

Be sure to adjust your speaker volume

The University of Pennsylvania Purchasing Card Program

Policies and Procedures

OPTIONAL:

*Print a document which includes
all audio text by clicking here*



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This is the University of Pennsylvania on-line training for the Purchasing Card Program.

This training reviews University Policies and Procedures for this Program.

Towards the end of this training you will be provided with links to a Quick Reference Guide and a Frequently Asked Question listing regarding PaymentNet, the on-line management system that is used in conjunction with the Purchasing Card.

Link(s) on Page:

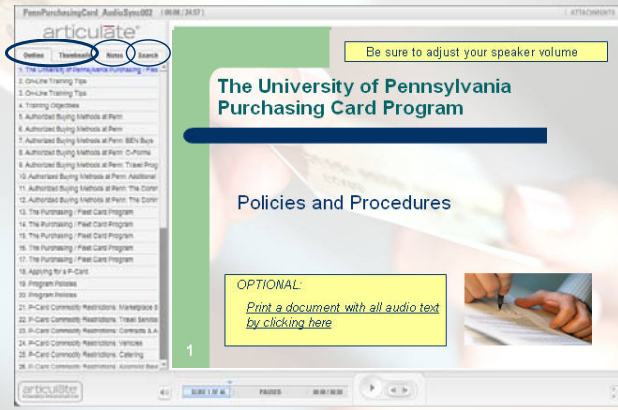
http://www.finance.upenn.edu/ftd/documentation/PCard_KnowledgeBuilding.pdf

Be sure to adjust your speaker volume

On-line Training Tips

Navigation Tabs

- **Outline and Thumbnail** show your location in the training
- **Notes** shows the narration text on-screen
- **Search** allows you to search through the training text



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To get the most out of the on-line training, here are a few tips:

Maximize your browser window and adjust your volume to be better able to see and listen to all of the material.

The navigation bar on the left of the presentation screen shows your current location in the material.

The Outline and Thumbnail tabs at the top of the navigation allow you to adjust your view.

Selecting the "Notes" tab allows you to read the narration text.

Search allows you to search through the training notes.

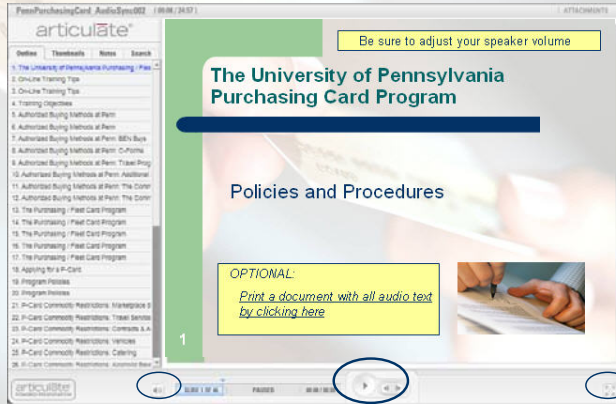
On-line Training Tips

Presentation Controls:

- Volume
- Rewind, Fast-Forward, Pause
- Screen Layout

Web-Links:

- On-screen links will open in a separate browser window



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The controls at the bottom of the page allow you to adjust the volume and manually move backward, forward, or pause.

The control on the bottom right of the presentation screen allows you to further adjust the size and layout of your presentation view.

Also, there may be one or more links to additional information on each screen. Clicking the link will open a new browser window.

Training Objectives

- This training is designed to:
 - Provide a brief overview of the various authorized buying methods at Penn
 - Review the University Policies and Procedures related to the Purchasing Card (“P-Card”)
 - Explain the responsibilities of each of the roles associated with using a P-Card
 - Provide additional information and resources to ensure your appropriate use of the P-Card

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The objective of this training is to...

...provide a very brief overview of the University’s various authorized buying tools, collectively known as “Procure-to-Pay”

...specifically review the policies and procedures for properly using a Purchasing Card, otherwise known as the P-Card,

...explain the roles and responsibilities associated with using the P-Card, and

...provide additional information in the form of web-links to policies and related reference material to ensure your appropriate use of this card.

Authorized Buying Methods at Penn

The University has multiple authorized tools for buying goods and services

- The overall program encompassing these buying tools is known as “Procure-to-Pay” or P2P

Each buying tool is used for specific types of purchases. Different benefits and restrictions apply to each

- Overview of Authorized Buying Methods at Penn
- Commodity Matrix

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While this training will specifically cover information pertaining to the P-Card, it is important to be aware that the University has several authorized buying tools for the purchase of goods and services.

The overall program may be referred to as “Procure-to-Pay”, or P2P.

Each buying tool is used for specific types of purchases. Different benefits and restrictions apply to each.

The next screen will provide a brief overview of the various authorized buying tools at Penn. The business needs of your office will determine which methods are appropriate for you.

Before proceeding with the specifics of the P-Card, we will also review the Commodity Matrix-- a web-based reference tool used to determine the appropriate way of purchasing various types of goods and services.



Authorized Buying Methods at Penn

Other University buying tools include:

- Requisitions and Purchase Orders
- C-Forms
- Travel Programs

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Other buying tools at the University include Requisitions and Purchase Orders, C-forms, and various Travel Programs.

Authorized Buying Methods at Penn

Other University buying tools include:

BEN Buys: Requisitions & Purchase Orders

- On-line order creation and processing system
- Provides access to an on-line listing of goods and services from over 170 suppliers in the University “catalog” (the Penn Marketplace)

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Most commonly required goods and services, should be purchased using BEN Buys to create Requisitions and Purchase Orders.

BEN Buys provides access to the Penn Marketplace, an on-line marketplace containing product catalogs from over 170 University contract and preferred suppliers.

It is important to note that the P-Card is not to be used for purchases from Penn Marketplace suppliers. A Purchase Order must be generated to place an order with these suppliers.

Authorized Buying Methods at Penn

Other University buying tools include:

C-Forms

- Paper-based buying tool for making payments or reimbursements
 - Reimbursements to individuals
 - Payments to Independent Contractors

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The C-368 Form, often referred to just as the “C-Form”, is a paper-based buying tool for making payments to individuals, and a limited number suppliers.

Examples may include (non-travel related) reimbursements to individuals, as well as payments associated with lectures, human subjects, or to Independent Contractors.

Authorized Buying Methods at Penn

Other University buying tools include:

Travel Programs

- Travel-specific C-forms
 - Expense Reports (C-1, C-1A)
 - Advance Requests (C-7)
- American Express Card Program

Exceptions:

The following items **may** be purchased using the P-Card:

- Conference and Registration Fees
- Amtrak tickets

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Travel Reimbursements can be made by using travel-specific versions of the C-Form, including Expense Reports and Advance Requests.

In addition, there is a separate American Express Corporate Card program for payment of faculty and staff business related travel and entertainment expenses.

Please note that the P-Card is not to be used for purchases related to Travel other than the following exception items:

- 1) Conference and registration fees, and
- 2) Amtrak ticket purchases

Authorized Buying Methods at Penn: The Commodity Matrix

The Commodity Matrix: A reference tool for determining the authorized method for purchasing various goods and services

BEN Financials Commodity Matrix

[\[Commodity Matrix Home \]](#) [\[Buying Basics \]](#) [\[Policies \]](#) [\[Supplier Lists \]](#) [\[New C-Forms 2/1/2002 \]](#)

Ben Financials Commodity Matrix Product or Service	Budget Object Code	Travel Office		Accounts Payable		Purchasing Services		MasterCard Purchasing / Fleet Card Program (Transactions <\$1,000)	
		C-1	C-1A	C-Form	Ben Buys PO	P-Card	Fleet Card		
Delivery Services (UPS, DHL, excluding Federal Express)	5270					X		X	
Dry Cleaning	5338					X		X	
Dues & Memberships: Allowable	4237			X				X	

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The Commodity Matrix is designed to help you determine which of the authorized buying tools at Penn is correct for an intended purchase.

The graphic on this screen is a snippet of the Commodity Matrix, which is located on the Purchasing Services web site.

The first column lists the various types of goods or services (commodities) that you may wish to purchase.

The second column shows the appropriate Object Code for this purchase. This number is used in the University's accounting system to indicate the type of good or service being purchased.

The remaining columns indicate which method of payment may be used for making that purchase.

Link(s) on Page: <http://www.purchasing.upenn.edu/buyinfo/matrix.php>

Authorized Buying Methods at Penn: The Commodity Matrix

Example:
Determining how to pay
for or membership fees.

In some cases more than one method may be authorized. However, if the purchase you have in mind is for \$1000 or more, you must use the other form of payment (in this case, a C-Form)...

BEN Financials Commodity Matrix

[Commodity Matrix Home] [Buying Basics] [Policies] [Supplier Lists] [New C-Forms]

Ben Financials Commodity Matrix Product or Service	Budget Object Code	Travel Office		Accounts Payable	Purchasing Services	MasterCard Purchasing / Fleet Card Program (Transactions <\$1,000)		
		C-1	C-1A			C-Form	Ben Buys PO	P-Card
Delivery Services (UPS, DHL, excluding Federal Express)	5270				X		X ⁽¹⁾	
Dry Cleaning	4330				X		X ⁽²⁾	
Dues & Memberships: Allowable	5237			X			X ⁽¹⁾	

...these notations also appear as footnotes at the bottom of the Commodity Matrix web page...

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As an example, say you intend to make a purchase of a particular item.

An "X" in a payment type columns shows which methods of payment may be used for this transaction. This example indicates that you may make this purchase either by using a C-Form or by using your Purchasing Card.

Also notice the notation (a raised "1" or "2") next to the "X" in the P-Card column.

This is a reminder that, if the purchase you have in mind is for \$1000 or more, you must use the other form of payment (in this case, a C-Form).

The Purchasing Card Program

What is the Purchasing Card Program?

- An authorized buying tool to be used for specific, lower dollar value purchases, as indicated on the Commodity Matrix
- Reduces administrative time and effort
- A means of limiting University and employee liability when used according to the Cardholder agreement

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What is the Penn Purchasing Card program?

An authorized buying tool to be used for specific, lower dollar value purchases, as indicated on the Commodity Matrix.

It reduces administrative time and effort associated with making purchases from non-contract suppliers as well as suppliers not in the BEN Buys approved supplier database, and reduces costs associated with processing invoices and checks.

In addition, when used according to the Cardholder agreement the P-Card eliminates employee liability related to a purchase.

The Purchasing Card Program

What is PaymentNet?

PaymentNet is the on-line purchasing card management system for the University's Purchasing Card Program. Benefits include:

- **The ability to review and make transaction inquiries on-line in real time**

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PaymentNet is the accompanying on-line purchasing card management system for use with the P-Card.

PaymentNet allows Cardholders and other system users to review transaction information in real-time. Cardholders will be able to view their individual purchases as they are posted to their P-Card account.

They will also be able to update their transactions with additional "Transaction Notes", indicating the business purpose of the transaction.

The Purchasing Card Program

What is PaymentNet?

PaymentNet is the on-line purchasing card management system for the University's Purchasing Card Program. Benefits include:

- **Self-Service Statements and Reports:** Cardholders will be able to print their monthly Statement of Account to submit for approval along with supporting documentation

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They will also be able to run statements and reports, including their own monthly Statement of Account.

Cardholders will continue to provide supporting documentation and signed copies of their statements to the appropriate individuals in their Business Office.

The Purchasing Card Program

What is PaymentNet?

PaymentNet is the on-line purchasing card management system for the University's Purchasing Card Program. Benefits include:

- **On-line Transaction Disputes:** Should cardholders be unable to reach agreement with suppliers for erroneous charges, disputes can be handled via an on-line process

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If necessary, Cardholders may submit disputes using the PaymentNet System, however both University Policy and bank regulations require that the supplier be contacted directly before entering a dispute on-line.

The Purchasing Card Program

What is PaymentNet?

PaymentNet is the on-line purchasing card management system for the University's Purchasing Card Program. Benefits include:

- **Management Inquiry Capabilities:** A means of obtaining more detailed transaction information and reports to be better able to manage and review University purchasing card activity

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In addition, this system provides program management reporting at the University, School/Center, and department levels, depending on your School or Center's business needs.

Roles and Responsibilities in the Purchasing Card Program

Based on your application information, you will be assigned one or more of these functional and system roles:

- **CARDHOLDER**
- **REALLOCATOR**
- **TRANSACTION APPROVER**
- **MANAGER**
- **AUDITOR**

Note:

Cardholders, Transaction Approvers, Managers, and Auditors all have roles in the PaymentNet system

Individuals who *only* have the role of Reallocator will not have access to the PaymentNet system

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There are a variety of roles related to the Purchasing Card Program.

These roles include, Cardholder, Reallocator, Transaction Approver, Manager, and Auditor.

Keep in mind that the Reallocator is a Penn-specific role that is separate from PaymentNet.

While Cardholders, Transaction Approvers, Managers, and Auditors all have roles in the PaymentNet system, individuals who *only* have the role of Reallocator will not have access to the PaymentNet system.

Roles and Responsibilities in the Purchasing Card Program

CARDHOLDER

The CARDHOLDER initiates purchasing card purchase transactions in accordance with University policies, procedures and the cardholder agreement, and School or Center specific internal requirements.

The CARDHOLDER role is also a role within PaymentNet, the on-line transaction management system

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The role of CARDHOLDER is assigned to each individual who has a Purchasing Card. This role allows the individual to use PaymentNet to review their own P-Card activity, confirm their purchases, and generate their own monthly Statement of Account.

Roles and Responsibilities in the Purchasing Card Program

REALLOCATOR

The role of REALLOCATOR is assigned to individuals who reallocate purchasing charges within the University's BEN Financials system...

This role is specific to PENN, and is not a role within the PaymentNet application

NOTE:

To sufficiently segregate duties and as per University Purchasing Card best practice guidelines, it is recommended that Cardholders *not* reallocate their *own* purchasing card transactions

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The role of Reallocator is assigned to individuals who reallocate purchasing charges from the default account number to the correct fund and object code within the University's BEN Financial system. This role is not a role within the PaymentNet application.

As a Reallocator, you are responsible for:

Receiving transaction information referencing the appropriate fund or object code to which the transaction charges should be reallocated.

Logging onto the BEN Financials system to perform the journal reallocation on a weekly basis.

Entering adjusting journal entries for transaction reallocations which were already posted as a result of missing the weekly reallocation cut-off.

Roles and Responsibilities in the Purchasing Card Program

TRANSACTION APPROVER

The role of TRANSACTION APPROVER is assigned to an individual who has financial responsibility for the purchases made by one or more Cardholders.

The TRANSACTION APPROVER role is also a role within the PaymentNet application

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The role of TRANSACTION APPROVER allows a user to see PaymentNet information for all individuals within their assigned area of responsibility, based on department or ORG.

Roles and Responsibilities in the Purchasing Card Program

MANAGER

At least one individual must be assigned the role of MANAGER in each School/Center

This role allows the individual to see information for all transactions within their School/Center or Organization, and provides access to summary and audit reports

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The role of MANAGER is a view-only role, and is generally assigned at the School/Center level.

This role allows the individual to run summary and audit-type reports, and to query information for all transactions within their respective business units.

You will be assigned one or more of these roles depending on your business needs. Also, please keep in mind that these roles are based on the need for access to PaymentNet, and are not intended to replace existing job responsibilities within your Department.

Roles and Responsibilities in the Purchasing Card Program

In addition, the role of AUDITOR is reserved for use by specific individuals in Purchasing, Accounts Payable, and the Office of Audit, Compliance & Privacy:

AUDITOR

This role allows the individual to see information on transactions throughout the University for program oversight and general management.

Note:

Additional information on these roles and their related responsibilities can be found on the

[Best Practice Guidelines](#) page

on the Purchasing Services web site

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Finally, a separate auditor role is reserved for individuals within Purchasing, Accounts Payable and the Office of Audit, Compliance and Privacy.

Additional information on these roles and their related responsibilities can be found in the Best Practice Guidelines page on the Purchasing Services web site.

Link(s) on Page: http://www.purchasing.upenn.edu/buytools/card_guide.php

Applying for a P-Card

If you have not already done so, please print and complete the application package:

Purchasing Card Application Package

The package includes the following documents and instructions:

- *Purchasing Card Application for Cardholder*
- *Purchasing Card Agreement*
- *Purchasing Card Manager / Transaction Approver Information*

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If your School or Center has determined that you need to be issued a P-Card, you will first need to complete the appropriate forms.

If you have not already done so, please print and complete the application package. The application package consists of the following documents:

The Purchasing Card Application for Cardholder allows you to indicate your specific contact and default account information and requires your signature as well as the signature of your Departmental Business Administrator and your School or Center Senior Financial Officer.

The Purchasing Card Agreement details your obligations under this program and requires your signature and agreement as the Cardholder.

The Purchasing Card Manager / Transaction Approver Information form is used to identify the individuals who will provide approval and operational oversight for the purposes of this program.

Additional completion and submission instructions are included with each form. Your Purchasing Card will be issued to you pending review of your fully completed forms, and the successful completion of the required program training.

Link(s) on Page: <http://www.finance.upenn.edu/forms/procardapp.pdf>

Corporate Liability

The University Purchasing Card is a MasterCard Commercial Card and as such has corporate liability. Corporate liability is defined as:

- University Schools and centers are only liable for the first \$50.00 of any transaction made with the P-Card resulting from theft or other fraudulent use
- University Schools and Centers are not liable for transactions made by a terminated employee, once termination of the account has been provided to the School or Center by the P-Card Administrator
- University Schools and Centers are liable for charges made by an active University employee
- The Purchasing Card Cardholder will not be subject to a personal credit check

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The University Purchasing Card is a MasterCard Commercial Card and as such has corporate liability. Corporate liability is defined as:

University Schools and centers are only liable for the first \$50.00 of any transaction made with the P-Card resulting from theft or other fraudulent use.

University Schools and Centers are not liable for transactions made by a terminated employee, once termination of the account has been provided to the School or Center by the P-Card Administrator.

University Schools and Centers are liable for charges made by an active University employee.

The Purchasing Card Cardholder will not be subject to a personal credit check.

Program Policies

In addition to University policies, your School or Center may have specific additional requirements. Please be sure to check with your Business Office for details.

All Purchasing Card Program procedures are based on University Financial Policy # 2303:

Use of a MasterCard Purchasing Card

Click on the link to view the full text of University Policy # 2303 in a separate window

Use the navigational controls below to resume the training when you have completed reading the policy

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As with all University Financial procedures, the use of this card is based on University Financial Policy, as well as any additional instructions or guidelines issued by your School or Center.

As the Cardholder agreement in the application package requires you to uphold the terms of this policy, it is important that you pause this training to read through Financial Policy 2303: Use of a MasterCard Purchasing Card.

Click on the link to view the full text of University Policy #2303 in a separate window.

Use the navigational controls below to resume the training when you have completed reading the policy.

Link(s) on page: <http://www.finance.upenn.edu/vpfinance/fpm/2300/2303.asp>

Program

Remember, this screen is only a policy overview.

If you have not yet familiarized yourself with Policy #2303, please return to the previous screen to view the complete policy.

Key Policy items include:

- Authorization rules regarding having and using a P-Card
- Specific allowable uses of a P-Card
- Spending Limits
- Rules concerning inappropriate use of a P-Card

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In summary, this policy details:

authorization rules regarding having and using a P-Card,

specific allowable uses of a P-Card, spending limits,

and rules concerning inappropriate use of a P-Card.

Remember, by completing your application and training and by accepting the card, you agree to adhere to all related University Policies, as well as any specific policies set by your School or Center.

While the rest of this training provides details on specific procedures for using the card, you are responsible for making sure that you are up-to-date on the most recent policy revisions.

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Goods and/or services available from a Penn Marketplace supplier...
...purchases from suppliers participating in the Penn marketplace must be made via the BEN Buys Purchasing System

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Before moving on to the permissible uses of the card here are some important examples of when the purchasing card should not be used:

The P-Card may not be used to make purchases from preferred contract suppliers or suppliers in the Penn Marketplace.

These are companies that have agreed to do business with the University by purchase order and who provide on-line catalogs of their merchandise in the BEN Buys system. As such the P-Card is not to be used for purchases from these companies.

In addition, Purchasing Services may place certain suppliers on restriction from doing business with the University. The P-Card is not be used to make purchases from a company that has been placed on the restricted supplier list.

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Travel Services, such as airlines, hotels and motels, car rental companies, cash advances, and entertainment—including meals at restaurants...

...with the exception of conference registration fees and Amtrak tickets, travel-related expenses should not be charged to the P-Card

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Travel and entertainment expenses may not be charged to the P-Card. This includes transportation and lodging expenses.

Remember also that meals at restaurants are prohibited from being charged to the P-Card.

Exception: It is permissible to use the P-Card for conference registration fees and Amtrak tickets.

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Purchases where a supplier contract or agreement is required, regardless of dollar amount...

...purchases requiring a signed contract or agreement must be made by Purchase Order

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If a purchase will require a signed contract or service agreement, the order must be placed by Purchase Order.

Remember that all contracts or agreements must be reviewed and signed by Purchasing Services.

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Vehicle service, maintenance, or fueling...

...however, users who need to maintain or fuel University-owned vehicles may be issued a Fleet Card to be used only for these transactions

Note:

If you will be responsible for the fueling or maintenance of University-owned vehicles, please contact the University Purchasing Card Administrator for more information: PNet@pobox.upenn.edu

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Individuals responsible for servicing or fueling University-owned vehicles can be issued a Fleet Card to be used for these transactions only.

If necessary, two separate cards may be issued to an individual who has responsibilities for both vehicle and non-vehicle related purchases.

If you will be responsible for the fueling or maintenance of University-owned vehicles, please contact the University Purchasing Card Administrator for more information.

P-Card Commodity Restr

Note:

For information on allowable food purchases (such as box lunches), please refer to the [Commodity Matrix](#)

The P-Card may **not** be used to make the following purchases:

- Catering services...

...a Purchase Order must be issued prior to obtaining Catering Services

...also, Purchasing Services must review and sign the caterer agreement prior to issuing a Purchase Order

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A Purchase Order must be issued prior to obtaining catering services.

A University approved caterer must be used for all Penn based catered events.

Also remember that catering services will frequently require the completion of a catering agreement that must be reviewed and signed by Purchasing Services in advance of issuing the purchase order.

Link(s) on Page: <http://www.purchasing.upenn.edu/buyinfo/matrix.php>

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Alcoholic Beverages, such as wines & spirits...

...see the Commodity Matrix if you need additional information regarding authorized buying methods for purchasing alcoholic beverages

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Alcoholic beverages may not be purchased with the P-Card.

If you have a business need for the purchase of alcoholic beverages, please see the Commodity Matrix regarding authorized buying methods and specific instructions.

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Radioactive, chemical, reagents, drugs, or biological materials...

...purchases for these items must be made via the BEN Buys Purchasing System

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Radioactive materials, chemicals, reagents, drugs, or biological materials are not to be purchased by using the P-Card.

Purchases for these items must be made via the BEN Buys Purchasing System.

P-Card Commodity Restrictions

The P-Card may **not** be used to make the following purchases:

- Research Animals...

...this includes related goods such as caging

Research animals and associated items such as animal caging may not be charged to the P-Card.

P-Card Commodity Restrictions

Other items that may **not** be purchased using the P-Card include...

- ...Express mail services
- ...Consulting Services
- ...The payment of any type of insurance
- ...Supplier gift cards

Reminder:

For more detailed information on P-Card restrictions, see the:

[MasterCard Purchasing Commodity & Supplier Restrictions](#) page

on the Purchasing Services web site

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Finally, some other items specifically prohibited from purchase via the P-Card include:

Express mail services, consulting services, the payment of any type of insurance premium, and gift cards.

Reminder: Additional detailed information regarding all P-Card restrictions is available on the MasterCard Purchasing Commodity & Supplier Restrictions page on the Purchasing Services web site.

Link(s) on Page: http://www.purchasing.upenn.edu/buytools/card_restrict.php

Authorized use of the P-Card

The PCard may be used when ***all*** of the following conditions are met

The purchase is:

- ...being made on behalf of the University
- ...for *less* than \$1000.00
- ...for an item which lists the P-Card as an authorized buying method (Commodity Matrix)

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Keeping these restrictions in mind, when is use of the P-Card authorized?

In addition to School, Center, or Department authorization to make purchases , there are three basic requirements.

First and foremost: The P-Card may only be used for transactions being made on behalf of the University. Personal purchases are expressly forbidden.

The second requirement is that a given transaction be for less than \$1,000. For instance, the Purchasing Card may be used to pay for a Conference fee, but only if the fee is less than \$1000. If the fee is \$1000 or more, another method of payment must be used.

Finally, the item you wish to purchase must be listed as an approved commodity type on the BEN Financials Commodity Matrix.

Transaction Limits

Standard transaction limits for University P-Cards:

- Each purchase must be less than \$1000
 - Charges may not be split
- 25 transactions per day
- 800 transactions per month
- Monthly purchase limit of \$4999.99

Tip:

Each Cardholder's specific spending limits can be viewed in the PaymentNet application

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Some important considerations to keep in mind when using the University P-Card:

As mentioned previously the total amount of each purchase must be less than \$1,000.00.

Please keep in mind that charges may not be split in order to avoid the \$1,000.00 limit. As an example if you wanted to purchase an item with a price of \$1100, you are not permitted to use the P-Card for this purchase.

Additional limitations include a maximum of 25 transactions per day,

800 transactions per month, and a total monthly purchase limit of less than \$5,000.00.

Your monthly limit is reset at the end of each billing cycle.

Sponsored Projects and the P-Card

A Sponsored Project (Grant) fund may not be used as the “default” account for a P-Card...

Tip: University record retention policies require that financial records be kept for a period of seven (7) years

In addition, financial records for items being charged to a Sponsored Project must be kept for seven (7) years *from the end of the project*

requirements for sponsored projects, as well as any requirements of the specific grant

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Individuals responsible for managing Sponsored Project funds need to keep some additional rules in mind when using the P-Card.

While a Sponsored Project may not be used as the default account for a P-Card, there are times when it would be appropriate to reallocate P-Card charges to such an account.

In addition to the standard P-Card policies, charges made against a Sponsored Project—also known as a Grant Fund or “5-Fund”—must also meet the financial requirements for this type of fund, and for the specific project being charged.

Remember that University record retention policies require that financial records be kept for a period of seven (7) years. This includes P-Card purchase documentation and signed monthly statements.

In addition, financial records for items being charged to a Sponsored Project must be kept for seven (7) years *from the end of the project*.

Gifts & Endowments and the P-Card

Additional School/Center Senior Financial Officer approval is required to use a gift or endowment fund as a default account for a P-Card...

- *Gift and Endowment Certification Letter*
- *All purchases must meet exclusive donor guidelines*
- *Donor restrictions and conditions must be monitored*
- *Documented monthly review must be performed on all charges*
- *P-Card should be used exclusively for that fund*

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To ensure purchasing card transactions are within the guidelines of the gift or endowment funds donor intention, additional School / Center Senior Financial Officer approval is required to use a gift or endowment fund as a default account for a Purchasing Card.

A [Gift and Endowment Certification Letter](#) must be completed in addition to the standard application forms.

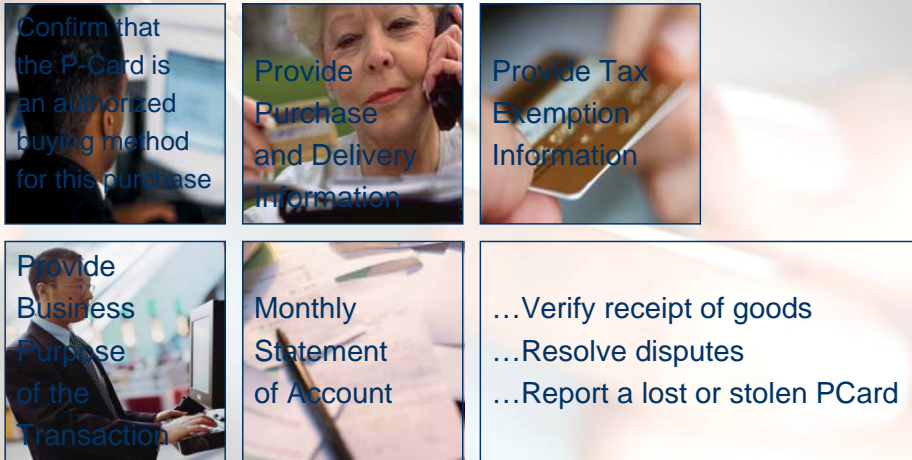
All purchases defaulting to a gift or endowment account must meet exclusive guidelines by the donor.

All restrictions and conditions by the donor must be monitored.

Documented monthly review must be performed on all charges to a gift or endowment account.

Finally, a Purchasing Card that defaults to a gift or endowment fund, should be used exclusively for that fund.

Cardholder Responsibilities



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This slide walks-through the steps involved in a basic P-Card transaction.

All transactions must begin with the Cardholder, who must verify that the P-Card is an authorized buying method for this purchase.

The Commodity Matrix and Purchase Order Supplier Listings on the Purchasing Services web site provide information on specific purchases and suppliers.

The Cardholder then provides the supplier with the necessary purchase and delivery information. Orders may be placed by phone, in person, or via the web.

The cardholder may be asked to provide the supplier with the University's tax exemption information. The University's tax exemption number can be located on the back of the P-Card. If needed, additional tax exemption information can be provided by Purchasing Services.

The Cardholder is responsible for providing information explaining the business purpose of the purchase. Entering the business purpose for the transaction in the transaction notes field in PaymentNet is the preferred option for documenting business purpose.

Some School/Centers may also require that Cardholders write the business purpose on the receipts or on their monthly Statements of Account.

Each month, the cardholder will need to generate a monthly Statement of Account. All original receipts and a signed copy of the monthly Statement of Account should be given to the Cardholder's Transaction Approver.

In addition, the Cardholder must verify the actual receipt of ordered goods. In certain cases, the Cardholder may also need to resolve disputed charges, or report a lost or stolen P-Card.

Reallocator Responsibilities



...On a weekly basis, update Purchasing Card journals before they post in the BEN Financials System...

...updates should be based on the Cardholder's indicated business purpose of the transaction

...Enter adjusting journal entries for Purchasing Card journals which may have posted without being updated as a result of missing the weekly reallocation cut-off...

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Each week, the Reallocator will have access to update default transaction account info for P-Card transactions based on their Cardholder's indicated business purpose of the transaction.

This update is made in the BEN Financials System using the Manual Journal Entry responsibility.

The Reallocator is also responsible for entering adjusting journal entries for Purchasing Card journals which may have posted without being updated, as a result of missing the weekly reallocation cut-off...

Transaction Approver Responsibilities



...review Cardholder Statements of Account (monthly)...

...verify that proper documentation is attached...

...confirm adherence to P-Card policy

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On a monthly basis, the Transaction Approver reviews Cardholder Statements of Account, verifies that that proper documentation has been provided, and confirms general adherence to P-Card policy.

Manager Responsibilities



- Provide program oversight
- A sample of management reports available via PaymentNet include:
 - *Cardholder Listing by Hierarchy*
 - *Available Limit by Low Available Balance*
 - *Decline Listings as well as Disputed Transaction Reports*

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Individuals with the role of Manager are responsible for oversight of the overall activity of P-Card transactions within their area, and for verifying the appropriateness of their School or Center Purchasing Card activity

A sample of the many management reports available via PaymentNet include:

Cardholder Listing by Hierarchy, Available Limit by Low Available Balance, and Decline Listings as well as Disputed Transaction Reports

Manager Responsibilities



- Self-Assessments and Auditing

[Audit Guidelines for Schools & Centers](#)

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In addition, Managers are responsible for completing Self-Assessment / Audit of Purchasing Card activity within their areas.

This should be done as part of routine oversight of business procedures or when suspected infraction of University policy has occurred within a unit.

More information is available on the “Audit Guidelines for School and Centers” link included on this page.

Link(s) on Page: http://www.purchasing.upenn.edu/buytools/audit_guide.php

University Purchasing Card Administrator
Contact Info:

Email: PNet@pobox.upenn.edu

Phone: 215-898-1683

Other Purchasing

The University Purchasing Card Administrator can assist you as needed with other P-Card related activities, including:

- Reporting a lost or stolen card
 - **Note: The Cardholder should immediately call 1-800-316-6056 to report a card that is suspected of being lost or stolen**
- Canceling a card
- Transferring Schools/Centers or Departments

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The University Purchasing Card Administrator can assist you as needed with other P-Card related activities, including:

Reporting a lost or stolen card,

Canceling a card, or

What needs to be done when a Cardholder transfers to another School/Center or Department.

Note that, in the event of a lost or stolen card, the Cardholder should immediately call the bank and then follow up by contacting the P-Card Administrator

Purchasing Card Program Compliance

- As an authorized agent of the University, a Cardholder assumes the responsibility for the protection and proper use of the Purchasing Card
- The Purchasing Card can only be used by the individual whose name appears on the card
- The Purchasing Card and card number must be safeguarded against use by any unauthorized individuals

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As an authorized agent of the University, a Cardholder assumes the responsibility for the protection and proper use of the Purchasing Card.

The Purchasing Card may only be used by the individual whose name appears on the card.

The Purchasing Card and card number must be safeguarded against use by any unauthorized individuals.



Purchasing Card Program Compliance

- Purchasing Card privileges will be suspended and/or terminated in instances of misuse
- Improper use of the Purchasing Card may also result in disciplinary action, up to and including termination of employment
 - Personal Misuse
 - Administrative Misuse

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Purchasing Card privileges will be suspended or terminated in instances of misuse.

Improper use of the Purchasing Card may also result in disciplinary action, up to and including termination of employment.

Examples of personal misuse include personal purchases, assignment or transfer of an individual Purchasing Card for use by an individual other than the authorized Cardholder, or use of a Purchasing Card by a suspended or terminated employee.

Examples of administrative misuse include lack of proper and timely reconciliation of individual Cardholder account, splitting of charges to avoid the per transaction threshold or the University competitive bidding requirement, use of the Purchasing Card for restricted commodities or suppliers, as well as use of Purchasing Card to circumvent supplier restrictions or procurement strategies as defined by Purchasing Services.

This screenshot is a preview of the PaymentNet login page.

Upon successful completion of this training and the following quiz, you will be directed to the Financial Training Documentation page.

There you will find the PaymentNet Quick Reference Guide as well as links to Frequently Asked Questions about the Purchasing Card Program and PaymentNet.



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This screenshot is a preview of the PaymentNet login page.

Upon successful completion of this training and the following quiz, you will be directed to the Financial Training Documentation page.

There you will find the PaymentNet Quick Reference Guide as well as links to Frequently Asked Questions about the Purchasing Card Program and PaymentNet.

Quiz Information

- If you would like to review the material before proceeding, use the navigation bar to return to a specific topic
- The following slide will link directly to an on-line quiz. All quiz questions must be answered correctly for successful completion of the quiz.
- You may retake the quiz as needed, however you must close the current session and re-reg

*Use the navigational controls
below when you are ready
to proceed to the quiz*

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If you would like to review the material before proceeding, use the navigation bar to return to a specific topic.

The next slide will link directly to an on-line quiz for this module. All quiz questions must be answered correctly for successful completion of the quiz.

You may retake the quiz as needed, however you must close the current session and re-register to do so.

QUIZ PLACEHOLDER

...

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This Slide is a placeholder for the Quiz