

**Research Foundation
At Binghamton
University
Procurement Card
(P-Card) Guidelines**

**Bank of America
Visa**

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I. What is a P-Card?

The Research Foundation Bank of America VISA Procurement Card (P-Card) provides a convenient method for principal investigators and authorized staff to purchase small-dollar materials, lab supplies and allowable travel costs such as registration, lodging and airfare necessary to conduct sponsored research at Binghamton University.

II. Who Can be Issued a P-Card?

Only Principal Investigators, co-investigators and project-authorized signers can be issued P-Cards. P-Card user must be either a Research Foundation (RF) or State University of New York (SUNY) employee. P-Card user must have signatory and purchase authorization.

III. Application Process

To obtain a P-Card, each individual must complete an application and submit it to the P-Card Administrator in Sponsored Funds Administration. The P-Card Administrator will verify applicants' authorization for P-Card privileges. If approved, applicant will be contacted to schedule a required training session prior to card usage. The P-Card should arrive in approximately 7-10 days.

IV. Card Purchases

A. Dollar Limits

Individual transactions cannot exceed \$3,000. The monthly limit is generally \$10K however the limit can be up to \$20K depending on the amount of the project purchase activity. The transaction and monthly limit are hard limits and cannot be exceeded. If card user exceeds limits, the P-Card will be terminated. Orders must not be split in order to facilitate use of this P-Card. If the project being charged is over expended, the PI must identify another source of funding to cover the purchase.

B. Responsibility of P-Card users

Each P-card user will be responsible for verifying all charges associated with the specific award/project number.

A P-card user must complete a P-Card Monthly Reconciliation Summary form for both non-travel and travel expenses. This documentation is used to (1) verify all purchases; (2) audit a specific card; (3) reconcile a reported billing discrepancy (4) document purchase authority (5) track all card activity and (6) record receipt of item.

1. Required Purchasing Practices:

Keep your card in a secure location and do not give your card or account number to anyone other than the supplier from whom you are making the purchase.

Use of this P-card is strictly limited to the purchase of commodities and expenses for official research use. **The P-card is not to be used for personal charges.** Improper use will result in P-card privileges being revoked.

If your purchase will exceed the per transaction limit, do not split your order so that you can use the P-Card. Use traditional purchasing procedures or contact the RF Purchasing Department at Sponsored Funds at (607) 777-6752 for assistance.

Please be sure that funds are available at the time of purchase.

2. Placing Your Order

Orders may be placed by phone, fax, online, or in person.

- Notify suppliers that the purchase is tax exempt and provide the NYS Tax Exempt Number or tax-exempt certificate if necessary. Only do business with suppliers who will accommodate our tax exempt status. Out of state tax charges are allowable and chargeable to RF projects.
- Give the supplier your name as it appears on the card, the account number, and the card expiration date.
- All related invoices should be sent directly to the ordering P-card user. All merchandise should be delivered to central receiving who will then deliver the materials.
- Submit monthly the completed P-Card Monthly Reconciliation Summary form and original receipts to Sponsor Funds Administration. Attach original receipts to the summary form and retain copies in the department for six (6) months.

NOTE: If making your purchase in person: Obtain an itemized receipt, in addition to the credit card receipt and check the credit card receipt to insure accuracy before signing. Receipts that do not clearly list the items purchased will not be considered adequate documentation.

C. Examples of generally allowable sponsored purchases (up to \$2,500). Please inquire with P-Card administrator if questions about unusual purchase or have general related P-Card questions:

- ❖ Registrations for conferences and seminars
- ❖ Books
- ❖ Supplies and materials
- ❖ Film processing
- ❖ Postage
- ❖ Printing
- ❖ Shipping charges (UPS, Federal Express, Airborne, etc.)
- ❖ Online purchase of any of the above
- ❖ Allowable Travel (i.e., airfare, car rental, taxis, shuttles, parking, lodging, registration, gas, etc.) Only travel items that are receipted.

D. Unallowable or Restricted Items:

- ❖ Personal use
- ❖ Flowers, greeting cards
- ❖ Personal celebrations and gifts of sentiment (birthdays, retirements, etc.)
- ❖ Staff morale and recognition
- ❖ Gift certificates, gift cards, stored-value card
- ❖ Recognition gifts
- ❖ Alcoholic beverages, coffee service, etc.,
- ❖ Orders exceeding the \$2,500 limit – use traditional purchasing methods
- ❖ Maintenance agreements
- ❖ Medical services
- ❖ Cash advances, Cash back on purchases, Cash refunds on returns
- ❖ Controlled substances (e.g., narcotics and prescription drugs)
- ❖ Live animals, Radioactive materials, Specialty gases/cylinder rentals
- ❖ Any material, agent, or toxin identified as a Select Agent or Toxin by U.S. Government regulations.
- ❖ Purchases requiring a contract and signed university authorization
- ❖ Contracted services from an individual
- ❖ Leases, insurance
- ❖ Monthly recurring or automated charges
- ❖ Meals while in travel status

All purchases are limited to official research use and must be made in a reasonable, rational, cost effective manner. To be allowable and allocable, the purchase must be related to the program purpose. All activity is subject to periodic audit to monitor compliance with policies and procedures governing this program. Improper use will lead to suspension of privileges.

E. Funding Restrictions

Before placing any order, insure funds are available in your project/award. Funding will not be available to cover expenses that exceed a grant balance. P-Card should not be used during the last 90-days of an externally sponsored award/project or after an award/project terminates. Questions regarding this restriction should be directed to the P-Card Administrator. In the event of an unallowable expense, the PI is responsible to identify another source of funds to cover the expense(s).

F. Payment or Account Reconciliation

Your **monthly** review, must be done by the 15th of each month and must include the following:

- Compare the BOA invoice with your P-Card Monthly Reconciliation Summary.
- Attach **all** applicable original receipts to the back of the summary.
- Any charges for sales tax are identified as a credit pending.
- Ensure credits appear on the BOA statement for any returns. If a charge appears on your BOA statement for an item ordered, but not received, contact the supplier to resolve the matter. Suppliers should not submit charges to BOA until the goods have been shipped. If you cannot resolve the matter with the supplier, follow the process for disputes within 15 days. (see page 9).
- Any unauthorized transactions must be reported to BOA for dispute.
- Obtain supervisor's signature on the P-Card Monthly Reconciliation Summary.
- Submit the complete summary with the original receipts to Sponsored Funds Administration.

G. PI or Delegate Approval of P-Card Transactions

The monthly review and approval of all P-Card transactions must be done by an individual other than P-Card user, an individual with a higher level of authority. Unless otherwise specified, this will be assigned to the Principal Investigator listed on the P-Card application form. If the reviewer does not agree with the monthly statement, the card user will be asked to verify the documents and explain the reason for any discrepancy.

Principal Investigators or Project Directors must inform the Sponsored Funds P-Card Administrator of any transfer or termination of a card user or the transfer or termination of the designated reviewer.

V. Questioned Items & Returns

A. Card user Responsibilities

Whenever an item purchased with the P-card is returned to the supplier, the P-Card user must request that the supplier issue a BOA Visa credit. Under no circumstances will cash be accepted to resolve a credit situation.

1. Sales Tax

The Research Foundation is tax exempt. However, out of state tax charges are allowable and chargeable to RF projects. If a charge for NYS sales tax appears on the BOA Statement, the P-Card user will contact the supplier directly to arrange to have this charge reversed. Ask the supplier to credit

your account for the sales tax charged and note the credit pending on the transaction log; attach the documentation showing that the request for a charge reversal was made. BOA will not assist with sales tax issues. Out of state sales tax is allowable and chargeable to RF projects.

2. Returns and Credits

All credits and returns should be documented on the transaction log and filed in your file for reconciliation of the next statement.

To make a return, contact the supplier directly to determine the proper return procedures. Any credits issued will appear on a subsequent Visa statement.

3. Items not Received

If a charge appears on your RF BOA Visa statement for an item ordered but not received, contact the supplier to resolve the matter. Suppliers should not submit charges to Visa until goods have been shipped. **Report unauthorized transactions to BOA for dispute within 15 days.**

If you cannot resolve any of the above matters with the supplier with the exception of sales tax, follow the process for disputes below.

4. Disputes

If the P-Card user cannot resolve a dispute with a supplier or there is a charge that is unauthorized or unrecognized on the card users' Visa statement, the card user must initiate a dispute with BOA Visa within 15 days of the transaction appearing on the statement. To initiate a dispute, the card user should contact BOA directly at 888-449-2273 and also notify the Sponsored Funds P-Card Administrator at (607) 777-6752.

B. BOA Responsibility

BOA will issue a credit to the card user's account and process the appropriate chargeback for all questioned items resolved in favor of the Research Foundation.

VI. Lost or Stolen P-Card

A. Card user Responsibility

Any lost or stolen P-Card must be reported immediately to BOA Customer Service at 888-449-2273. Immediately following this verbal notification, the card user must also report the lost or stolen card to Sponsored Funds Administration P-Card Administrator at 607-777-6752. A replacement

card will not be issued unless the P-Card administrator is also notified. The card user should be prepared to give their name exactly as it appears on the face of the card, the account number, the card's expiration date, and a brief explanation surrounding the loss.

Failure to comply with this notification process will result in the card user becoming personally liable for the fraudulent use of the card.

B. RF BOA Visa Card Responsibility

BOA will take immediate action to cancel the card reported lost or stolen. BOA will initiate steps to issue a replacement card as soon as possible. The replacement card will be sent directly to Sponsored Funds P-Card Administrator or card user.

VII. Liability

The PI and or P-card user is responsible for all unallowable purchases, disallowances, misuse, fraud and costs not covered by RF or sponsor. This will also result in the termination of the P-Card. It is important to report immediately any lost or stolen P-Cards to BOA and the P-Card Administrator at Sponsored Funds Administration. Failure to comply with this notification process will result in the card user becoming personally liable for the fraudulent use of the card.

VIII. Suspension of P-Card Privileges

Improper use of the P-card by the card user will lead to suspension of all P-Card privileges. Failure to reconcile activity as noted in these guidelines will also lead to suspension of all P-Card privileges. P-Card usage will be audited periodically.

A. Misuse or Abuse of the P-Card

The term "misuse or abuse" means the use of the P-Card outside the card users authorized parameters (e.g., charges in excess of the permitted limit; split-ordering, purchases of items of a type other than those allowed, failure to reconcile as noted within these guidelines, failure to report card lost or stolen, sharing card or the card number with another person). The P-Card will be revoked when misuse or abuse occurs.

B. Fraudulent Use of the Card

The term “fraudulent use” means the use of the P-Card with a deliberately planned purpose and intent to deceive and thereby gain a wrongful advantage for oneself or anyone else other than the RF. The following actions will be taken:

- Immediate suspension of card privileges;
- Removal of card user’s purchasing authority;
- Mandate employee reimbursement to the RF; and
- Formal disciplinary action which may result in termination of employment.

C. P-Card user Separation

If the P-Card user leaves Binghamton University or joins another department, the PI or card user will send the cut up card to the P-Card Administrator with a request to cancel the account. The P-Card Administrator will direct BOA to cancel all P-Card privileges for any card user who leaves Binghamton University for any reason. The card user will make all attempts to complete any outstanding reconciliation(s).

The P-Card user will continue to be liable for any charges incurred by the P-Card user until BOA is directed to cancel the P-Card.

IX. Audit of Individual Accounts

It is important to note that the RF as well as external sponsors may elect to audit any and all P-Card activity at any time. Performance of these audits does not require advance notice. Therefore, it is extremely important that all project investigators and or staff retain accurate records of all transactions made using their assigned P-Cards. Copies of reconciliation documentation should be kept on file in the P-Card users office for 6 months.

X. Key Contact Information

Research Foundation at Binghamton University

Chris Karl
Senior Clerical Specialist: Purchasing, Accounts Payable and Travel
(607) 777-6752
Sponsored Funds
BioTechnology Bldg

BOA CUSTOMER SUPPORT

TO REPORT AND CANCEL LOST OR STOLEN CARDS:

Call BOA at 888-449-2273

This number is available twenty-four (24) hours per day, seven (7) days per week.

Immediately following this verbal notification, the card user must also report the lost or stolen card to P-Card Administrator at 607-777-6752.

XI. Acknowledgement

We want to sincerely thank Donna Scuto and Carol Julian from the University at Buffalo and Buffalo State campuses for generously allowing us to customize their P-Card guidelines and adapt it as we see suitable for the Binghamton campus.