

# CONTACTS

Questions about enrollment, reporting, general purchasing card questions, etc. should be directed to:

Purchasing Card Administrators: Lora Lidaywa or Cindy Baxter  
Purchasing Office  
Sherman Hall 227  
Macomb, IL 61455  
309/298-1819  
309/298-1927 fax  
[Pcard@wiu.edu](mailto:Pcard@wiu.edu)

Questions about account allocation, payment information, etc. should be directed to Business Services at 298-1811.

Emergency Services or Lost/Stolen Card: 1-800-307-7309

## 1. OVERVIEW OF PROCUREMENT CARD PROGRAM

### 1.1 PURPOSE

This program is designed to improve efficiency in purchasing low dollar (under \$5,000) goods and services.

**NOTE:** The procurement card cannot be used for personal purchases under any circumstances.

### 1.2 BENEFITS

The use of the procurement card will

- 1.2.1 Provide improved customer relations by allowing employees to obtain certain goods and services faster and easier.
- 1.2.2 Enable employees to be more efficient and to focus on the primary aspects of their jobs.
- 1.2.3 Reduce paperwork and processing time at the department level as well as in Purchasing and Accounts Payable.
- 1.2.4 Provide cost savings through consolidated payment. The University will issue a monthly payment to the credit card provider instead of multiple supplier payments.

### 1.3 THE CREDIT CARD COMPANY

The program is provided by JP Morgan Chase which offers a web based software solution called PaymentNet 4 that simplifies and accelerates the reconciliation process.

## 2. WHERE TO GET HELP

### 1.1 DISPUTES

Before a transaction is disputed, you must first attempt to resolve the issue directly with the merchant. If the merchant fails to resolve the issue, an online dispute can be initiated in PaymentNet 4. Sales tax is not a valid reason to dispute a transaction. Do not dispute a charge if it has already been reported as fraudulent. Instructions are listed on the Cardholder Quick Reference Card.

JP Morgan  
P.O. Box 2017  
Elgin, IL 60121  
Disputes: 888-297-0768

### 1.2 SUPPORT AND ASSISTANCE

Purchasing Card Administrators: Lora Lidaywa or Cindy Baxter, 298-1819, 298-1927 fax, [Pcard@wiu.edu](mailto:Pcard@wiu.edu)

Provides support and assistance to cardholders, distributes and processes new card applications, processes changes in cardholder information (name, mailing address, increase or decrease in limits, etc.), schedules training, updates Users' Guide and distributes specialized reports.

### 3. **PROCUREMENT CARD**

#### 3.1 **ISSUANCE**

The procurement card is issued by Western Illinois University in coordination with JP Morgan.

The Procurement Card Application is filled out by using the web based program in PaymentNet 4. It can be found at <https://www.paymentnet.jpmorgan.com/arm/public/Arm.html#applyc02be91e-b770-41d2-8257-47b1d2e4082c> A Cardholder's Agreement must be completed, signed and returned to Purchasing before the procurement card will be issued.

The procurement card will include the Cardholder's, Institution's and Department's name.

All purchases are exempt from sales tax. The University's tax exempt number is included on the goldenrod card issued with the credit card. The goldenrod card must be presented when each purchase is made in order for tax exemption to be granted by vendors.

Cardholder must attend training before a procurement card will be issued.

Cardholder must pick up the procurement card in person in the Purchasing Office, Sherman Hall 227.

Cardholder must sign the back of the procurement card in the presence of Purchasing personnel.

Cardholder must be a Western Illinois University faculty or staff member (students are not eligible to receive a card).

Cardholder's Manager (Approver) must have internet access to PaymentNet 4 in order to approve cardholder's monthly transactions.

#### 3.2 **PROCUREMENT CARD LIMITS AND RESTRICTIONS**

##### 3.2.1 **Limits**

- 3.2.1.1 10 purchases a day, typically (more than 10 purchases a day may be reviewed more closely by the PCard staff)
- 3.2.1.2 Dollar limit shall not exceed your single specified limit per transaction - \$5,000 normally
- 3.2.1.3 Monthly spending limit is usually \$15,000
- 3.2.1.4 Limits may be negotiated between the department and Purchasing
- 3.2.1.5 Higher Transaction Request form (found on page 17) must be completed and returned to the Purchasing Office after all approvals have been made.

##### 3.2.2 **P-Card Usage**

###### 3.2.2.1 **Acceptable P-Card Use Examples**

- 3.2.2.1.1 Books
- 3.2.2.1.2 Periodicals
- 3.2.2.1.3 Office and lab supplies
- 3.2.2.1.4 Small dollar retail purchases
- 3.2.2.1.5 Other small dollar items traditionally purchased on a purchase order or paid by DPA
- 3.2.2.1.6 Registration fees
- 3.2.2.1.7 Travel – lodging, airfare, train, car rental, taxi, etc.

###### 3.2.2.2 **Limited P-Card Use**

- 3.2.2.2.1 Alcoholic Beverages (Foundation accounts)
- 3.2.2.2.2 Automotive Repairs – Garage use only

- 3.2.2.2.3 Printing including Business Cards – must be purchased through DPS only
- 3.2.2.2.4 Furniture - Requires State of Illinois Central Management Services approval. Departments must obtain **prior approval** from the Purchasing Office to purchase furniture.
- 3.2.2.2.5 Charter Bus - must be arranged through Purchasing
- 3.2.2.2.6 Controlled and Prescription Drugs - appropriate departments only (Beu Health Center)
- 3.2.2.2.7 Gifts/Gift Cards (see section 3.2.3.6 below)
- 3.2.2.2.8 Hazardous Chemicals and Materials (including radioactive material)
- 3.2.2.2.9 Logo/Licensing including items containing the University’s logo such as t-shirts, etc. – needs **prior approval** from University Marketing
- 3.2.2.2.10 Telephone Equipment - must be approved by Telecommunications
- 3.2.2.2.11 Vehicle Purchases - must be approved by Transportation Services

**3.2.2.3 Prohibited P-Card Use**

- 3.2.2.3.1 Purchases requiring a University contract. Professional and Artistic Services - Contractual Services including Consultants and Speakers. Contracts are to be approved by the appropriate Vice Presidents.
- 3.2.2.3.2 Current Purchase Order Contracts
- 3.2.2.3.3 Carpet/Flooring
- 3.2.2.3.4 Draperies
- 3.2.2.3.5 Cash Advances
- 3.2.2.3.6 Cash Refunds
- 3.2.2.3.7 Charter Airplane – must be arranged through Purchasing
- 3.2.2.3.8 Construction Services including Remodeling
- 3.2.2.3.9 Donations
- 3.2.2.3.10 Ethyl Alcohol (alcohol permit required)
- 3.2.2.3.11 Fines, Late Fees or Penalties, Interest and Finance charges
- 3.2.2.3.12 Internet gambling/gaming
- 3.2.2.3.13 Labor
- 3.2.2.3.14 Real Property Leases
- 3.2.2.3.15 Personal Items
- 3.2.2.3.16 Personal Meals – including meals while in travel status
- 3.2.2.3.17 Postage Stamps – must be purchased through DPS Mail Services
- 3.2.2.3.18 Purchasing involving Trade of University Property – must be approved by Property Accounting
- 3.2.2.3.19 Purchases within the University (Bookstore, uTech Computer Store, Foundation and inter-department services)
- 3.2.2.3.20 Utility Payments
- 3.2.2.3.21 Weapons/Ammunition – must be purchased through Purchasing
- 3.2.2.3.22 Employee expenses while in travel status, except for the purchase of hotel, air, rail and vehicle transportation. Travel status expenses are expenses that can be reimbursed on a travel voucher (such as meals). All expenditures are to be made in accordance with University travel policies and regulations, including the reimbursable rates. Any over expenditure will be deducted from the employee’s travel reimbursement or the employee will be required to reimburse the University.

**3.2.3 Limited Purchases**

- 3.2.3.1 Computer software may be purchased if the vendor does not require a signed license agreement or contract.
- 3.2.3.2 Wireless networking equipment must be approved by uTech.
- 3.2.3.3 Light refreshments (coffee, rolls, soft drinks, water, etc.) are permissible when the refreshments are for parent visitations, orientation sessions or , receptions for speakers or

visiting dignitaries.. The purpose of the refreshments must be listed in the transaction notes in PaymentNet 4. Refreshments purchased for purposes other than those listed requires the prior approval of the President or the respective vice president. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.

- 3.2.3.4 Meals - all requests for purchase of meals must identify the group and provide a business purpose for the meal (indicate in Transaction Notes in PaymentNet 4). The list of attendees may be in summarized form. (Does not include meals while in travel status, which is prohibited) For additional, more complete information, please refer to the Policy on Business/Departmental Expenses <http://www.wiu.edu/vpas/policies/busexp.php>
  - 3.2.3.4.1 Business meals involving University employees only - University funds cannot be used to purchase meals where only University employees are in attendance. Exceptions can be made with prior approval of the dean (if applicable) and the respective vice president or president. The only exception that will be considered by deans, vice presidents, or the president are those for meals which the employee is expected to attend as part of his/her university employment. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.
  - 3.2.3.4.2 Meals involving Students - are permissible for student orientation, student recruitment or when students are being trained for employment. Reasonable faculty/staff involvement is permissible. Indicate in Transaction Notes in PaymentNet 4 the purpose of the meal.
  - 3.2.3.4.3 Miscellaneous Meals - for purposes other than those listed above require the prior approval of the respective vice president or the President. The payment of meals for events such as Founders Day, the Civil Service luncheon, or scholarship banquets is not allowable from University funds. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.
- 3.2.3.5 Personal dues and Memberships ordinarily are not permissible from University funds. Exceptions can be made with the approval of the respective dean, the respective vice president or the President. In order for an exception to be granted, the business purpose must be stated. Memberships, dues, or licenses are to be for the current year only, multiple year memberships, dues, or licenses will not be paid. Any substantive materials must become the property of Western Illinois University. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.
- 3.2.3.6 Gifts, Contributions, Promotional Items and Prizes. For additional more complete information, please see the Policy in Gifts, Contributions, Prizes, Promotional Items and Raffles <http://www.wiu.edu/vpas/policies/gifts.php> -
  - 3.2.3.6.1 Gifts to Students/Non-Employees- prohibited unless:
    - 3.2.3.6.1.1 The gift is in the form of a plaque, trophy, sweatshirt, etc. and is inscribed with the name/initials of the University (The purchase of gift certificates is not allowed unless from social fund or student activity fund accounts.) and
    - 3.2.3.6.1.2 The gift is to recognize the support or achievement of the student/non-employee and
    - 3.2.3.6.1.3 The gift has a unit value less than or equal to \$75 and is approved by the fiscal agent; or the gift has a unit value over \$75 but less than or equal to \$100 and is pre-approved by the President or respective vice president. Gifts with a unit value over \$100 require pre-approval by the President. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.
  - 3.2.3.6.2 Gifts to Employees - prohibited unless:
    - 3.2.3.6.2.1 The gift is in the form of a plaque, trophy, sweatshirt, etc. and is inscribed with the name/initials of the University. (The purchase of gift certificates is not allowed unless from social fund or student activity fund accounts) and
    - 3.2.3.6.2.2 The gift is to recognize the employee for years of service or for initial employment and

- 3.2.3.6.2.3 The gift has a unit value less than or equal to \$75 and is approved by the fiscal agent; or the gift has a unit value over \$75 but less than or equal to \$100 and is pre-approved by the President or respective vice president. Gifts with a unit value over \$100 require pre-approval by the President. Indicate in Transaction Notes that approval was obtained and attach approval with receipts to monthly statement.
- 3.2.3.6.2.4 Gifts to employee for outstanding achievement must be in the form of a plaque, trophy, sweatshirt, etc and must have a unit value less than or equal to \$100 and must pre-approved by the respective vice president or the President. The purchase of gift certificates is not allowed unless from social fund or student activity fund accounts. Indicate in Transaction Notes that approval was obtained and attach approval with receipts to the monthly statement.
- 3.2.3.7 Prizes/Awards - permissible from non-appropriated funds when the prize/award is given as the result of a contest or a random drawing. Purchases with a retail unit value less than or equal to \$100 require fiscal agent approval. Prizes/awards with retail unit values of greater than \$100 but less than or equal to \$300 must have the pre-approval of the President or respective vice president. The purchase of prizes greater than \$300 is prohibited from university funds. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.
- 3.2.3.6.4 Promotional Items -Tangible Items (cups, pencils, pens, sweatshirts, etc.) and Services (tickets, seasons passes, etc) - are permissible if the retail unit value is less than or equal to \$100. The President or respective vice president must approve the purchase. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement. The purchase of promotional items with unit values greater than \$100 is prohibited from University funds
- 3.2.3.6.5 Cards, Flowers, Fruit Baskets, etc. - may only be purchased from non-appropriated funds with the approval of the respective vice president. After approval is obtained, indicate in Transaction Notes and attach approval with receipts to monthly statement.

### 3.2.4 **VP Approvals**

Transactions that need VP approval must include in the transaction notes when VP approval was received. This is required before the transaction can be marked as audited. Documentation showing VP approval is required to be submitted with the cardholder's monthly statement and receipts.

## 3.3 **HOW TO ACTUALLY BUY SOMETHING WITH YOUR PROCUREMENT CARD**

Consider if the procurement card is the best method to make the purchase. Departments should determine that the price quoted is the best price and includes the shipping costs. **Tax is not to be charged.** It is the responsibility of the purchaser to ensure that tax is not charged, the cardholder is responsible for the payment of taxes if they have failed to do so. Prime vendor contracts are to be utilized whenever possible (ex: IPHEC, CMS, MHEC, etc.).

### 3.3.1 **In Person**

Take the card with you to the supplier and verify that the supplier accepts MasterCard. Make your selection (nothing on the excluded list) and present the card and the goldenrod tax exempt card to the cashier for payment. You will be asked to sign a card authorization slip (same as personal purchases). The supplier will give you a copy of the authorization slip and the cash register tape or paid invoice. Please be sure to get an itemized receipt, verify that no tax has been charged, and get your card back! Retain the receipt until the monthly statement is received. Attach all receipts for the month to the statement and forward to Business Services for scanning.

### 3.3.2 **Via Phone or Fax**

Place your order with the supplier. The supplier will need your card number, expiration date, and tax exempt number. Give the supplier your name, department, building name, room number and zip code so that they can make delivery to you. Ask the supplier to include an itemized invoice/receipt. It may be a good idea to keep a record of these orders so that you can be sure your order is received. Attach all receipts for the month to the statement and forward to the Business Services for scanning.

### 3.3.3 **Over the Web**

Please only utilize web based ordering with suppliers who encrypt data transmission for security. Ask the supplier to include an invoice/receipt. Make a copy of the order page; many companies provide an on-line invoice that may be printed at the time the order is placed. Remember an itemized receipt is required. Attach all receipts for the month to the statement and forward to Business Services for scanning.

## 3.4 **TRAVEL**

The procurement card may be used for transportation and lodging expenses while employees are in travel status. Cardholders are responsible for ensuring that the charges are within the allowable rates set by the State of Illinois and the University. Include in the designated fields the name of the person traveling, destination and dates. List the purpose of travel in the transaction notes.

All original receipts are to be attached to the employee's travel voucher. Copies of the receipts should be attached to the monthly credit card statement. The Business Office will calculate the travel voucher amount. Indicate on the travel voucher what was paid on the procurement card. If the charges made on the procurement card exceed the allowable rates, then the traveler's per diem will be reduced accordingly. If the per diem will not cover the overage then the employee is responsible to refund to the University any amount overspent.

## 3.5 **WHAT IF MY CARD IS DECLINED?**

Cardholders can review their transactions in real time, under the Transactions drop down and selecting Authorizations/Declines. You may also contact JPMorgan's customer service at 1-800-270-7760. Their customer service representatives are available 24 hours per day.

The most common reasons for decline are: the merchant entered a wrong expiration date; dollar amount of the transaction exceeds the single transaction limit on the card; or the MCC has been blocked from your card.

## 3.6 **TAX EXEMPTION**

The University is tax exempt and will not pay for sales tax. The Cardholder is responsible for insuring that sales tax is not charged at the time of purchase. If sales tax is charged, the cardholder is responsible for getting a credit issued back to the P-Card or reimbursing the University for the tax. A copy of the current tax exempt letter is included on page 21 of this manual. A copy is also available on the Purchasing Office website ([www.wiu.edu/vpas/purchasing](http://www.wiu.edu/vpas/purchasing)). Amazon began collecting sales tax in Illinois on February 1, 2015. As a State agency, Western Illinois University is exempt from sales tax. The University must ensure that personal and business purchases are not made on the same Amazon account.

## 3.7 **RECEIPTS**

An original itemized receipt from the vendor must support each and every purchase. Copies or facsimiles are acceptable when the original is not available. The receipt must include:

Vendor information (names, locations, etc.)  
Amount (itemized)  
Date of transaction

If the receipt only includes the total purchase amount, attach the detailed receipt, packing slip with detail information or invoice to the receipt.

Purchases for unusual items which do not have an obvious University purpose must include an explanation in the Notes section on the Transaction screen in PaymentNet 4.

3.7.1 **Lost Receipts** - Cardholders must contact the vendor to request a copy of the receipt. If the cardholder is unable to obtain the copy, then contact Cindy Baxter ([CA-Baxter@wiu.edu](mailto:CA-Baxter@wiu.edu) or 298-1819) in Purchasing for assistance.

3.7.2 **Retention of Receipts** - Departments are responsible for documentation for procurement card purchases. Receipts are to be attached to the monthly statement and forwarded to the Business Office for scanning. The Business Office is not responsible to ensure that all receipts are forwarded. However, the Business Office verifies that a receipt is included for every transaction. Failure to submit statements and/or itemized receipts may result in loss of use of the credit card. Auditors will use the scanned images. Missing receipts are the responsibility of the cardholder's department. Failure to submit statements will result in p-card suspension or non-issuance of renewal card.

3.7.3 **Unacceptable Receipts** - the following are examples of types of receipts that should NOT be submitted with the monthly statement:

- Receipts without itemized detail
- Receipts reduced down in size so much they are no longer legible
- Multiple receipts copied to one page but facing in all different directions
- Receipts for transactions that are not included on the monthly statement (unless they are related to another charge or credit)
- Receipts unrelated to PCard charges (such as Visa receipts)
- Receipts with the edges cut off so not all the detail is viewable

Highlighting on statements and receipts is to be avoided. It does not scan well and makes it difficult to read the image. When taping a receipt to a page, avoid putting tape over any of the print. Over time the tape causes the print to fade and eventually disappear.

### 3.8 RECONCILING THE STATEMENT

All transactions are posted to PaymentNet 4. The transactions are to be reviewed for accuracy. If a transaction appears that you do not recognize or the amount is incorrect, contact the supplier first. Also notify the Procurement Card Administrator (298-1819) who will assist in the dispute.

You will receive a monthly statement from JPMorgan. Match the transaction documents (receipts/invoices/approvals/etc.) to the transactions listed on the statement. All disputes should have been discovered during the review process in PaymentNet 4, but if you find a transaction on the statement that you do not recognize, or if the amount is different than shown on the documents you received then first contact the supplier and notify the Procurement Card Administrator to assist in disputing the transaction.

Payment will automatically be made by the University. Your University account will be charged daily based on the PaymentNet 4 transactions that have all the approval levels completed.



Attach all of the month's receipts/invoices/approvals/etc. to the statement and forward them to the Business Office for scanning. If statements are received after the 20<sup>th</sup> of the following month, they are subject to 100% review.

In order to **reduce fraud**, cardholders should black out all but the last four digits of their card number, expiration date and/or security code on any of their receipts before submitting them to the Business Office.

### 3.9 RETURNS, DAMAGED GOODS, CREDITS

The Cardholder is responsible for making any necessary returns. The Cardholder should work directly with the supplier. Here are some guidelines:

- 3.9.1 Always retain boxes, containers, special packaging, packing slips, etc., until certain the goods will be kept. Some items such as software or fragile pieces cannot be returned without the original packing materials.
- 3.9.2 Read all enclosed instructions carefully. Often a phone number and other instructions for returning goods are included in the packing slip and/or receipt.
- 3.9.3 Many companies require a "Return Merchandise Authorization" (RMA) number before they will accept a return. If the number is not obtained, the package may be refused and no credit issued.
- 3.9.4 In some cases there may be a restocking fee (usually a percent of the purchase cost). This should only be charged if the vendor is not responsible for the return.

Always make sure the return is properly credited to your account. The credit must be credited to the same account number and detail object code as the original charge.

### 3.10 REIMBURSEMENTS TO THE UNIVERSITY

Individual cardholders must reimburse the University for unapproved or improper expenditures placed on their Pcard, including the payment of taxes from which the University is exempt. A copy of the check deposited and the deposit slip must be included with the statement along with a written statement of why the deposit was necessary.

## 4. FINANCIAL ACCOUNTING SYSTEM (FRS)

Transactions from PaymentNet 4 will be charged against your University account on a weekly basis. Only transactions that have been reviewed and approved by the Card Approver will be entered into FRS. Credit card transactions appear with the transaction ID number followed by the vendor name. Details of the transaction can be traced to PaymentNet 4 using the transaction number.

## 5. WHAT IS AN MCC CODE?

An MCC or Merchant Commodity Code is a four-digit code assigned to every supplier that accepts MasterCard. The bank that processes the supplier's charges assigns the MCC to that supplier. WIU has no control over what MCCs are assigned to suppliers. Each vendor is assigned only one MCC.

For every purchase transaction, the supplier's MCC is compared to the list of authorized MCCs for the procurement card being used. If a supplier has an MCC that is not included as an authorized code, the transaction will be refused. The MCC and the card limits provide the University and the Cardholder with additional security that the procurement card will not be misused.

Procurement card users are assigned the MCC Group that best relates to their needs as a purchaser.

## 6. REPORTING LOST OR STOLEN CARDS

Immediately call JPMorgan and report the lost or stolen procurement card. JPMorgan representatives are available 24 hours per day, seven days per week. Advise them that the card is a WIU procurement card. This notification must be made immediately as the University is responsible for all charges until the notification is made. The JPMorgan number is:

**Lost or Stolen Card: (800) 270-7760**

Also, notify the Procurement Card Administrator at 298-1819 or by e-mail to Lora Lidaywa at [LJ-Lidaywa@wiu.edu](mailto:LJ-Lidaywa@wiu.edu), Cindy Baxter at [CA-Baxter@wiu.edu](mailto:CA-Baxter@wiu.edu), or [Pcard@wiu.edu](mailto:Pcard@wiu.edu).

## 7. SPLITTING OR STRINGING PURCHASES

Splitting or stringing purchases is the practice of making multiple charges to obtain like items or services, with the willful intent to circumvent the purchasing policy of soliciting bids. Splitting or stringing is prohibited. Repeated occurrences may result in cancellation of the card.

## 8. PAYMENTNET 4 RECONCILIATION

- 8.1 Procurement card transactions are available for review and approval by Cardholders and Approvers on a daily basis as they are received from the bank, through PaymentNet 4 at <https://www.paymentnet.jpmorgan.com>. Cardholders should review the transactions on a daily basis as charges will not be deducted from the University Account (FRS) until approved. All transactions must be reviewed and approved within 30 days to avoid P-Card suspension. A reminder will be e-mailed daily to Cardholders who have transactions available for review. Approvers will get a daily e-mail if they have transactions awaiting their approval. The e-mail comes from [noreplies@paymentnet.jpmorgan.com](mailto:noreplies@paymentnet.jpmorgan.com) and the subject line states PaymentNet: New transactions for Review (or Approval depending on the case).
- 8.2 Card Approvers must reconcile the individual receipts to the on-line transaction view in PaymentNet 4. Do not wait for your statement to arrive, but review and approve as they post to PaymentNet4.
- 8.3 Any discrepancies in billing must be marked as disputed charges using the on-line system. Departments should initially dispute with the supplier then if unresolved follow the dispute procedure in PaymentNet 4. Information is automatically forwarded to JPMorgan through PaymentNet 4.
- 8.4 Cardholder Statement of Account will be available either by mail or downloaded through PaymentNet 4. Statements are issued to each Cardholder. Billing cycles run from the 20th of one month to the 19th of the next. The exception is if the 20th falls on a weekend or holiday. Statements are available for download for up to 24 months.
- 8.5 Cardholder Statement of Account along with all itemized receipts and backup documentation must be forwarded by the Cardholder or Card Manager to the University's Business Office **no later than the twentieth (20<sup>th</sup>) of each month**. Failure to submit statements could result in P-Card suspension or non-issuance of renewal cards.
- 8.6 The Statement of Account along with all receipts will be scanned by the Business Office for record retention purposes. It is the cardholder's responsibility to forward all itemized receipts to the Business Office. The Business Office verifies that a receipt is included for every transaction. Statements that are not complete are subject to a review by the Purchasing Office. Failure to properly account for expenditures may result in loss of credit card privileges. Cardholders remain responsible for receipts and are subject to audit.

- 8.6.1 Any backup paperwork (VP Approvals) must be attached to statement.
- 8.6.2 Receipts must be submitted with statement; otherwise, do not submit the statement.
- 8.6.3 Receipts must be in order as listed on the statement.
- 8.6.4 White-out all but the last 4 digits of account number.
- 8.6.5 Must submit statement within 30 days to avoid card suspension.

8.7 Missing receipts. Cardholders must contact the vendor to request a copy of the receipt. If the cardholder is unable to obtain the copy, then contact Cindy Baxter ([CA-Baxter@wiu.edu](mailto:CA-Baxter@wiu.edu) or 298-1819) in Purchasing for assistance.

## 9. REVIEW OF TRANSACTIONS

The Procurement Card Administrators will periodically review transactions made by departments. They will review expenditures for the following:

- 9.1 Purchase of restricted items
- 9.2 Split ordering
- 9.3 Personal purchases
- 9.4 Spending in excess of transaction limit
- 9.5 Appropriateness of items purchased
- 9.6 Appropriate use of non-prime vendor suppliers
- 9.7 Forwarding of documents to the Business Office
- 9.8 Return authorization for returned goods
- 9.9 Credit receipts for returned goods
- 9.10 Accuracy of transaction records
- 9.11 Timely reconciliation in PaymentNet 4
- 9.12 Funds available to cover charges
- 9.13 Verification of tax exemption on purchases
- 9.14 Disputes identified and settled in a timely manner

The Business Office/Foundation staff will audit transactions on a daily basis. Transaction notes must include enough information to be audited. If additional information is needed to audit transactions the following procedures will be followed:

- 1<sup>st</sup> contact – may be by email or phone
- 2<sup>nd</sup> contact – if information is not completed within one week of first contact a second contact is made. The second contact may be a phone call but must also have an email. The email should be sent to the cardholder, reviewer and approver.
- If information is not completed by the date given in the email (2<sup>nd</sup> notice), it will be forwarded to P-card Administrator (Cindy Baxter).

Travel transactions must have the following information added to the transaction custom fields: traveler last name, traveler first name, destination, travel begin date (mmddyyyy), and travel end date (mmddyyyy). The purpose of the travel must be added to the transaction notes. Expenditures will be checked for appropriateness, correct object codes, appropriate approvals and appropriateness of the expense to the account charged. They will then check the Audit box in PaymentNet 4.

## 10. RESPONSIBILITIES:

### 10.1 ASSISTANT TO VICE PRESIDENT FOR ADMINISTRATIVE SERVICES

- 10.1.1 Responsible for contracting with an issuing bank to support the Procurement Card program.

## 10.2 PURCHASING BUSINESS ADMINISTRATIVE ASSOCIATE

- 10.2.1 Approves exceptions for higher single purchase dollar limits and higher monthly spending limits.
- 10.2.2 Recommends to appropriate management for card suspension/revocation or other appropriate disciplinary action.
- 10.2.3 Approves request for Amazon Prime

## 10.3 PURCHASING STAFF

- 10.3.1 Updates the University's information with the issuing bank (such as approved limit increases, new applications, changes in cardholder information, etc.).
- 10.3.2 Trains cardholders, managers/card approvers, and other users of the procurement card software system.
- 10.3.3 Obtains and verifies appropriate authorization signatures and completed online application for each requested Procurement Card. Verification of OFAC (United States Treasury Office of Foreign Assets Control) Sanction List.
- 10.3.4 Recommends updates to the Procurement Card User's Guide as necessary. Obtains appropriate approvals for all changes from any entity affected such as Accounting, Internal Audits, etc.
- 10.3.5 Assists cardholders, card approvers, suppliers and others when necessary for problem resolution.
- 10.3.6 Serves as the primary liaison for the issuing bank, suppliers, using departments and any other party that is necessary to the program.
- 10.3.7 Notifies the appropriate line management of cardholder violations or fraudulent card use.
- 10.3.8 Maintains cardholder files which contain the following documents:
  - 10.3.8.1 Properly signed Cardholder Agreements
  - 10.3.8.2 Memos listing approved exceptions to any spending limitations
  - 10.3.8.3 Copies of forms submitted to the issuing bank
- 10.3.9 Periodic review of departmental procedures, including visits to review transactions.
- 10.3.10 Reviews daily reports (Employee on Leave, Termination/Retirement).

## 10.4 BUSINESS OFFICE/FOUNDATION STAFF

- 10.4.1 Responsible for ensuring that the monthly electronic payment to the issuing bank balances with the daily transaction records.
- 10.4.2 Performs daily review/audit of transactions.
- 10.4.3 Ensures that JPMorgan is paid in a timely manner.

## 10.5 FISCAL AGENT (or designee) for the default account assigned to a procurement card

- 10.5.1 Serves as the approver for the cards issued within their area of responsibility; **or**
- 10.5.2 Selects a cardholder approver for their area of responsibility to reconcile transactions against credit card receipts
- 10.5.3 Selects appropriate individuals within their department to receive procurement cards (those who have the responsibility for making purchases). The department head must also approve each person selected to be a cardholder.
- 10.5.4 Modifies the process within their department or area to support approval of purchases to include an option for using the procurement card.
- 10.5.5 Notifies the procurement card administrator promptly of any known or suspected inappropriate or fraudulent use of a card.
- 10.5.6 Takes appropriate disciplinary measures with any cardholder under them who inappropriately

or fraudulently uses their procurement card and informs department head and other appropriate individuals.

10.5.7 Never requests or directs a cardholder to make a purchase which violates any portion of the policy and procedures, the User's Guide or any other relevant rules, regulations or guidelines.

10.6 **MANAGER/CARD APPROVER** responsible for each Cardholder's transactions they are to reconcile

10.6.1 Responsible for documentation. Ensures that all statements and receipts are forwarded to the Business Office for scanning. Documentation includes:

10.6.1.1 Itemized receipts

10.6.1.2 Monthly cardholder statements

10.6.1.3 VP Approvals

10.6.2 Reviews transactions on a regular basis using PaymentNet 4 and reallocates the charges to appropriate, allowable accounts and object codes as necessary.

10.6.3 Notifies the procurement card administrator promptly of any known or suspected inappropriate or fraudulent use of a procurement card.

10.6.4 Acts as liaison between the procurement card administrator and each cardholder within their area by forwarding information as requested.

10.6.5 Never requests or directs a cardholder to make a purchase which violates any portion of the policy and procedures or any other relevant rules, regulations or guidelines.

10.6.6 Shall not review and approve transactions made on their behalf for reservations or travel arrangements.

10.7 **CARDHOLDER** (cannot be their own Card Approver)

10.7.1 **Does not allow another employee, student or any other individual to use their procurement card. It is not classified as a Department Card.**

10.7.2 Submits supporting documentation for each purchase, such as itemized receipts, telephone order records and any known reallocation information, promptly to the departmental card manager and reviews their own transactions within PaymentNet 4 for accuracy.

10.7.3 Ensures that sales tax is not charged at the time of purchase, or requests credit promptly from the supplier if sales tax is included in error.

10.7.4 Surrenders their card willingly upon termination of employment, change of department or upon change in duties that no longer includes the purchasing function, or upon request from the procurement card administrator, internal auditor or their line management.

10.7.5 Notifies the procurement card administrator promptly of any known or suspected inappropriate or fraudulent use of their procurement card.

10.7.6 Reports to the procurement card administrator promptly (confidentially if necessary) any request or direction by his/her supervisor(s) or any other person to use the procurement card in an inappropriate or fraudulent manner.

10.7.7 Uses the procurement card in accordance with all pertinent policies, procedures, guidelines, etc. and in the best interest of the University.

## 11. CREDIT CARD ABUSE

Process to follow in the event of suspected credit card abuse:

11.1 Upon the first notice of suspected credit card abuse, the department should immediately advise Purchasing or Internal Auditing.

11.2 Purchasing will review the transactions. If abuse is still suspected, Purchasing will notify the appropriate personnel, including the Vice President for Administrative Services and the Internal Auditor.

11.3 The employee shall be given an opportunity to respond to the allegations described in the preliminary report.

11.4 University policy and procedures will be followed in any investigation of abuse and fraud.

## 12. CARDHOLDER EMPLOYMENT CHANGES

### 12.1 Transfer

The Card Manager or Cardholder must notify the Purchasing Office. If the Cardholder will retain procurement card privileges, then the Procurement Card Administrator will make the changes in PaymentNet 4 to reflect the new approvals, account defaults, etc. If the Cardholder will no longer use the card, then the card will be cancelled and must be surrendered to the Procurement Card Administrator. The Cardholder should come to the Purchasing Office to make the appropriate changes or to turn in the card. In no case, should the Cardholder continue purchasing items as the incorrect accounts will be charged.

### 12.2 Termination of Employment

Should a Cardholder terminate employment, the Card Manager or the Cardholder must return the Procurement Card to the Purchasing Office. Card Managers should notify the Procurement Card Administrator as soon as possible of terminating employees holding credit cards.

All departing employees must have their separation papers (clearance form) signed by the Procurement Card Administrator (or their designee) to indicate return of the card. A clearance form will not be signed if a cardholder has not made arrangements to clear up any outstanding transactions.

## 13. CANCELLATION OF CARD

- 13.1 Immediately notify the Procurement Card Administrator.
- 13.2 Return card to the Purchasing Office.
- 13.3 Purchasing will notify JPMorgan and the account will be closed.
- 13.4 Card Managers should ensure that all final documentation (invoices/receipts) have been reconciled and forwarded to the Business Office with the final statement.

## 14. SUSPENSION OF CARD

- 14.1 Email to cardholder and supervisor stating the cardholder privileges have been suspended.
- 14.2 Cardholder must review all transactions up to the 30 day reconciliation.
- 14.3 Supervisor approves all transactions in Paymentnet4 and then sends an email to Cindy Baxter and Lora Lidaywa to confirm this task is complete.
- 14.4 P-Card Administrators will run a query report to verify that the transactions are complete. They will then forward the email to Accounts Payable notifying them that transactions are ready for audit.
- 14.5 After successful audit of transactions, the card will be activated and an email sent from the P-Card Administrators to the cardholder and supervisor to confirm that the card is active. Included in the email will be instructions as to what constitutes a revoked P-Card. (Three suspensions and the fourth is a revoke. Cardholder may re-apply in 90 days with VP approval.)

## 15. CHANGING CARD LIMITS

Contact the Procurement Card Administrator. The Higher Transaction & Monthly Limit Request form (page 17) must be completed. It requires fiscal agent, Vice President, and Purchasing Business Administrative Associate approval

## 16. CARD EXPIRATION

Cards expire every three years. A cardholder will be sent an e-mail when their new card arrives. The card is to be picked up by the cardholder in the Purchasing Office. The old card is to be turned in to the Purchasing Office for shredding. A cardholder is to sign a Cardholder Renewal Agreement before the new card will be

released to them. If the cardholder has any outstanding P-Card statements, the card will not be issued until Purchasing has received them.

**17. AMAZON PRIME MEMBERSHIP**

Amazon Prime membership may be allowed. In order to obtain an Amazon Prime membership, contact Purchasing. Purchasing will review the previous year's Amazon purchases, both spend and volume, prior to determining whether a Prime membership is warranted.



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# PROCUREMENT CARD CARDHOLDER AGREEMENT

**Please initial each item below regarding the use of the Western Illinois University Procurement Card assigned for official University business only.**

\_\_\_\_\_ As a Cardholder, I agree to comply with the terms and conditions of this agreement. I further understand that attendance at training is mandatory prior to a Procurement Card being released to me.

\_\_\_\_\_ As a Cardholder, I agree to accept responsibility and accountability for the protection and proper use of the Card. I understand that the Procurement Card is intended for the purchase of items for University-related business. I further understand that the University will review the use of the Card and it is my responsibility to verify the accuracy of the monthly statements from the bank. I understand that I am accountable for all charges made to the Card.

\_\_\_\_\_ If the Card is lost, stolen or misplaced, I understand that it is my responsibility to immediately notify the Bank and the Procurement Card Administrator.

\_\_\_\_\_ I agree to the following responsibilities:

1. Not to use the Procurement Card for personal purchases
2. Not to use the Card for purchasing items on the Prohibited and Restricted Purchases list
3. To purchase from the University's Prime Vendor Contracts.
4. To purchase ethically, fairly and without conflict of interest; to seek the best value, and to support the development of businesses which are woman-owned, minority-owned or owned by persons with disabilities
5. Not to loan my Procurement Card to any person.
6. To obtain an itemized receipt for every transaction and submit along with the monthly statement to Business Services.

\_\_\_\_\_ I certify that the materials/services that will be purchased with the Procurement Card will be verified for receipt; that the purchase of these services or materials will be in accordance with all applicable laws, rules and regulations of the State of Illinois, the Board of Trustees of Western Illinois University and any other applicable jurisdiction; and the amount authorized will be correct.

\_\_\_\_\_ I understand that P-Card Administrators will perform a search on the OFAC (U.S. Department of Treasury Office of Foreign Assets Control) Sanction List before an application can be approved.

\_\_\_\_\_ I understand that the University may terminate my privilege to use the Procurement Card at any time and for any reason. I will return the Card to the University immediately upon request or termination of employment or transfer between departments.

\_\_\_\_\_ Non-adherence to any of the above procedures will result in revocation of the individual Cardholder's privileges and may result in revocation of all departmental procurement cards. I understand that improper or fraudulent use of the online reallocation system is a violation of University Policy and will be handled in accordance with the rules and regulations dealing with disciplinary action. Should I fail to use the Procurement Card properly, I authorize Western Illinois University to deduct from my salary or from any other amounts payable to me, an amount equal to the total of the improper purchases. If Western Illinois University initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay legal fees incurred by the University in such proceedings.

APPROVALS		
	×	
Cardholder's Printed/Typed Name	Cardholder Signature	Date
As Fiscal Officer, department/division head, I approve issuance of a Procurement Card to the above staff/faculty employee and assume overall responsibility for the Card.		
	×	
Fiscal Officer's Name	Fiscal Officer's Signature	Date
	×	
Department/Division Head's Name	Department/Division Head's Signature	Date
Purchasing Approval:	×	
Training Date _____ Date P-card issued _____		





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# PROCUREMENT CARD

## HIGHER TRANSACTION & MONTHLY LIMIT REQUEST

### CARDHOLDER INFORMATION

First Name: \_\_\_\_\_ Initial: \_\_\_\_\_ Last Name: \_\_\_\_\_  
 WIU ID: \_\_\_\_\_ E-mail: \_\_\_\_\_  
 Work Phone: \_\_\_\_\_ Department: \_\_\_\_\_  
 Cardholder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### REQUEST FOR CREDIT LIMIT CHANGE

Increase monthly credit limit from \$  to \$   
 Increase single transaction limit from \$  to \$   
 Reason for Higher Transaction/Monthly Limit: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Temporary Increase  Date to reset to original limit \_\_\_\_\_ Permanent Increase

### APPROVALS REQUIRED FOR CREDIT LIMITS

Fiscal Officer: \_\_\_\_\_ Date: \_\_\_\_\_  
 Vice President: \_\_\_\_\_ Date: \_\_\_\_\_  
 Purchasing Business  
 Administrative Associate: \_\_\_\_\_ Date: \_\_\_\_\_

### FOR USE BY P-CARD ADMINISTRATORS ONLY

Request Completed By: _____ Date: _____	Orig: \$ _____
Cardholder Notified : _____ Date: _____	Temp: \$ _____
Account Reset to Original	Auto Reset Date: _____
Limit Confirmed By: _____ Date: _____	



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# PROCUREMENT CARD APPLICATION

**FOR PAYMENTNET ACCESS ONLY  
NON-CARDHOLDER AGREEMENT**

**CARDHOLDER INFORMATION**

<b>Applicant's Name</b>	
<b>Department Name</b>	
<b>Department Phone Number</b>	
<b>Applicant's E-Mail Address</b>	
<b>PaymentNet Password</b>	western1 (temporary)
<b>PaymentNet User ID (For Purchasing Use Only)</b>	

**PAYMENTNET INFORMATION**

**Cardholder Access Level (Please Check One)**

- 0 – Cardholder access (Views only his/her transactions)**
- 1 – Cardholder Approver access (View all Cardholders' transactions within their department)**
- 2 – Manager access (Views all Cardholders' transactions within their department and all departments beneath their department)**
- 3 – Other – Please give explanation \_\_\_\_\_**

**APPROVAL SIGNATURES**

_____ <b>Applicant Signature &amp; Date</b>	_____ <b>Applicant Name (Printed)</b>
_____ <b>Fiscal Agent Signature &amp; Date</b>	_____ <b>Fiscal Agent Name (Printed)</b>
_____ <b>Purchasing Signature &amp; Date</b>	_____ <b>Purchasing Official Name (Printed)</b>



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# PROCUREMENT CARD RENEWAL CARDHOLDER AGREEMENT

**Please initial each item below regarding the use of the Western Illinois University Procurement Card assigned for official University business only.**

\_\_\_\_\_ As a Cardholder, I agree to comply with the terms and conditions of this agreement. I further understand that attendance at training is mandatory prior to a Procurement Card being released to me.

\_\_\_\_\_ As a Cardholder, I agree to accept responsibility and accountability for the protection and proper use of the Card. I understand that the Procurement Card is intended for the purchase of items for University-related business. I further understand that the University will review the use of the Card and it is my responsibility to verify the accuracy of the monthly statements from the bank. I understand that I am accountable for all charges made to the Card.

\_\_\_\_\_ If the Card is lost, stolen or misplaced, I understand that it is my responsibility to immediately notify the Bank and the Procurement Card Administrator.

\_\_\_\_\_ I agree to the following responsibilities:

1. Not to use the Procurement Card for personal purchases
2. Not to use the Card for purchasing items on the Prohibited and Restricted Purchases list
3. To purchase from the University's Prime Vendor Contracts.
4. To purchase ethically, fairly and without conflict of interest; to seek the best value, and to support the development of businesses which are woman-owned, minority-owned or owned by persons with disabilities.
5. Not to loan my Procurement Card to any person.
6. To obtain an itemized receipt for every transaction and submit along with the monthly statement to Business Services.

\_\_\_\_\_ I certify that the materials/services that will be purchased with the Procurement Card will be verified for receipt; that the purchase of these services or materials will be in accordance with all applicable laws, rules and regulations of the State of Illinois, the Board of Trustees of Western Illinois University and any other applicable jurisdiction; and the amount authorized will be correct.

\_\_\_\_\_ I understand that the University may terminate my privilege to use the Procurement Card at any time and for any reason. I will return the Card to the University immediately upon request or termination of employment or transfer between departments.

\_\_\_\_\_ Non-adherence to any of the above procedures will result in revocation of the individual Cardholder's privileges and may result in revocation of all departmental procurement cards. I understand that improper or fraudulent use of the online reallocation system is a violation of University Policy and will be handled in accordance with the rules and regulations dealing with disciplinary action. Should I fail to use the Procurement Card properly, I authorize Western Illinois University to deduct from my salary or from any other amounts payable to me, an amount equal to the total of the improper purchases. If Western Illinois University initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay legal fees incurred by the University in such proceedings.

## APPROVAL SIGNATURES

_____	X _____	_____
Cardholder's Printed/Typed Name	Cardholder Signature	Date
X _____		
Purchasing Approval		Date
Date New Card Issued _____	Date Old Card Shredded _____	



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# PROCUREMENT CARD AMAZON PRIME REQUEST

## CARDHOLDER INFORMATION

First Name: \_\_\_\_\_ Initial: \_\_\_\_\_ Last Name: \_\_\_\_\_  
 WIU ID: \_\_\_\_\_ E-mail: \_\_\_\_\_  
 Work Phone: \_\_\_\_\_ Department: \_\_\_\_\_  
 \*Cardholder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\*By signing this request, the cardholder is agreeing to the following terms and conditions. Cardholder further agrees to use the Amazon Prime account to obtain free shipping on University purchases only. The Amazon.com account used for university purchases cannot be the same as the account used for personal purchases. If a personal purchase is accidentally made on the account used for university purchases, the University must be reimbursed and Amazon must be contacted to add sales tax to the purchase. Personal purchases using the University account will be documented as a P-Card violation. After the 3rd violation, P-Card privileges will be suspended and the P-Card may be cancelled. The creation of a separate account is important to ensure only business related transactions receive tax exemption. Once a tax exempt certificate is loaded to an account, there is no way to differentiate between non-taxable purchases (university related) and taxable purchases (personal purchases). All merchandise must be shipped to the employee work address. **Using the tax exempt account for personal use may cause the university to lose its tax exempt status and you may be held liable for tax evasion or fraud.** Sales Tax Refunds - Even though you are registered in the Amazon Tax Exemption Program, sales tax may still be charged on items you order from any seller who lists products for sale via the Amazon.com website. If cardholder transfers the department or leaves the University, Amazon Prime will be canceled for the cardholder.

## REQUEST FOR AMAZON PRIME

Reason for Amazon Prime request: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## APPROVALS REQUIRED FOR AMAZON PRIME

Fiscal Officer: \_\_\_\_\_ Date: \_\_\_\_\_  
 Vice President: \_\_\_\_\_ Date: \_\_\_\_\_  
 Purchasing Business  
 Administrative Associate: \_\_\_\_\_ Date: \_\_\_\_\_

## FOR USE BY P-CARD ADMINISTRATORS ONLY

Request Completed By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Number of departmental purchases within the last 365 days \_\_\_\_\_  
 Amount of departmental purchases within the last 365 days \$ \_\_\_\_\_  
 Date Approved or Denied \_\_\_\_\_ Reason if Denied \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Dates of Membership \_\_\_\_\_ thru \_\_\_\_\_ Date invite sent \_\_\_\_\_  
 Cardholder Notified : \_\_\_\_\_ Date: \_\_\_\_\_

# TAX EXEMPT LETTER



**Illinois Department of Revenue**  
Office of Local Government Services  
Sales Tax Exemption Section, 3-520  
101 W. Jefferson Street  
Springfield, IL 62702  
217 782-8881

January 2, 2015

WESTERN ILLINOIS UNIVERSITY  
BUSINESS SERVICES SH 216  
1 UNIVERSITY CIRCLE  
MACOMB IL 61455-1390

Effective January 1, 2015, we have renewed your governmental exemption from payment of the Retailers' Occupation Tax, the Service Occupation Tax (both state and local), the Use Tax, and the Service Use Tax, as required by Illinois law.

We have issued the following new tax exemption identification number:

E9989-9612-07  
to  
WESTERN ILLINOIS UNIVERSITY  
of  
MACOMB, IL

The terms and conditions governing use of your exemption number remain unchanged.

Office of Local Government Services  
Illinois Department of Revenue

STS-70 (R-2/98)  
IL-492-3524  
10-0004434