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 PURCHASING.
# TABLE OF CONTENTS

**REVISED JANUARY 2010**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>3</td>
</tr>
<tr>
<td>PURPOSE AND SCOPE</td>
<td>3</td>
</tr>
<tr>
<td>OVERVIEW</td>
<td>3</td>
</tr>
<tr>
<td>OBTAINING A PROCUREMENT CARD</td>
<td>4</td>
</tr>
<tr>
<td>ACTIVATING YOUR CARD</td>
<td>4</td>
</tr>
<tr>
<td>PROCUREMENT CARD MISUSE</td>
<td>4</td>
</tr>
<tr>
<td>SAFEGUARDING YOUR CARD</td>
<td>5</td>
</tr>
<tr>
<td>REPORTING LOST OR STOLEN CARDS</td>
<td>5</td>
</tr>
<tr>
<td>UNWANTED SOLICITATIONS</td>
<td>5</td>
</tr>
<tr>
<td>LENDING YOUR CARD</td>
<td>5</td>
</tr>
<tr>
<td>PURCHASE INSTRUCTIONS</td>
<td>6</td>
</tr>
<tr>
<td>DISPUTING A TRANSACTION</td>
<td>9</td>
</tr>
<tr>
<td>GENERATING A MONTHLY STATEMENT</td>
<td>10</td>
</tr>
<tr>
<td>TRACKING PCARD PURCHASES ON YOUR BUDGET</td>
<td>10</td>
</tr>
<tr>
<td>FISCAL YEAR ISSUES</td>
<td>11</td>
</tr>
<tr>
<td>SUMMARY OF RESPONSIBILITIES</td>
<td>11</td>
</tr>
<tr>
<td>OTHER PAYMENTNET INFORMATION</td>
<td>12</td>
</tr>
<tr>
<td>DIFFERENCES BETWEEN A PROCUREMENT CARD AND A PERSONAL CREDIT CARD</td>
<td>13</td>
</tr>
<tr>
<td>APPENDICES</td>
<td>15</td>
</tr>
<tr>
<td>GLOSSARY</td>
<td>15</td>
</tr>
<tr>
<td>OBJECT CODE DEFINITIONS FOR USE WITH PROCUREMENT CARDS</td>
<td>16</td>
</tr>
<tr>
<td>PROHIBITED PURCHASES</td>
<td>17</td>
</tr>
<tr>
<td>SMALL AND ATTRACTIVE EQUIPMENT LIST</td>
<td>18</td>
</tr>
<tr>
<td>TAXABLE AND NON-TAXABLE ITEMS</td>
<td>19</td>
</tr>
<tr>
<td>SAMPLE ACTIVITY LOG</td>
<td>20</td>
</tr>
<tr>
<td>SAMPLE PROCUREMENT CARD CHECK-OUT LOG</td>
<td>21</td>
</tr>
</tbody>
</table>
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 with greater flexibility in ordering, quicker turn-around time, and reduced paperwork.

Each employee using the procurement /purchasing card must ensure that purchasing with the card 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 Procurement Card System (PCS). The University's Procurement Card Procedures are established in compliance with WAC 236-48-250 through WAC 236-48-253, and in accordance with the State Administrative Accounting Manual sections 45.10 and 45.20. Authority for these policies is established under RCW 43.19.185 authorizing agencies to use credit cards.

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). 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 account 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 statement online at PaymentNet.
- The University downloads the transactions from PaymentNet directly to the accounting system.
- The Cardholder matches actual invoices and receipts to the Transaction Detail Record.
- The Budget Authority for each account assigned will also sign the Transaction Detail Record.
- The Cardholder reconciles the charges from their Transaction Detail Record, attaches the receipts and a printout of the Monthly Transaction Detail w/Account Codes & Notes.
- The Approver reviews and signs the Monthly Transaction Detail w/Account Codes & Notes by the 10th working day of the following month.
- Accounts Payable pays the credit card contractor a minimum of once a month.
- Purchasing and Accounts Payable schedule and perform periodic reviews of Cardholder’s records.
- Cardholders will submit their original Monthly Transaction Detail w/Account Codes & Notes, Transaction Detail Records, and receipts to Purchasing by the last Friday of July for the previous fiscal year (i.e. by July 31st 2009, all cardholders will submit their PCard documents for July 1, 2008 thru June 30, 2009).
OBTAINING A PROCUREMENT CARD
- Both the potential Cardholder and Approver will be required to study the online training presentation, located on the Purchasing website. After completing the online training and passing a quiz, 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 account as part of their application.
- The completed applications may then be submitted to Purchasing (218 TAW), and Purchasing will order the cards.
- New cards will be mailed to Purchasing. Purchasing will contact the Cardholder for card pick up, usually within 2 – 3 weeks.
- Upon termination of employment or upon transfer to another department, the Cardholder shall turn his/her credit card and all original reconciliation documents (Monthly Transaction Detail w/Account Codes & Notes, Transaction Detail Records, and receipts) into Purchasing 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#.

CARD RENEWAL PROCEDURES
The card will be valid for 36 months. JP Morgan Chase will mail a new card to Purchasing before the original expires and the Cardholder will be notified by Purchasing to pick up the new card.

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 per-transaction limit or the competitive quote limit.
- Purchasing items on the Prohibited Purchases list or Small & Attractive Equipment list – see Appendix.
- 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 by the 10th working day of the month.
- Failure to provide adequate documentation for purchases.

Purchasing may take any or all of the following actions if procurement card procedures are violated:
- A written/email notification given to the Cardholder and Approver.
- Suspension of card.
- Additional training in order to reinstate a suspended card.
- Cancellation of card.

It is the responsibility of the Cardholder and Approver to immediately notify the Purchasing Manager or Buyers in the Purchasing 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, Purchasing must be notified. The Cardholder shall return their procurement card, original reconciliation reports, and original receipts to Purchasing with a memo to close the account and notify the Cardholder’s Approver of this transaction.
- Eastern Washington University has only one credit card contractor. Purchasing 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 Purchasing 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 or Visa at 1-800-VISA-911 (1-800-847-2911) and the Purchasing Card Administrator at 509-359-6604 or 509-359-6055. The initial report of a lost or stolen purchasing card can be done verbally; however, these verbal reports must always be confirmed with written correspondence. Written correspondence should be on agency letterhead and signed by the Approver.

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 Purchasing. 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 a signed purchase requisition as your authority to purchase. In the reconciliation process, you will need authorized signatures for all budgets that you are not authorized to sign.

PURCHASE INSTRUCTIONS

• Be aware of allowable purchases – refer to the Appendix 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 single transaction limits not to exceed $3,499 and a monthly limit not to exceed $10,000.
• 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 lmckay@ewu.edu or bsantiago@ewu.edu for assistance. Provide the merchant name, description, and date of transaction. Purchasing 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. Only JP Morgan Chase can override the MCC, so Purchasing will forward your email with a request to override the MCC and then notify the Cardholder when the override has been completed. The merchant can then resubmit the transaction.
• Prior to placing an order for a display ad, you must obtain written approval from University Relations. 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.
  o Place a "P" after the street address to signify a PCard Purchase.
    ▪ For example 312 Showalter HallP
  ▪ For your department’s correct street address see: http://www.ewu.edu/x29501.xml
  o 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.
  o 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 web site. 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 Monthly Transaction Detail w/Account Codes & Notes and the Transaction Detail Records with corresponding invoices and receipts to your Approver by the 10th working day of the month. If a grant account was used, send a copy of your monthly detail statement to the Grant & Research Development Department. Make copies of all documents for your records.

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 4am 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.com/Login.asp. When the login screen appears, make the following three entries:
- Organization ID = US00125
- User ID – Provided by Purchasing after receipt of PCard
- Pass Phrase – Provided by Purchasing after receipt of PCard. When you log on the first time you will need to change your pass phrase.

Click on Login Now.
Contact the Purchasing Manager or Buyer 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 pass phrase. Your pass phrase will be reset. When you login, be sure to change it.

To change your pass phrase, click on Change Pass Phrase in the toolbar on the Welcome Screen and follow prompts.

REVIEWING A TRANSACTION
PaymentNet will notify you via daily email when you have transactions to be reviewed.

You are required to review your transactions at 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 account. Note: anyone with delegated authority must take the training.

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

You can view 15 transactions per page. To navigate through your transactions, use the Go to Page drop down list or the arrows that are located in the top right corner of every screen.
To sort data by category, click on one of the double arrows located in 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 each of 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 account will appear).
- By reviewing the definitions (see Appendix for more information), select an account code from the drop-down list.
- Fill in additional notes (optional).
- Choose Yes or No in the Usage Tax drop down box. See “Determining Tax” below 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 document. Additionally, if the transaction was for an ad, attach the corresponding tear sheet and the written approval from University Relations, if applicable.
- If special permission was given by Purchasing for the purchase of an item, the cardholder will attach the approval to their Transaction Detail Record.
- If special permission was given by Purchasing for the purchase of an item on an on going basis, the cardholder will keep the written approval on file for documentation purposes.
- Repeat all of the above steps for each transaction.
- Obtain the Budget Authority’s signature on the printed copy of each Transaction Detail Record. A purchase requisition that has been signed by the Budget Authority can be attached to the Transaction Detail Record in lieu of that signature on the Transaction Detail Record. The Approver can only sign if he/she is the Budget Authority.

Upon completion of the on-line transaction review, log off by Clicking on Home in the upper right hand corner of the screen, and then click on Logoff on the Home screen.

Approvers review transactions via documents submitted by Cardholders. If an account allocation change is needed, follow instructions above for reviewing transactions and make any necessary changes. Changes must be made prior to 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 Split.
- On the Transaction Split screen, fill in the Transaction Notes field with a detailed description of the merchandise that was purchased.
• Toward the bottom of the screen, select the number of splits, then click on the **Edit Row** button for each line and choose the index number and account code.
• 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.
• Click on the **Save Row** button.
• Go to the next row and repeat the above process. Click on the **Save Row** button at the end of each row.
• When all rows are complete, click on the **Review** box and then click on the **Save Split** button.

**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. Out of state vendors should not charge sales tax unless they have a presence in Washington State and collect Washington State sales tax.

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 sales tax exempt.
- For credits, enter the same value that you entered when you reviewed the corresponding charge.

Use the guide in the Appendix 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 on-line 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. 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:
- 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.
• The merchant will not work with cardholder to rectify the issue.

You have 120 days to resolve the dispute. JP Morgan Chase won’t do anything past 120 days and Visa won’t do anything because you have a commercial account.

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 Purchasing and/or Accounts Payable.

To generate the report, perform the following steps:
• Go to the Transaction List screen on the PaymentNet website.
• On the drop down menu, choose “Reporting”.
• On the Reports screen, Click on the Transaction button.
• On the next screen, scroll down until you reach the “Transaction Detail with Account Codes and Notes” report. Click on that report.
• The next screen shows three drop down boxes. In the third box, choose the month in which the transactions occurred. If the month is not available, please enter the following:
  o In the first box, choose Post Date from the drop-down menu.
  o In the second box, choose Is Between from the drop-down menu.
  o In the third and fourth boxes, choose the appropriate dates.
• Click on the Process Criteria button.
• When the next screen appears, click on the Proceed with Report button.
• On the following screen, you may designate an Optional File Prefix in the first box – month and year is a suggestion. Choose the report in the version you prefer (PDF is recommended) and click on that button.
• On the Available Download Files screen, wait while the report is generated. Click on Refresh to see if it is ready.
• 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 Transaction Detail Record with invoices/receipts attached.
• The Approver reviews, approves and signs the monthly report.
• All backup documents will be retained in your office until the last Friday of July. By the last Friday of every July, please submit all backup documents for the previous fiscal year (July 1st thru June 30th) to Purchasing for reviewing purposes. Purchasing will retain the reports in an organized manner for six fiscal years.

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 first reference number will be the transaction ID# from the Transaction Detail Record and “SJV023” will be the second reference number.
FISCAL YEAR ISSUES
Per the State of Washington Office of Financial Management, goods and services must be received by June 30 to be included as an expenditure of the concluding fiscal year. To insure the receipt of goods and therefore compliance with this policy, no goods should be ordered using the PCard between the dates of June 15 and June 30 of any year.

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.

Registration fees follow the same fiscal year guidelines – they must be ordered and paid for in the same fiscal year that the event occurs. There are two exceptions:
- The merchant offers a substantial discount for early registration,
- Early registration is required to assure a place at the conference.

SUMMARY OF RESPONSIBILITES

Cardholder
- Take Procurement Card training and pass the quiz.
- Apply for Procurement Card with Approver.
- Insure the security of the card and credit card account number.
- Use the PCard following University guidelines.
- Review all transactions on PaymentNet website by the 3rd working day of each month.
- Submit signed Transaction Detail Records with corresponding invoices/receipts and Monthly Report to Approver by the 10th working day of each month.
- Turn in credit card to Purchasing if Cardholder moves to another department or leaves the University.
- Tracking and verifying transactions.
- Submit all backup documents to Purchasing by the last Friday of July.

Approver
- Take Procurement Card training and pass the quiz.
- Approve the Procurement Card application and signature authorities for the Cardholder.
- Fill out application as Approver and assign the default account.
- Ensure that procedures are in place for keeping the card secure.
- Ensure timely review of transactions and receipt of all paperwork by the 10th working day of the month.
- 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 Purchasing of the termination or transfer of a Cardholder.
- Ensure that the card is surrendered upon termination of employment or upon request by Purchasing.
- Keep the Cardholder’s Monthly Reports, Transaction Detail Records and all corresponding invoices and receipts until the last Friday of July. By the last Friday of every July, please submit all backup
documents for the previous fiscal year (July 1st thru June 30th) to Purchasing for reviewing purposes. Purchasing will retain the reports in an organized manner for six fiscal years, which is the retention schedule for purchasing documents. These files are subject to periodic review and audit by Purchasing and the Internal Auditor. Reference 43.19 RCW and Chapter 236-48 WAC.

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.
- Establish the Cardholder profiles which includes setting card limits, number of transactions per day, default index code, and Cardholder and Approver access.
- Delegate to and authorize the Approver to oversee the Cardholder’s usage of the PCard.
- Conduct periodic review of Cardholders documents.
- Provide ongoing training to Cardholders and Approvers on how to review and approve transactions on line.

Accounts Payable
- Ability to assist Cardholders and Approvers on how to review and approve transactions on line.
- Submit payments to the purchasing 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 copies to Purchasing for the monthly review function.

OTHER PAYMENTNET INFORMATION
Can I create queries and reports?
The Query Wizard enables you to view certain items that meet the criteria you enter. Query Wizards are available on the Transaction Listing, Cardholder Listing and Merchant Listing screens.

See the on-line documentation within PaymentNet for instructions on using this feature.

Certain reports are available for your use. Select “Reports” from the main drop down menu. See the on-line documentation within PaymentNet for instructions on using this feature.

Who should I call for help?
Call or email the Purchasing Manager, bsantiago@ewu.edu (509) 359-6604 or Procurement & Supply Support Specialist I, lmckay@ewu.edu (509) 359-6055 to:
- Deactivate a card.
- Clarify Procurement Card policies and procedures.
- Change the transaction limits on a card.
- When a merchant notifies you that the transaction has been declined.
- 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 that your card is lost or stolen (call immediately).
- Request further information on a charge.
• Dispute a charge (after you have contacted the merchant).

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 time frame, the charges will be paid for from the department’s default index number and account code.
• Purchasing can block certain types of purchases on the card, such as travel and entertainment. Purchases are subject to review by the Approver, Accounts Payable, Purchasing, Internal Audit, External State Audit, and Department of Revenue (DOR).

PROCUREMENT CARD REVIEW PROCEDURE
The purpose of conducting periodic reviews of procurement card usage is:
• To insure 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. Run Cardholder monthly detail statements which summarize the activity for the Cardholder(s) being reviewed.
2. By the last Friday of every July, the Cardholder or Approver will submit all backup documents for the previous fiscal year to Purchasing.
3. The reviewer will check that the department has maintained a file of the procurement card transactions and that the following criteria are met:
   • Items purchased are within authorized dollar limits,
   • Items purchased are not part of the restricted items lists,
   • Transactions were not divided to bypass card limits,
   • Proper index numbers and account codes were used,
   • Use tax was charged where appropriate,
   • 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,
   • Procurement card receipts and documentation are to be kept for all transactions, and
   • 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, set the next required review date at the discretion of the reviewer.
5. For recurring deficiencies the following escalation protocol will be followed to encourage compliance:
   • After a second review with the same or similar deficiencies discovered, the Purchasing Card Administrator will recommend corrective action.
   • Recurring deficiencies may result in the following corrective actions being imposed until compliance is achieved:
     o Increased departmental reviews,
o Increased scrutiny of posted transactions by the Purchasing Card Administrator
o Decrease Cardholder’s transaction dollar limit and/or monthly total transaction allowance
o 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. Upon completion of the review, the results of the review will be sent to the Cardholder and should be discussed with 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 Reports 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 insuring 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 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. On a day-to-day basis, this is the name of the web site the Cardholders will go to for review of transactions.

PCard Administrator
The University Purchasing employee in charge of the overall procurement card program. Responsibilities include approving applications for participation in the PCard program and insuring 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 and Approvers 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**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>71400</td>
<td><strong>Supplies</strong> – All supplies which include office, instructional/research/medical, data processing, computer, photographic, graphic arts, electronic media film and theatre, athletic, recreational, cleaning, campus safety &amp; police &amp; 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.</td>
</tr>
<tr>
<td>71403</td>
<td><strong>Plant Maintenance Supplies (for plant use only)</strong> – Supplies including custodial, janitorial, hardware, abrasives, paints, fertilizers, seeds, sprays, chemicals, small tools, flowers, shrubs, etc.</td>
</tr>
<tr>
<td>71410</td>
<td><strong>Printing – External</strong> – Duplicating, copying, binding, labeling, and folding services. <em>No</em> formal printing jobs that require pre-approval by Publications and Purchasing.</td>
</tr>
<tr>
<td>71421</td>
<td><strong>Miscellaneous Communication</strong> – United Parcel, Federal Express, fax usage, on-line (internet) services, satellite downlink, paging services.</td>
</tr>
<tr>
<td>71422</td>
<td><strong>Postage and Postage Permit Fees</strong> – Postage meter machine refills, permit fees and all classes and rates of postage. <em>Pre-approval from Purchasing and EWU Post Office is required to purchase postage.</em></td>
</tr>
<tr>
<td>71430</td>
<td><strong>Rental Equipment &amp; Other</strong> – Minor rentals not covered on yearly contracts – primarily one-time use rentals. All equipment, films, media and miscellaneous rentals including demurrage.</td>
</tr>
<tr>
<td>71431</td>
<td><strong>Rentals Building and Room</strong> – Minor conference room, meeting room and booth rentals not covered on yearly contracts – primarily one-time use rentals. <em>Pre-approval from Purchasing is required when a contract is involved.</em></td>
</tr>
<tr>
<td>71441</td>
<td><strong>Repairs – Equipment</strong></td>
</tr>
<tr>
<td>71444</td>
<td><strong>Repairs – Vehicle</strong></td>
</tr>
<tr>
<td>71210</td>
<td><strong>Purchased Services Maintenance</strong> – Office equipment, printing equipment, scientific equipment, etc. not covered on yearly contracts – primarily one-time use. <em>Pre-approval from Purchasing is required when a contract is involved.</em></td>
</tr>
<tr>
<td>71211</td>
<td><strong>Purchased Services Software Maintenance</strong> – Software maintenance not covered on yearly contracts – primarily one-time use. <em>Pre-approval from Purchasing is required when a contract is involved.</em></td>
</tr>
<tr>
<td>71213</td>
<td><strong>Purchased Services – General</strong> – One-time use on exception basis. <em>Pre-approval from Purchasing is required.</em></td>
</tr>
<tr>
<td>71460</td>
<td><strong>Dues and Memberships</strong></td>
</tr>
</tbody>
</table>
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 asbestos 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 University Relations is required when using an 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 Purchasing is required.*

71601 **IT Equipment Small & Attractive** – Use for technology equipment purchases. These items are tagged. *Pre-approval from Purchasing is required.*

71650 **Non-Capitalized Equipment** – All furnishings and equipment that are not considered small and attractive and which 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**

Some items on the prohibited list may be allowed on an exception basis when pre-approved by Purchasing.

- Alcoholic Beverages
- Business Cards
- Cash Advances Contractual Services
- Cylinder Gases and Liquid Nitrogen
- Decorations
- Flowers
- Food or Refreshments
- Freight charges for incoming shipments billed separately
- Fuel, Gasoline, Diesel
- Furniture
- GIFTS AND DONATIONS
- Hazardous Chemical Material
- Purchases from EWU departments. Use an IDPO for these purchases. [Athletics, Parking Services, Bookstore, Dining Services, Etc.]
- Leases
• Moving Expenses
• PERSONAL PURCHASES, this includes items to decorate your office
• Postage Stamps
• Printing jobs that require pre-approval by Publications and Purchasing
• Purchases from family members of the card custodians immediate family
• Purchases involving trade-ins
• Radioactive Materials. These items must be coordinated through Environmental Health & Safety Office.
• Registration for non-employees and non-students
• Remodeling Purchases (i.e. construction equipment, sink, refrigerator, etc.)
• 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.

• Radios, Portable (when used for Public Safety: University Police, Parking, and Environmental Health & Safety)
• Radios, Mobile (when used for Public Safety)
• Transmitters (when used for Public Safety)
• Binoculars
• Telescopes
• Spotting Scopes
• Hand Guns
• Rifles
• Shotguns
• Starting Pistols
• Cameras, Motion Picture
• Cameras, Still Picture
• Camera Lens
• Projectors: Filmstrip, Slide, Overhead, Video
• Computer, Micro
• Computer, Portable
• Palm Pilots
• Plotters
• Digitizers
• Scanners
• Projection Panels
• Docking Stations
• Digital Cameras
• Computer Monitors
• Computer Printers
• Calculators
• Typewriters
• Dictation/Transcription Units
• Televisions
• Radios (Home Type Only)
• Audio Recorder/Players (Home Type Only)
• Turntables (Home Type Only)
• CD Players (Home Type Only)
• Cassette Decks (Home Type Only)
• Laser Disc Players (Home Type Only)
• Record Players (Home Type Only)
• Video Cassette Recorder/Players (Home Type Only)
• Video Cameras (Home Type Only)
• Karaoke Machines (Home Type Only)
• Servers

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)
• Direct freight charges from commercial carriers e.g. Federal Express, UPS, etc.
• Licenses except software
• Membership and dues
• Postage
• Registration fees/tickets
• Newspaper subscriptions
• Royalty payment (renting sheet music or plays w/rights to perform)
• Video cable
• Cleaning Service for portable toilets
## SAMPLE ACTIVITY LOG

### PROCUREMENT CARD ACTIVITY LOG

<table>
<thead>
<tr>
<th>ORDER DATE</th>
<th>MERCHANT/CONTACT NAME</th>
<th>PHONE #</th>
<th>DESCRIPTION OF MDSE.</th>
<th>AMOUNT</th>
<th>BUDGET</th>
<th>REC'D DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Procurement Card Check-Out Log

<table>
<thead>
<tr>
<th>DATE</th>
<th>Printed Name &amp; Signature</th>
<th>Merchandise to Be Purchased</th>
<th>Date Card to Be Returned</th>
<th>Date Card Returned</th>
<th>Receipt? (Y or N)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>