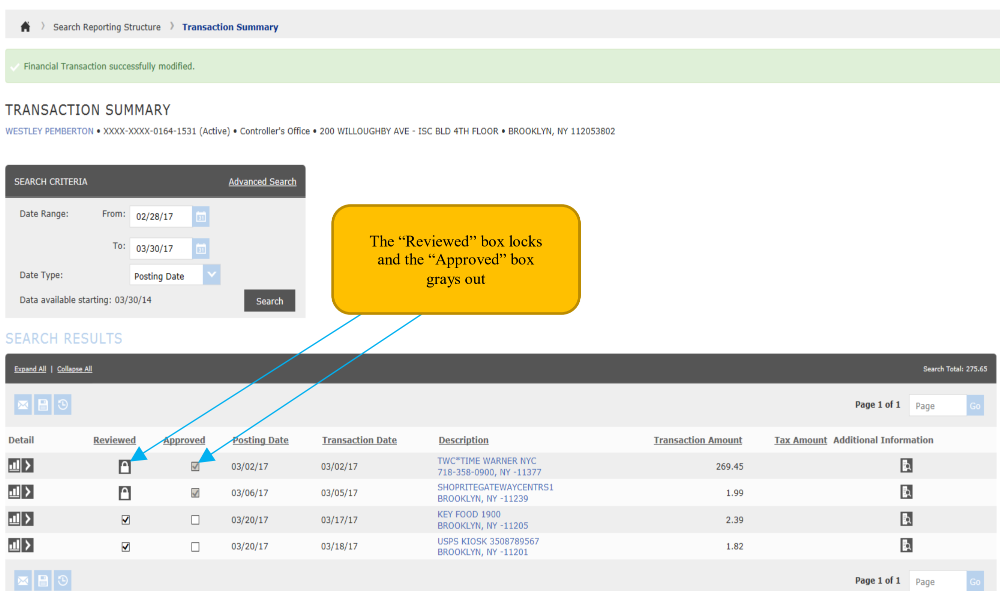
5. Enter the date range you're reviewing on the next screen:



6. You will be navigated to the “Transaction Summary” screen. You can start reviewing the transactions by clicking on the “Accounting Detail” icon  to review the coding, and clicking “View Receipt”  icon to review the attached receipt. Once you have completed your review click on the “Approved” box



7. Click “Save” icon to save the action. Once saved the “Reviewed” box locks, “Locked” icon  appears, and the “Approved” box grays out.



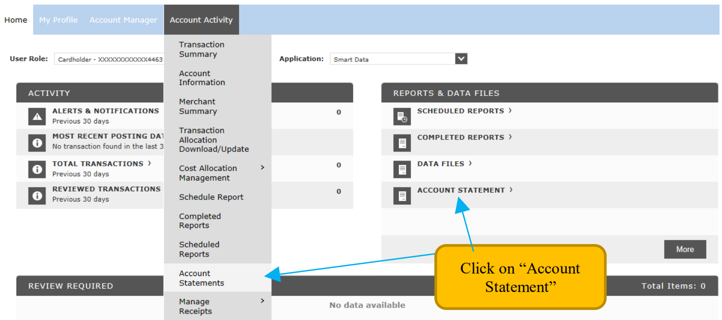
If there are questions or need additional information regarding a charge please let the Cardholder know.

If you accidently checked off a box and need to have it re-opened please contact the Program Administrator.

<u>eStatements:</u>

1. You will not be receiving paper statements from Chase. If you need to access eStatements select ‘Account Statements’ under the “Reports and Data Files” on the right side of the home page screen. Here are the steps for cardholder and supervisor to access the statements.

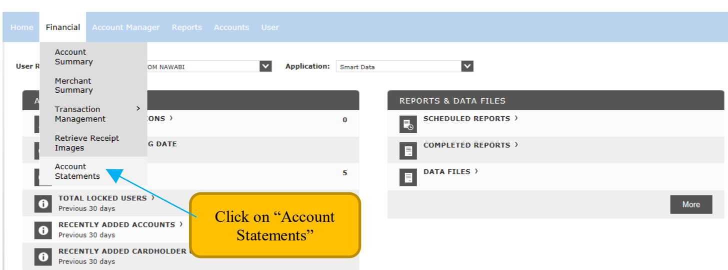
Cardholder Statement Access:



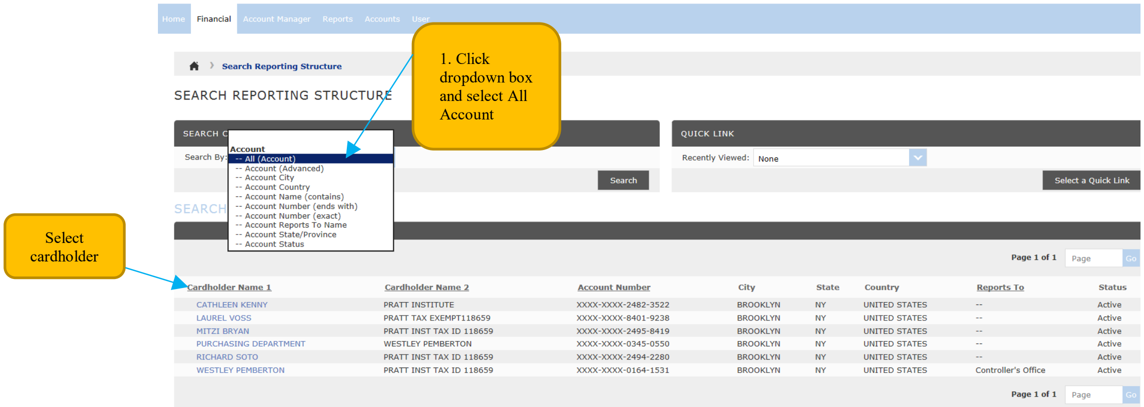
On the next screen, click on the statements you want to view/print.

Supervisor Statement Access:

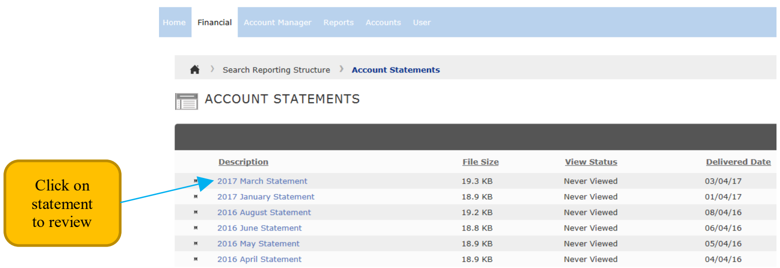
Click on **Financial** > **Account Statements** to access cardholder’s statements.



On the next screen, click on the Search By: dropdown and select “All (Account)” and then click search. Select the individual cardholder the statements then appear to view/print.



Statement for view/print:



Sales Tax Exemption:

We are exempt from sales tax on purchases of goods and services made in NYS (ie lodging, supplies, local transportation, car rental, food purchases, etc.). It is the responsibility of the cardholder to ensure that sales tax is not charged when making a purchase with the procurement card **(the NYS tax exempt number is indicated on the face of the card)**. If vendor requires our sales tax exempt form (ST-119.1) please request a copy from the Comptroller’s Office (Bing Fraser ext. 5913).

If NYS sales tax is charged, it is the cardholder’s responsibility to promptly request a credit (*Although, Pratt may not be exempt from sales tax for out of state purchases,, the cardholder should still inquire the vendor if we are entitled to an exemption as a non-profit entity*).

Handling Disputed Items / Returning Items:

It is the responsibility of the cardholder to follow-up on any erroneous charges, returns or adjustments, a dispute with a supplier, and to ensure proper credit is given. In the event of fraud notify Chase immediately then the Program Administrator. For an in-person purchase, return the item directly to the supplier and obtain a credit receipt. Cash refunds are prohibited.

Inappropriate Card Use / Card Abuse:

Inappropriate use of the card will result in restriction, revocation or cancellation of the card. Requests for reissuance of a cancelled card will be subject to a thorough review.

Policy violations include, but are not limited to:

- Purchasing items for personal use
- Using card for personal (not business) travel and entertainment
- Failure to submit proper documentation (i.e. travel-associated documents)

The P-Card should not be used as a means to circumvent Pratt Institute's purchasing guidelines and procedures. For best prices/discounts and reliability of vendor services (returns/defects/damages) you should go through our Purchasing Department first.

If you have any questions or concerns regarding unauthorized or inappropriate card use, contact the Program Administrator.

Purchases not Allowed on the Procurement Card:

The P-Card should be used to buy business related goods and services that typically cost up to $500 that are within the guidelines of Pratt Institute's purchasing guidelines and procedures.

Examples of what the P-Card must not be used for:

- Alcoholic Beverages
- Capitalized Equipment ($5,000 or more)
- Cash Advances
- Computers, Mobile Phones, Software, Web Hosting & etc (contact the IT Service Desk x3765 for the "PurchaseIT guideline" as well as for approval)
- Consultants and Speakers Fees/Honorariums
- Controlled Substances (Prescription Drugs, Narcotics, etc.)
- Donations
- Fines, Late Fees or Penalties
- Gift Cards / Gift Certificates / Gifts For Retirements
- Personal Items
- Specialty Retail/Financial and/or Professional Services
- Split Transactions *(purchases costing more than the cardholder's single purchase limit, which are split among multiple transactions to circumvent required authorized approvals)*

Protecting the P-Card:

Keep your card in a secure location and keep your card number confidential. Exercise caution in sharing your account information. It is the cardholder's responsibility to properly secure the card at all times to avoid misuse by unauthorized parties. Make sure the card is returned to you after each charge and verify the returned card has your name on it.

Validation:

Card Activation: Sign and activate the card immediately upon receipt. The cardholder must register in SmartData within two days of the issuance of the P-Card to avoid cancellation of their JP Morgan Chase Procurement Card. When the expiration date has passed and/or after you have received a new card, return the expired card to the Program Administrator.

Lost/Stolen P-Card:

If the card is lost or stolen, contact the bank's 24 hour toll free number at (800)-316-6056 outside the US at (847)-488-3748. The cardholder is also required to contact the Program Administrator (718-687-5913).

Ownership and Cancellation of the Card:

The procurement card remains the property of Pratt Institute and JPMorgan Chase. It may not be transferred to, assigned to, or used by anyone other than the designated cardholder.

Transfers: Cardholders who transfer to a new position must notify the Program Administrator. If the new position requires the use of the procurement card, the Program Administrator will update the user information. If the card is not required in the new position, it should be returned to the Program Administrator for cancellation.

Separation: Prior to separation from the Pratt Institute, cardholders must surrender their card to the Program Administrator.

JPMorgan Chase or Pratt Institute may suspend or cancel cardholder privileges at any time for any reason. The cardholder will surrender the card upon request to the Controller or the Program Administrator. Use of the card or account after notice of its cancellation may be fraudulent and may be cause for Pratt Institute to take legal action.

Procurement Card Program Support Team:

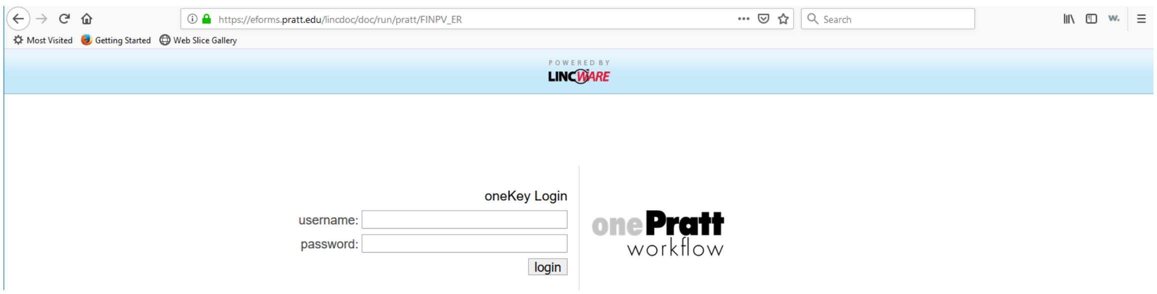
Program Administrator: Bing Fraser, Sr. Staff Accountant (bgwie@pratt.edu; x5913)
• Serves as your primary contact for questions or issues resulting from use of the card as well as the use of the JP Morgan Chase online system, the "SmartData". The link for SmartData

Out of Pocket Expense Reimbursement

For out of pocket expense reimbursements please submit your expenses electronically by logging into eforms following these directions:

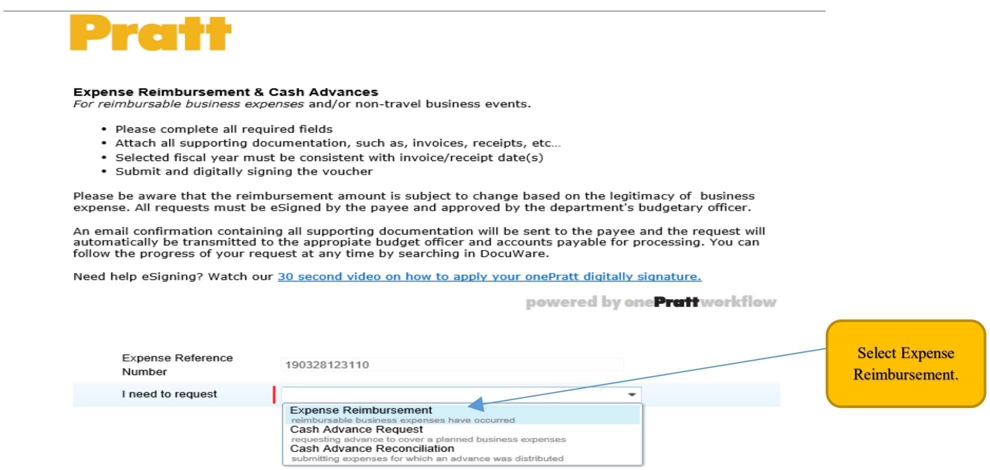
Login to Expense Reimbursement.

The site appears as follows:



Type your one-key to log-in

Select "Expense Reimbursement" and fill out the required field. Attach any supporting documents with the request.



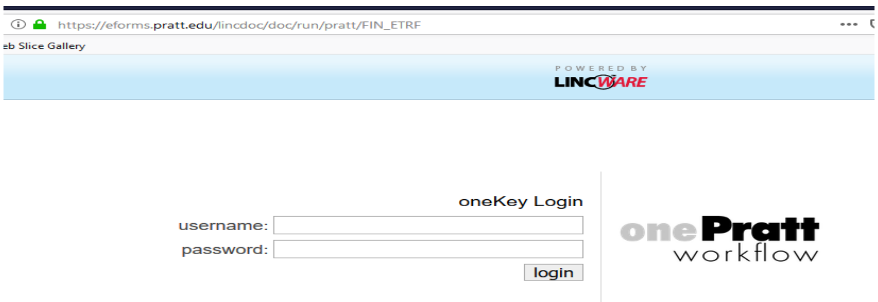
Please contact Jesu-Belle Cunningham at jmelocot@pratt.edu or at x:3738 if you have inquiries regarding out of pocket expense reimbursement and contact Fausto Rivera at x: 3609 for inquiries regarding eforms.

Reclassification:

For reclassification please submit your reclassification electronically by logging into eforms following these directions:

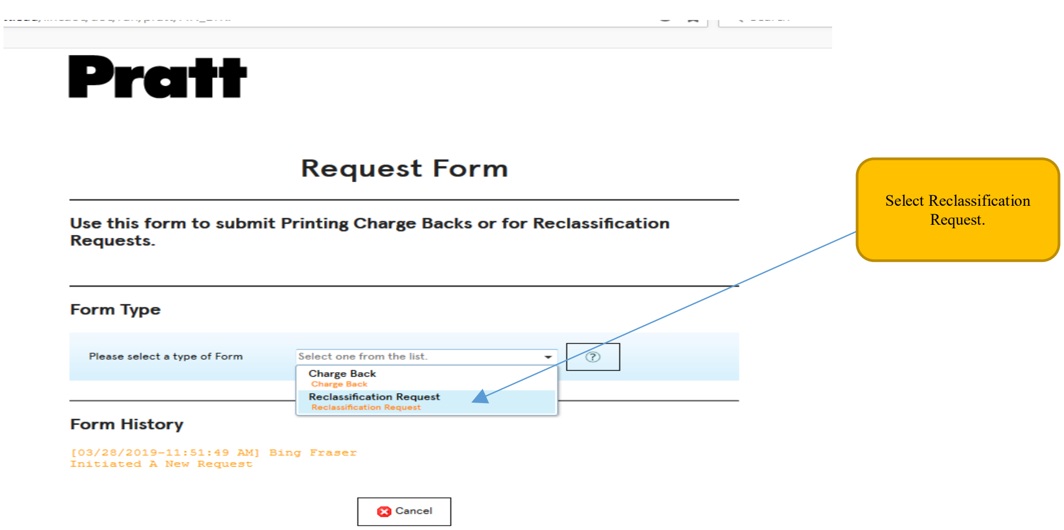
Login to Reclassification.

The site appears as follows:



Type your one-key to log-in.

Select "Reclassification Request" and fill out the required field. Attach any supporting documents with the request.



Please contact Jacob Lokoff at x: 6845 for inquiries regarding "reclassification".

APPLICATION FORM

I understand that as a Procurement Card Cardholder, I act as a Purchasing Agent for Pratt Institute; therefore, I must adhere to all Pratt Institute's purchasing policies and procedures. I understand and agree to the extent I do not abide by the policies and procedures outlined in the Guide I will be held personally responsible and liable for my negligence in accordance with the policies and procedures outlined in the Guide.

Employee's Name / Pratt ID number / Title:

____

Employee's signature/date: ____

Designated Supervisor's Name: ____

The success of the Procurement Card Program and its continuing use depends on your participation and cooperation. Please be sure to read and follow the program guidelines as specified within the P-Card Policies & Procedures Guide.

The undersigned requests that a commercial card be issued to the applicant:

Department Head Name: ____

Department Head signature/date: ____

The JPMorgan Chase P-Card will be issued within seven days after receipt of the acknowledgement form by the Program Administrator.

Cardholders must sign into the online tool SmartData within two days of the issuance of the P-Card to avoid cancellation of their JPMorgan Chase P-Card.

CREDIT LIMIT ($3,000 maximum) $_____________________________________

DEPARTMENT DEFAULT BUDGET NUMBER: _________________________

Other BUDGET NUMBERs: ____

Pratt Institute

Missing Receipt Affidavit (MRA)

Cardholder Name:
Department Name:

Vendor Name:
Date of Purchase:

Items Purchased and Description	Total Price
Receipt Total:	

Nature of expense (please be specific and detailed):

Additional Comments/Explanation:

By signing below, I certify that the above goods/services were purchased via Procurement Card/or personal funds and the goods/services were for official Pratt Institute business.

Cardholder Signature: Date:

By signing below, I certify that I have approved the above purchases and the purchases were for official Pratt Institute business.

Supervisor Signature: Date: