2018

EASTERN WASHINGTON UNIVERSITY
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EWU PROCUREMENT CARD MANUAL

IN KEEPING WITH OUR OBJECTIVE TO ENSURE OPTIMUM EFFECTIVENESS, THIS MANUAL IS A KEY COMPONENT OF EWU'S PROCUREMENT CARD SYSTEM. PLEASE DIRECT ANY QUESTIONS OR COMMENTS TO PROCUREMENT AND CONTRACTS.

EWU Procurement and Contracts Department
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1/1/2018

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INTRODUCTION

Welcome to the Eastern Washington University Procurement Card System (PCS). This system allows you, the end user, to make low-value material and supplies purchases with a University issued VISA credit card. The intent is to reduce the number of small dollar requisitions, petty cash reimbursements, and allow online reconciliation of payments. This system provides the Cardholder and department with greater flexibility in ordering, quicker turn-around time, and reduced paperwork.

Each employee using the PCard must ensure that purchasing activity complies with all applicable laws, rules, and regulations, as outlined below.

PURPOSE AND SCOPE

The purpose of this document is to provide guidance and information on Eastern Washington University's PCS. The University's PCard Procedures are established in compliance with WAC 236-48-250 through WAC 236-48-253, and in accordance with the Washington State Department of Enterprise Services Policy No. CO.03.01. Authority for these policies is established under RCW 39.26.090 authorizing agencies to use credit cards.

PCARD CONTACTS

Call or email the PCard Administrator, Michael Pflieger (mpflieger41@ewu.edu, 509-359-6804) to:

- Make changes to cardholders profile
- Deactivate/close a cardholder's account
- Clarify PCard policies and procedures
- Resolve declined transactions
- Report a lost or stolen card (after you have contacted JP Morgan Chase).

Call PaymentNet Customer Service (1-800-270-7760 24 hours/day) to:

- Report a lost or stolen card (call immediately)
- Request further information on a charge

- Dispute a charge (after you have contacted the merchant)
- Activate a new PCard

SUMMARY OF RESPONSIBILITIES

Cardholder

- Take Procurement Card training, State Procurement and Ethics training and pass the quizzes.
- Apply for Procurement Card with Approver.
- Ensure the security of the card and credit card account number.
- Use the PCard according to established University guidelines.
- Review all transactions on PaymentNet website by the 3rd working day of each month.
- Submit signed the Monthly Report with corresponding invoices/receipts and to Approver monthly
- Notify the Procurement and Contracts if Cardholder moves to another department or leaves the University.
- Track and verify transactions.
- Submit all backup documents to Procurement and Contracts by July 31st

Approver

- Take Take Procurement Card training, State Procurement and Ethics training and pass the quizzes..
- Approve the Procurement Card application and signature authorities for the Cardholder.
- Fill out application as Approver and assign the default index.
- Ensure that procedures are in place for keeping the card secure.
- Ensure timely review of transactions and receipt of all paperwork.
- Review the Monthly Report and verify that all receipts/transactions during the month are in compliance with departmental and purchasing requirements. Submit corrective paperwork if the default index and account code was used.
- Sign the Monthly Report.

- Take appropriate action for violations of Purchasing Card guidelines. If prohibited items were purchased, the Approver is responsible for making sure the account is reimbursed.
- Inform Procurement and Contracts of the termination or transfer of a Cardholder. Ensure that the card is surrendered upon termination of employment or upon request by Procurement and Contracts.

If a cardholder transfers departments or leaves the University, it the the Approvers responsibility to keep the Cardholder's Monthly Reports, Transaction Detail Records and all corresponding invoices and turn them in by July 31st.

Purchasing

- Develop, implement, monitor and administer the Procurement Card System.
- Monitor and update Procurement Card training.
- Order and receive the card from the credit card contractor for distribution to the Cardholders after training and passing a quiz.
- Establish the Cardholder profiles which includes setting card limits, number of transactions per day, default index code, and Cardholder and Approver PaymentNet access.
- Delegate to and authorize the Approver to oversee the Cardholder's usage of the PCard.
- Conduct periodic review of Cardholders transactions and documents.
- Provide ongoing training to Cardholders and Approvers on how to review and approve transactions online.

Accounts Payable

- Ability to assist Cardholders and Approvers on how to review and approve transactions online.
- Submit payments to the credit card contractor within the required contractual-obligation period.
- Work with departments when default index numbers and account codes are used for payment. Cardholders are to submit documentation with description of items to Procurement and Contracts for the review function.

DIFFERENCES BETWEEN A PROCUREMENT CARD AND A PERSONAL CREDIT CARD

- The Contractor, JP Morgan Chase, handles all the procurement card accounts separately and doesn't sell any information; therefore, the Cardholder's credit will not be affected.

- There is no personal liability for the card unless the Cardholder makes an unauthorized purchase. The Cardholder is responsible for keeping the card secure; however, the University is liable for any charges made on the card if it is lost or stolen. If the Cardholder fails to approve the transactions within the required time frame, the charges will be paid for from the department's default index number and account code.
- Procurement and Contracts can block certain types of purchases on the card, such as travel and entertainment.
- Purchases are subject to review by the Approver, Procurement and Contracts, Accounts Payable, External State Auditor, Department of Enterprise Systems (DES), and Department of Revenue (DOR).

OVERVIEW

- The authorized Cardholder makes allowable purchases of goods and services for EWU.
- The Cardholder monitors and/or records all credit card purchases (internal department log or form recommended but not required). See Appendix for sample.
- The bank pays the merchants within 48-72 hours of notification of a transaction.
- The Cardholder reviews and edits transactions on the PaymentNet website within 5 working days of the transaction. The department default index will be charged if credit card accounts are not reconciled within designated cycle.
- The Cardholder handles any disputes that may arise. A dispute must be addressed within 60 days of the transaction. All disputed items will be paid by Accounts Payable, then a credit will be posted if that is part of the agreed upon resolution.
- Each Cardholder will be able to view their transactions online at PaymentNet.
- Accounts Payable downloads the transactions from PaymentNet directly to the accounting system.
- The Cardholder matches actual invoices and receipts to the Monthly Transaction Allocation report.
- The Budget Authority for each index assigned will also sign the Monthly Transaction Allocation report.
- The Cardholder reconciles the charges and attaches the receipts and a printout of the Monthly Transaction Allocation report.
- The Approver reviews and signs the Monthly Transaction Allocation report.

- Accounts Payable pays the credit card contractor a minimum of once a month.
- Procurement, Contracts, and Accounts Payable schedule and perform periodic reviews of Cardholder's records.
- Cardholders will submit their original Monthly Transaction Allocation report, and receipts to Procurement and Contracts by July 31st each fiscal year.

OBTAINING A PROCUREMENT CARD

- Both the potential Cardholder and Approver will be required to take Procurement Card training, State Procurement and Ethics training and pass the quizzes on Canvas. After completing the online training and passing the quizzes, two applications will need to be filled out: one for the Cardholder and one for the Approver.
- The Cardholder is required to furnish a default departmental index as part of their application.
- The completed applications may then be submitted to Procurement and Contracts (218 TAW). Procurement and Contracts will review the applications and, if approved, order the card.
- New cards will be mailed to Procurement and Contracts usually within one week.. Procurement and Contracts distribute the cards.
- Upon termination of employment or transfer to another department, the Cardholder shall turn in all original reconciliation documents (Monthly Transaction Allocation report, and receipts) into Procurement and Contracts and the credit card account will be cancelled.

ACTIVATING YOUR CARD

When you receive your card, sign the back of the card immediately and always keep it in a secure place. Although the card is issued in your name, it is the property of the State of Washington and is only to be used for University purchases. When you are asked by the automatic answering machine for the last four digits of your social security number, give the last four digits of your employee ID#. The card may also be activated online through PaymenNet by using the last four digits of your employee ID#.

CARD RENEWAL PROCEDURES

The card will be valid for 36 months. JP Morgan Chase will mail a new cards after that 36 months.

PROCUREMENT CARD MISUSE

Cardholders who improperly use a procurement card may be subject to prosecution and penalties to the full extent permitted by law. Misuse of the purchasing card may result in the revocation of purchasing card privileges and in disciplinary action as deemed necessary by the appropriate delegating authority.

Misuse includes, but is not limited to, the following violations:

- Dividing purchases to avoid exceeding your single transaction limit, which is the informal, competitive quote limit.
- Purchasing items on the Prohibited Purchases list or Small & Attractive Equipment list – see Appendix, page 24.
- Purchasing items not authorized by the Budget Authority or Approver.
- Failure to review and edit your transactions by the 3rd working day of the month.
- Failure to submit paperwork to your Approver for signature.
- Failure to turn in all Pcard documents at year end.
- Failure to provide adequate documentation for purchases.

Procurement and Contracts may take any or all of the following actions if procurement card procedures are violated:

- One-time issue - a written/email notification given to the Cardholder and Approver.
- Ongoing issue, not resolved with written/email notification - additional education/training on found issues with the Cardholder and Approver.
- Ongoing issue, not resolved with written/email notification and additional education/training – suspension/cancellation of card.

It is the responsibility of the Cardholder and Approver to immediately notify the PCard Administrators in the Procurement and Contracts Office if any infractions occur.

SAFEGUARDING YOUR CARD

- Purchasing cards and the credit card account number must be safeguarded against loss, theft and unauthorized use. Cards shall be retained by the Cardholder in a secure location and the security of the purchasing card and its account number must be maintained.
- When a Cardholder transfers internally or leaves the agency, Procurement and Contracts must be notified. The Cardholder or Approver should email the PCard Administrators with a request to close

the account. The Cardholder shall return their procurement card, original reconciliation reports, and original receipts to Procurement and Contracts.

- Eastern Washington University has only one credit card contractor, JP Morgan Chase. Procurement and Contracts approves and supervises the distribution of all authorized purchasing cards to the Cardholders. Do not accept or use credit cards from other financial institutions. The use of a non-authorized card would be the Cardholder's responsibility. Contact Procurement and Contracts if any unauthorized cards are received.

- JP Morgan Chase does not request personal information. If you receive a request for such information, do not respond.

- If you suspect unauthorized activity on your account, please notify JP Morgan Chase immediately at 1-800-270-7760.

REPORTING LOST OR STOLEN CARDS

If a procurement card is lost or stolen, the Cardholder should immediately notify JP Morgan Chase at 1-800-270-7760 *and* the PCard Administrators at 509-359-6804 or 509-359-2253.

UNWANTED SOLICITATIONS

Merchants are selling labels with the Cardholder's business address and phone number. If you receive unwanted catalogs, contact the catalog companies and request to be removed from the mailing list(s). If you receive phone calls offering you unlimited credit respond with "Please remove me from future marketing lists and don't call me again". If you say "no" or just hang up, the caller will not remove your name and will probably call you again.

LENDING YOUR CARD

Although it is not recommended, the nature of some programs requires that the card occasionally be checked out to another EWU employee. **If you do check out the card, you must remember that you, as the Cardholder, are responsible for the proper use and safety of the card.**

The Cardholder must make sure the employee borrowing the card understands the responsibility involved in using that card. The Cardholder assumes the responsibility of getting the card back and of obtaining the proper paperwork needed to reconcile the account. If the Cardholder chooses to lend the card regularly, please notify Procurement and Contracts. Follow these steps when you lend your card:

- Give the employee explicit instructions about what is to be purchased and where.

- Give the employee explicit instructions about when the card must be returned and that a valid detailed receipt must be turned in with the card.
- Keep track of who has the card by entering their name and the date on an internal log or form - see Appendix for sample.
- Some vendors may require the Cardholder to provide written authorization that the employee is authorized to use the card. It is recommended that an authorization memo on department letterhead is signed by the Cardholder and sent with the employee for each individual purchase.

If you agree to place an order for another department, obtain written correspondence as your authority to purchase. In the reconciliation process, you will need authorized signatures for all budgets that you are not authorized to sign for.

PURCHASE INSTRUCTIONS

- Be aware of allowable purchases – refer to the Appendix, page 24, for the Prohibited Purchases list and the Small and Attractive Equipment list.
- Be aware of the transaction limits of your card. All Cardholders start out with a daily transaction limit of 15, single transaction limit not to exceed $9,999 and a monthly limit not to exceed $28,000.
- Order in person, by phone, by fax/email, by mail, or over the internet if you feel comfortable with the vendor.

If a merchant notifies you that your transaction has been declined, email mpflieger41@ewu.edu for assistance. Provide the merchant name, description, and date of transaction. Procurement and Contracts will locate the reason for the decline. Often it's the Merchant Commodity Code (MCC) not the dollar amount that causes the transaction to be declined. You have the ability to see if this was the reason the card was declined by looking at the decline reason 0823-No match found for individual account with Merchant Category Code group marked include. If this is the case, call Michael Pflieger or the purchasing line and tell them what you are trying to purchase and which vendor you are trying to use. If the purchase is approved, the MCC restriction will be lifted and the merchant can then resubmit the transaction.

- Prior to placing an order for a *display* ad or a sponsorship, you must obtain written approval from MarCom by emailing Teresa Conway at tconwayewu.edu. Additionally, for *all* ads you must obtain proof of publication – request a tear sheet from your merchant.
- Request a complete, detailed receipt to accompany the shipment. The receipt/invoice must include description, tax and shipping charges for item(s) purchased.

- Give accurate delivery information. Use the new street address format as provided by the Campus Post Office. Federal Express and UPS will deliver directly to the address provided.
    - For your department's correct street address see: the Mail Services page.
    - If the package cannot be left at the department, it will be delivered to the Receiving Warehouse. The package will be recognized as a PCard purchase and be delivered to the department.
    - DO NOT HAVE MERCHANDISE SHIPPED DIRECTLY TO THE RECEIVING AND SURPLUS BUILDING.
- Inspect the shipment upon receipt and promptly follow up with the merchant to resolve any problems with delivery, damaged goods or other discrepancies.
- Coordinate returns directly with the merchant. Secure the appropriate credit when the goods are returned. Keep the return documentation.
- Periodically review your account on the PaymentNet website. Promptly investigate and resolve any discrepancies by working with the merchant and/or PaymentNet.
- If you plan to make a purchase against a grant account, it is your responsibility to know what is allowable under the terms of the grant and coordinate any approvals with the Grant & Research Development Department before placing an order.
- For every transaction you must perform the steps detailed in "Reviewing a Transaction" below.
- Complete reviews on a weekly basis and complete all reviews by the 3rd working day of each month for the previous month (for example, transactions charged in May must be reviewed by the third working day in June). You will receive email reminders about transactions that need to be reviewed.
- Submit the original Transaction Allocation report with corresponding invoices and receipts to your Approver for signature. If a grant account was used, send a copy of your monthly detail statement to the Grant & Research Development Department. It is at the department's discretion whether or not to make copies of all documents for your records.

DETERMINING TAX

You are required to determine whether tax is due on each of your transactions. Washington State law requires the University to self-assess "Use Tax" when the vendor does not charge sales tax on a taxable

transaction. *The sales tax amount on the Transaction Detail Record does not generally indicate whether tax was collected.* ***You must refer to your corresponding invoice/receipt****.*

When is use tax due?

Per the Department of Revenue Use Tax is due if:

- Goods are purchased in another state that does not have a sales tax or a state with a sales tax lower than Washington's. For example, items you purchase in Oregon that are used in Washington are subject to use tax.
- Goods are purchased from someone who is not authorized to collect sales tax. For example, purchases of furniture from an individual through a newspaper classified ad or a purchase of artwork from an individual collector.
- Goods are purchased out of state by subscription, through the Internet, or from a mail order catalog company. Many of these companies collect Washington's sales tax, but if the company from which you order does not, you owe the use tax.
- Personal property is acquired with the purchase of real property.

The field labeled "Usage Tax" needs to be marked with "Y" or "N" to insure that we capture the information needed to comply with the statues:

- Enter "**Y**" to pay use tax if the merchant ***did not*** collect sales tax on the invoice and the merchandise or service is taxable.
- Enter "**N**" if the merchant collected sales tax on the invoice.
- Enter **"N"** if the merchant did not collect sales tax because the merchandise or service is non-taxable.
- For *credits,* enter the same value that you entered when you reviewed the corresponding *charge.*

Use the guide in the Appendix, page 27, to determine whether Use Tax is due for your transaction.

DISPUTING A TRANSACTION

First call the merchant to see if they can correct the problem.

You can dispute these transactions by logging the dispute online at the PaymentNet website or call PaymentNet customer service at 800-270-7760.

The disputed item *will be* paid. The dispute must be documented in writing within 60 days of the transaction. PaymentNet will instruct the Cardholder to provide specific information on the dispute and return the information to PaymentNet. Review the transaction in PaymentNet as you would any other transaction.

When a disputed item has been resolved, a line item credit will be put on the statement and reflect a note about the credit. The outstanding balance will be adjusted by the credit amount to reflect the final settlement of the disputed item.

You may formally dispute a transaction when:

- The merchant will not work with cardholder to rectify the issue.
- You did not authorize a charge or do not recognize a charge.
- There is a difference between the amount you authorized and the amount you were charged.
- You find duplicate charges.
- Your account does not reflect a credit you have been issued by a merchant.
- You didn't receive the goods.
- The merchandise is defective.

You have 60 days to resolve the dispute. JP Morgan Chase won't do anything past 60 days.

PAYMENTNET ACCESS

PaymentNet enables you to access your transaction data 365 days a year/20 hours a day. (Maintenance and backups occur from midnight to 4 a.m. Central time). Please see "Other PaymentNet Information" for a reference guide.

To access the PaymentNet screens you must have:

- Internet Explorer 4.0 Sp2 or greater, Java Enabled—Virtual Machine
- Adobe Acrobat Reader is recommended to print reports

Enter the URL: https://www.paymentnet.jpmorgan.com . When the login screen appears, make the following three entries:

- Organization ID = US00125
- User ID – Provided by Procurement and Contracts after receipt of PCard
- Password – Provided by Procurement and Contracts after receipt of PCard. *When you log on the first time you will need to change your password.*

Click on Login Now.

Contact the PCard Administrators if:

- You reach the login screen, but access to PaymentNet is not granted. Your user profile may not be set up correctly.
- You forget your password, which Procurement and Contracts will reset. When you login, be sure to change it.

To change your password, click on Change password in the toolbar on the Welcome Screen and follow the prompts.

REVIEWING A TRANSACTION

PaymentNet will notify you via **daily** email when you have transactions to be reviewed.

It is recommended that you review your transactions on the PaymentNet website within five working days. You must delegate the responsibility for reviewing transactions to another individual if you will be absent. Failure to review transactions **by the third working day of the month** will result in assignment of your charges to a pre-assigned default index and account code.

Login to PaymentNet and select the **Transaction** option and then manage from the toolbar menu. Cardholders will see the All Transactions screen, displaying all of the current transactions.

You can view 20 transactions per page. **To navigate through your transactions**, use the **Go to Page** drop down list or the arrows that are located in the bottom right corner of every screen.

To sort data by category, click on the header of each column. The arrow pointing up sorts data in an ascending order; the arrow pointing down sorts data in a descending order.

To review and edit a transaction, click on a transaction line to bring up that specific transaction. You will be taken to the Transaction Detail Record screen.

You are required to perform the following steps for every transaction:

- Compare the information on the screen with the corresponding receipt/invoice.
- Enter your Banner Index or Fund code (default index will appear).

- By reviewing the definitions (see Appendix page 21-22 for more information), select an account code from the drop-down list. If you have any questions, please contact Procurement and Contracts.
- Fill in additional transaction notes (optional).
- Choose Yes or No in the Usage Tax drop down box. See "Determining Tax" on page 12 for an explanation.
- Type a detailed **Description** in the **Transaction Notes** box – this information is **required** for future review**.**
- Click the **Review** box in the top left hand corner.
- Click the **Save** button.
- Print the Transaction Detail Record
- Attach the corresponding receipt/invoice to the Transaction Detail Record. Additionally, if the transaction was for an ad, attach the corresponding tear sheet and the written approval from MarCom, if applicable.
- **If special permission was given by Procurement and Contracts, IT, MarCom or any other department for the purchase of an item, the cardholder will attach the approval to their Monthly Transaction Allocation report.**
- **If special permission was given by Procurement and Contracts for the purchase of an item on an ongoing basis, the cardholder will keep the written approval on file for documentation purposes. For these exceptions, there will typically be 1 written approval covering the duration of a fiscal year.**
- Obtain the Approver's signature on the printed copy of each Monthly Transaction Detail.

Upon completion of the on-line transaction review, log off by clicking Log Out in the upper right-hand side of the screen

Approvers review transactions via documents submitted by Cardholders. If an index or account code change is needed, follow instructions above for reviewing transactions and make any necessary changes. Changes must be made prior to the accounting feed.

Splitting a Transaction between index numbers or account codes:

- Begin the review of a transaction as instructed above.

- On the Transaction Detail Record, click on **Add Lines.**
- Select the number of lines you wish to add and hit **Add**
- On the Transaction Split screen, fill in the **Transaction Notes** field with a detailed description of the merchandise that was purchased.
- To allocate by percentage, type in the desired percentage. The Allocated Amount will update automatically.
- To allocate by amount, delete the value in the percent field and type in the dollar amount you want.
- To add account codes, expand the item number by clicking on the sideways arrow above the item numbers.
- Select the proper Banner Index and Account Code.
- When all rows are complete, click on the **Save** button.

GENERATING A MONTHLY REPORT

After all transactions have been reviewed each month, a Monthly Report must be generated for auditing purposes and periodic review by Procurement and Contracts and/or Accounts Payable.

To generate the report, perform the following steps:

- From the homepage, choose Reports
- On the drop down menu, choose "**Reports List**".
- Scroll down until you reach the "**Transaction Allocation"** report. Click on that report.
- In the Report Options box you can choose which format your would life the report in. For Procurement and Contracts use please choose Adobe PDF
- The Filter Rows click on "Post Date is in the last 30 days".
    - Change the Operation to Is between .
    - Change the Start and End Dates to the first date and last date of the month.
    - Select Continue
- You do not need to change anything else, but may use the filters to sort for more precise information if you wish.

- Click on the **Run** button.
- A green box will appear that says; " Your report has been submitted for processing.
- Go to the Reports tab again and select Downloads
- On the Available Download Files screen, wait while the report is generated. Click on **Refresh** after approximately 10 seconds to see if it is ready. The report will be ready when the Output turns from black to blue and is hyperlinked.
- Select the report – if you chose a File Prefix, that prefix shows up at the beginning of the report title.
- When the report appears, click on the printer button and print the report.

Retaining the Report:

- All corresponding documents for the entire month must be filed with the report including the printed and signed copies of the **Monthly Transaction Allocation report** with invoices/receipts attached.
- The Approver reviews, approves and signs the monthly report.
- By July 31st, submit all backup documents for the previous fiscal year (July 1st thru June 30th) to Procurement and Contracts for reviewing purposes. Procurement and Contracts will retain the reports in an organized manner for two years in office, then they will be sent to archiving.

TRACKING PCARD PURCHASES ON YOUR BUDGET

Purchasing card charges will show up on your monthly reports with the first 20 digits of the name of the merchant on each transaction as the description. The Document number will begin with PN000XXX i.e. PN000214.

FISCAL YEAR ISSUES

Per the State of Washington Office of Financial Management, goods and services must be received by June 30th to be included as an expenditure of the concluding fiscal year. It is the cardholders responsibility to plan purchases accordingly to be in compliance with this policy.

Additionally, orders for subscriptions and memberships should be placed within the same fiscal year that they begin. For instance, a subscription that expires in August should not be renewed prior to July 1st. A membership that begins July 1st should not be renewed until July 1st.

Registrations are paid out of the fiscal year in which the event occurs. Registration for events that occur after June 30 can be paid in the old year if one of the three following exceptions is met:

1. The registration documents clearly state an "early bird discount" if fees are paid before a given date.
2. The registration documents clearly state that registration must be paid by a given date in order to reserve a space.
3. The registration documents clearly state that registration must be paid by a given date that is prior to July.

The above exceptions apply to all employees, students, and non-employees, and to all types of payments (i.e. direct payments through travel, payments against purchase orders ***and*** PCard payments).

PCARD REVIEW PROCEDURE

The purpose of conducting periodic reviews of procurement card usage is:

- To ensure proper documentation is maintained,
- To be able to provide corrective action for future compliance, and
- To collect feedback about the procurement card program.

Procedure:

1. Procurement and Contracts will run Monthly Detail Statements which summarize the activity for the Cardholder(s) being reviewed.
2. By July 31st, the Cardholder or Approver will submit all original backup documents for the previous fiscal year to Procurement and Contracts.
3. The reviewer will check that the department has maintained a file of the procurement card transactions and that the following criteria are met:
    a. Items purchased are within authorized dollar limits,
    b. Items purchased are not part of the prohibited purchases lists,
    c. Transactions were not divided to bypass card limits,
    d. Proper account codes were used,
    e. Use tax was charged where appropriate,
    f. Departmental record keeping processes are organized, consistent and complete. Advise department that the files will be retained for 6 years and that they may be archived after the first year,
    g. Procurement card receipts and documentation are kept for all transactions, and
    h. Procurement card transactions are reviewed and approved on a timely basis.
4. Establish a date for the next review based on the result of the current review. If all the documentation is in order, establish a next required review date for one year from the date of the

current review. If there is corrective action suggested, the next required review date will be at the discretion of the reviewer.

5. For recurring deficiencies the following escalation protocol will be followed to encourage compliance:

    1. After a second review with the same or similar deficiencies discovered, the Purchasing Card Administrator will recommend corrective action.
    2. Recurring deficiencies may result in the following corrective actions being imposed until compliance is achieved:
        a. Increased departmental reviews,
        b. Increased scrutiny of posted transactions by the Purchasing Card Administrator
        c. Decrease Cardholder's transaction dollar limit and/or monthly total transaction allowance
        d. Any blatantly fraudulent use of the procurement card, including, but not limited to, making personal purchases, receiving cash credits or dividing transactions to defeat dollar thresholds may result in the cancellation of procurement card accounts.

6. The results of the review will be sent to the Cardholder and the Approver. The Cardholder and Approver will sign the review as an acknowledgement of the results. The department can make a copy of the review for their file.

APPENDICES

GLOSSARY

Approver

The University employee responsible for approving all transactions made using the PCard in his/her department. This person is responsible for reviewing and approving the Cardholder's Monthly Transaction Allocation report and Transaction Detail Records for proper allocation to accounts and proper receipts for each transaction. If prohibited items are purchased, the Approver is responsible for ensuring that the University account is reimbursed. This individual may also be a Budget Authority.

Budget Authority

The University employee responsible for authorizing the use of a University index number for purchases made with the PCard. This person may also be the Cardholder or Approver.

Cardholder

The permanent full-time University faculty or staff employee who has been approved by his/her Approver to make purchases on behalf of the University. The Cardholder reviews and documents transactions on PaymentNet. This individual is responsible for proper use and security of the PCard, and for the retention and maintenance of PCard documents.

PaymentNet

A subsidiary of JPMorgan Chase providing online transaction reporting for all of the University's Cardholders. This is the name of the website the Cardholders will go to for review of transactions.

PCard Administrator

The University Procurement and Contracts employee(s) in charge of the overall procurement card program. Responsibilities include approving applications for participation in the PCard program and ensuring that Cardholders and Approvers adhere to University purchasing guidelines.

PCard Accounts Payable

The University Accounts Payable employee who is responsible for reviewing the monthly statement from PaymentNet and reconciling it to the data from PaymentNet which has been uploaded into the University's accounting system. This person also handles the payments to JPMorgan Chase and the reconciling of any rebates and credits received.

PCard Review

The action of reviewing the Cardholders' records to ensure that transactions are being properly reviewed on PaymentNet and receipts and documents are being properly maintained. This process assists Cardholders and Approvers in following PCard procedures, ensuring responsibilities are understood and carried out.

PCard – Procurement Card – Purchasing Card – Pro Card

A Visa credit card issued by JPMorgan Chase. Includes the Cardholder's name embossed on the face. JPMorgan Chase is the company designated by state contract to provide the University's credit card services. This card can be used any place credit cards are accepted to purchase authorized goods and supplies for Eastern Washington University in accordance with purchasing guidelines.

ACCOUNT CODE DEFINITIONS FOR USE WITH PROCUREMENT CARDS

71210 Purchased Services Maintenance – Office equipment, printing equipment, scientific equipment, etc. not covered on yearly contracts – primarily one-time use. ***Pre-approval from Procurement and Contracts is required when a contract is involved.***

71211 Purchased Services Software Maintenance – Software maintenance not covered on yearly contracts – primarily one-time use. ***Pre-approval from Procurement and Contracts is required when a contract is involved.***

71213 Purchased Services – General – ***Pre-approval from Procurement and Contracts is required when a contract is involved***

71400 Supplies – All supplies which include office, instructional/research/medical, data processing, computer, photographic, graphic arts, electronic media film and theatre, athletic, recreational, cleaning, campus safety & police & uniforms and environmental health, kitchen and housekeeping, copy and reproduction, telecommunications, and other miscellaneous supplies, non-library books, brochures, and other printed materials. No small appliance or equipment exceeding $300 per unit. Do not use for IT equipment or software purchases.

71410 Printing – External – Duplicating, copying, binding, labeling, and folding services. ***Pre-approval from MarCom is required for formal printing jobs.***

71421 Miscellaneous Communication – United Parcel, Federal Express, fax usage, on-line (internet) services, satellite downlink, paging services.

71422 Postage and Postage Permit Fees – Postage meter machine refills, permit fees and all classes and rates of postage. ***Pre-approval from EWU Post Office is required to purchase postage.***

71430 Rental Equipment & Other – Minor rentals not covered on yearly contracts – primarily one-time use rentals. All equipment, films, media and miscellaneous rentals including demurrage.

71431 Rentals Building and Room – Minor conference room, meeting room and booth rentals not covered on yearly contracts – primarily one-time use rentals. ***Pre-approval from Procurement and Contracts is required when a contract is involved.***

71441 Repairs – Equipment

71444 Repairs – Vehicle

71460 Dues and Memberships

71461 Conference and Registration Fees – Conference and meeting registrations including teleconferences.

71463 Training of Employees – Training is coordinated through Human Resources. Also for employee classes for re-certification and ongoing training.

71464 Subscriptions (non-library) – Periodicals, magazines, newspaper and other subscription services for departmental use.

71472 Public Relations – Advertising, banners, promotions, awards, prizes and tickets. ***Pre-approval from MarCom is required when using a EWU logo.***

71600 Non-Capitalized Small & Attractive – All furnishing and equipment that is small and attractive except technology and software as defined in the State Administrative & Accounting Manual section 30.40.20. These items are tagged. ***Pre-approval from Procurement and Contracts is required.***

71601 IT Equipment Small & Attractive – Use for technology equipment purchases. These items are tagged. ***Pre-approval from Procurement and Contracts is required. Pre-approval from IT is needed for any computer or printer purchases.***

71650 Non-Capitalized Equipment – All furnishings and equipment that are not considered small and attractive and exceed $300.00 per unit.

71651 IT Equipment – Non-Capitalized – Use for technology equipment purchases.

71652 Software – Non-Capitalized – Use for software purchases not exceeding $5,000 per unit.

PROHIBITED PURCHASES

- The Pcard can not be used to pay other State Agencies Per SAAM 40.30.40 unless When the paying and/or receiving account is a local account, and the receiving agency has agreed to accept the inter-agency purchase card payments.
- The Pcard is not to be used at the EWU Bookstore

Some items on this prohibited list may be allowed on an exception basis when pre-approved by Procurement and Contracts.

- Alcoholic Beverages
- Breakroom or Office Kitchen supplies
- Business Cards – Contact MarCom
- Cash Advances
- Contractual Services
- Cylinder Gases and Liquid Nitrogen
- Office Decorations
- EWU Departments (Athletics, Parking Services, Bookstore, Dining Services, Etc.) - Use an IDPO for these purchases.
- Flowers to be given as gifts
- Food or Refreshments
- Freight charges for incoming shipments billed separately
- Fuel, Gasoline, Diesel
- Furniture
- Gifts and Donations
- Gift Cards
- Hazardous Chemical Materials
- Leases
- Moving Expenses
- Personal Purchases
- Postage Stamps

- Purchases from family members of the card custodians immediate family
- Purchases involving trade-ins
- Radioactive Materials - these items must be coordinated through the Environmental Health & Safety Office.
- Registration for non-employees and non-students
- Remodeling Purchases (i.e. construction equipment,)
- Rentals, long term
- Small and attractive equipment – see list below
- Telephone calls, calling cards, prepaid calling cards
- Travel and travel related expenses such as transportation, lodging, and meals - coordinate all employee travel through Travel Accounting.
- Vehicle repair
- Weapons and ammunition

SMALL AND ATTRACTIVE EQUIPMENT LIST

To be considered small and attractive, each item must exceed $300 including tax and shipping and be less than $5,000.

"Small & Attractive" is defined as an item with an acquired cost greater than $300 and less than $5,000 and includes: personal computers, monitors, printers, scanners, laptops, VCRs, video cameras, televisions, and still cameras . The definition of "Small & Attractive" and the equipment considered as such, are established by the Office of Financial Management. If you need more specific information regarding these types of items, please call the Inventory Control office at 359-4304.

TAXABLE AND NON-TAXABLE ITEMS

Taxable Items Include:

- In general all products purchased in or out of state
- Equipment rental
- All freight charges, including postage, *associated with* the purchase of merchandise

- Movies & film (purchased or rented)
- Office supplies & materials
- Pre-printed material (except newspapers), subscriptions to magazines, publications, books, catalogues, booklets
- Software and software licenses/maintenance
- Repair & maintenance of equipment

Non-Taxable Items Include:

- Advertising (including radio advertising)
- Cleaning service for portable toilets
- Direct freight charges from commercial carriers e.g. Federal Express, UPS, etc.
- Hearing aids
- Internet services
- Licenses except software
- Membership and dues
- Permits and permit fees
- Postage
- Registration fees
- Newspaper subscriptions
- Royalty payment (renting sheet music or plays w/rights to perform)
- Tickets
- Telephone services
- Video cable

PROCUREMENT CARD ACTIVITY LOG

ORDER DATE	MERCHANT/CONTACT NAME	PHONE #	DESCRIPTION OF MDSE.	AMOUNT	INDEX	REC'D DATE