



# **Procurement Card Guidelines and User Guide**

*Office of Sponsored Funds Administration  
Binghamton University  
Updated July 2018*

## Contents

<b>Introduction</b> .....	3
<b>Who Can be Issued a P-Card?</b> .....	3
<b>How to Obtain a P-Card</b> .....	3
<b>Using your P-Card and Spending Limits</b> .....	3
Single and Monthly Limits.....	3
<b>Making Purchases</b> .....	4
<b>Allowable Purchases</b> .....	4
<b>Restricted Purchases</b> .....	4
<b>Fund Availability</b> .....	5
<b>Account Reconciliation Process</b> .....	5
<b>PI or Designee Approval of Transactions</b> .....	5
<b>Resolving Disputes with Suppliers</b> .....	6
<b>Credits and Returns</b> .....	6
<b>Sales Tax</b> .....	6
<b>Liability</b> .....	6
<b>Lost or Stolen Card</b> .....	7
<b>Suspension of P-Card Privileges</b> .....	7
Misuse or Abuse of the P-Card .....	7
Fraudulent Use of the Card.....	7
<b>Cardholder Separation</b> .....	7
<b>Key Contact Information</b> .....	8

## Introduction

The Research Foundation for SUNY P-Card is a VISA Corporate Card issued through the Bank of America and administered by Sponsored Funds Administration at Binghamton University. The program was designed to maintain accountability while reducing the administrative burden of procurement activities. The P-Card provides a convenient method for Principal Investigators and authorized staff to make small dollar purchases for items necessary to conduct their sponsored program.

## Who Can be Issued a P-Card?

Authorized Cardholders may include Principal/Co-Principal Investigators (PI) and project/administrative staff who have signature and purchasing authorization on identified projects. Cardholders must be either a Research Foundation or State University of New York employees. P-Cards will not be issued to independent contractors, temporary employees, non employed students or any other non-employee.

## How to Obtain a P-Card

As the PI is the designated individual responsible for programmatic and financial oversight of sponsored programs funds, the PI has responsibility for complying with the financial and administrative policies of their projects and is therefore required to approve all requests for P-Cards associated with any of their funds.

To obtain a P-Card, each individual (Cardholder) must complete a Procurement Card Application with appropriate PI signature approval and submit it to the P-Card Program Administrator (Administrator) in Sponsored Funds Administration. The Administrator will review the application to verify and confirm the applicant's eligibility and level of authorization. Operations Manager or delegate approves application. Once approved, the Cardholder will be contacted to schedule a training session prior to card usage.

## Using your P-Card and Spending Limits

The Cardholder is solely and personally responsible for ensuring the protection, security and proper use of their card. The P-Card is non-transferrable and can only be used by the individual to whom the card has been issued. Giving your card or card number to another person or using someone else's card may result in the revocation of P-Card privileges.

**Single and Monthly Limits** – The maximum per transaction limit is set at \$2,500 and the maximum monthly limit is set at \$5,000. The per transaction and monthly limits are hard limits and cannot not be exceeded without approval from Sponsored Funds Administration.

Transactions will be denied if they exceed the stated limit. Splitting a transaction in order to remain within the limit is prohibited.

## Making Purchases

There are three main methods of making purchases: Over the counter, phone/fax, and internet order. When placing your order:

- 1) Verify the supplier accepts VISA.
- 2) Notify suppliers that the purchase is tax exempt and provide the NYS tax exempt number (which is identified on the P-Card) or tax-exempt certificate, if necessary. Only do business with suppliers who will accommodate the tax exempt status. Out of state tax charges are allowable and chargeable to RF projects.
- 3) If shipping is required, provide the proper University shipping address. *Purchased items should not be shipped to personal or home addresses.*
- 4) Ensure you receive an itemized receipt and retain that receipt for account reconciliation.

## Allowable Purchases

All purchases made with a P-Card are limited to and must be for official sponsored programs use and must be made in a reasonable, rational, cost effective manner. It is the Cardholder and Pls' responsibility to ensure all purchases made with the P-card are allowable under the terms of the sponsored program award. If the Cardholder is unsure about whether the purchase is allowable, contact Sponsored Funds prior to any purchase. All activity is subject to periodic audit to monitor compliance with policies and procedures governing this program. Improper use will lead to suspension of P-Card privileges.

## Restricted Purchases

In addition to the limits stated above, which are controlled at the point of sale, the following are restricted for use with the P-Card:

- Any item intended for personal use
- Maintenance agreements
- Medical Services
- Cash or cash advances
- Controlled substances
- 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 or a signature from an authorized representative of the University
- Professional services, consultant fees, contracted services from an individual

- Leases, rental agreements, insurance
- Monthly recurring or automated charges

Questions regarding these restrictions should be directed to the Program Administrator.

## Fund Availability

Before placing any order, it is the Cardholders responsibility to ensure funds are available in the award/project. The 90 day rule applies. Purchases made from sponsored awards within the last 90 days of an award must be fully consumed by project end date. Funding will not be available to cover expenses that exceed an award/project balance. P-Cards cannot be used after an award/project has terminated. In the event of an unallowable expense(s), the PI will be responsible to identify another source of funds to cover the expense(s).

## Account Reconciliation Process

The Cardholder is responsible for the monthly reconciliation of P-card activity. This should be done within 30 days of receipt of the monthly billing statement. Failure to meet the reconciliation deadline may result in termination of P-Card privileges.

Cardholders should review all transactions to confirm that they are legitimate purchases and that all required receipts and documentation are available. To complete the monthly reconciliation, please ensure that:

- 1) The Reconciliation Summary Form is fully completed, paying particular attention to and clearly detailing the purpose of the expense and its relation to the specific project being charged.
- 2) Original, itemized receipts and any related documentation are accounted for and attached.
- 3) Charges for NYS sales tax are credited or identified as "credit pending."
- 4) Credits appear for any returns.
- 5) The PI has reviewed and signed the summary form
- 6) Submit completed, signed form with all attached documentation to Sponsored Funds Administration.

If you are missing a receipt and have been unable to obtain one from the supplier, contact the Administrator for an Unavailable Receipt form.

If a charge appears on your BOA VISA Statement for an item ordered but not received, contact the supplier to resolve this matter.

## PI or Designee Approval of Transactions

Monthly review and approval of all Cardholder transactions must take place by the PI or designee. This individual must review and sign the Reconciliation Summary

form for each of their assigned Cardholders. If the PI or designee does not agree with the monthly statement, the Cardholder will be asked to verify the documents and explain the reason for any discrepancy. PIs must inform the Administrator of any transfer or termination of a Cardholder or the transfer or termination of the designated reviewer.

## Resolving Disputes with Suppliers

In the event of an erroneous charge, the Cardholder is responsible for contacting the supplier directly and attempting to resolve the problem. The Cardholder should document the communication to include the date(s) of communication, the person(s) involved, and a brief description of the problem and outcome.

If the Cardholder is unable to resolve the dispute with the supplier, or there is a charge that is unauthorized or unrecognized in the Cardholder's VISA statement, he/she must contact Bank of America (BOA) directly for appropriate action and provide all necessary documentation. To initiate a dispute, the Cardholder should contact BOA directly at 1-888-449-2273, and also notify the Campus Program Administrator.

## Credits and Returns

Whenever a credit is due as a result of a return or dispute resolution, the Cardholder must request of the supplier that a BOA VISA credit is issued. Under no circumstances will cash be accepted to resolve a credit situation. All credits and returns should be documented and filed for reconciliation on 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.

## 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 Cardholder must contact the supplier directly to arrange to have this charge reversed. Ask the supplier to credit the account for the sales tax charged and note the credit pending on the Reconciliation Summary form. Attach the documentation showing that the request for a charge reversal was requested.

## Liability

The PI and/or Cardholder are 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 Administrator. Failure to comply with this notification process will result in the Cardholder becoming personally liable for the fraudulent use of the card.

## Lost or Stolen Card

Any lost or stolen P-Card must be reported immediately to BOA Customer Service at 1-888-449-2273. Immediately following this notification, the Cardholder must also report the lost or stolen card to the Administrator at 1-607-777-6752. **A replacement card will not be issued unless the Administrator is also notified.** The Cardholder 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 process will result in the Cardholder becoming personally liable for the fraudulent use of the card.

## Suspension of P-Card Privileges

Improper use of the P-card by the Cardholder 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 is closely monitored and will be audited for compliance periodically.

**Misuse or Abuse of the P-Card** – the term “misuse or abuse” means the use of the P-Card outside the Cardholders 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.

**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

## Cardholder Separation

The PI or Cardholder must notify the Administrator immediately upon termination of employment from Binghamton University or upon reassignment to another department within the University. The PI or Cardholder must send the cut up card to the Administrator, who will direct BOA the account immediately. The Cardholder will make all attempts to complete any outstanding reconciliation(s). The Cardholder will continue to be liable for any charges incurred until the Administrator is notified and BOA is directed to cancel the P-Card account.

## Key Contact Information

The Research Foundation for SUNY BOA Program Administrator:

Chris Karl, Purchasing Associate

Email: [ckarl@binghamton.edu](mailto:ckarl@binghamton.edu)

Marianne Cannon, Clerk II

Email: [macannon@binghamton.edu](mailto:macannon@binghamton.edu)

Phone: 607-777-6752

Bank of America

Customer Service – 888-449-2273

Seven days/week, 24 hours/day