



## Policy 2.23 Emory Purchasing Card

**Responsible Official:** VP for Finance  
**Administering Division/Department:** Procurement Services  
**Effective Date:** March 21, 2007  
**Last Revision:** March 27, 2007

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### Overview

The Emory Purchasing Card is intended to serve an important role in the acquisition process. It is a valuable tool for quickly and efficiently purchasing goods and services valued at less than \$1,499. The purpose of this manual is to provide instructions pertaining to the issuance and use of the Purchasing Card and related software.

### Policy Details

#### 2.23.1 Issuance of Cards

To receive an Emory Purchasing Card, the employee must complete the cardholder application and obtain approval from the authorized account signer from his or her department.

##### 2.23.1.1 Authorization

Authorized account signers must determine the employees to whom they delegate purchasing authority for small dollar purchases using a Purchasing Card. The employee must complete the card holder application on-line at <https://www.finance.emory.edu/procurement/pcard/pcardapp.cfm> <https://www.finance.emory.edu/procurement/pcard/pcardapp.cfm>. In addition to using the form to authorize issuance of card, the authorized account signer will determine cardholder spending limits and default account for cost allocation.

##### 2.23.1.2 Physical Issuance of Cards

Cardholders are responsible for retrieving their cards from the Purchasing Card Program. Direct delivery of the card by the Card Issuer is not permitted. Replacement cards will be requested from the Purchasing Card Administrator.

##### 2.23.1.3 Card Activation

In order to activate the card, the 800 number on the card should be called. The Voice Response Unit at this number will ask for the cardholder's account number, followed by a request for a security code. The security code will be the last 4 digits of the cardholder's social security number. Once entered, the Voice Response Unit will give confirmation that the card has been successfully activated.

##### 2.23.1.4 Executive Purchasing Cards

An employee must meet certain criteria to be authorized to receive an Executive Purchasing Card. Please contact the Purchasing Card Administrator, [Amy DeMore](#), with any questions. For travel guidelines using an Executive Purchasing Card, please [click here](#).

### 2.23.2 Card Limits and Restrictions

Since Emory University, not the individual employee, will pay for the purchases made with the Purchasing Card, additional authorization controls have been added to these accounts. These controls are encoded on the magnetic strip on the back of each card.

#### 2.23.2.1 Tax Exempt Status

Emory University is authorized to purchase tangible personal property and services to be used exclusively for educational purposes without payment of Georgia Sales and Use Tax. Purchasing Cardholders are responsible for asking for this exemption when purchase is made.

Please note the following exceptions:

- Purchases of food at local restaurants and grocery stores for meetings and business meals are NOT exempt from Georgia Sales and Use Tax. Catering, however, is considered a service and is exempt from Georgia Sales and Use Tax. Please see 2.23.9 for the reporting requirements for these transactions.
- Flowers are NOT exempt from Georgia Sales and Use Tax under this authorization.
- The Georgia Sales and Use Tax exemption is NOT valid for purchasing gasoline used for any purpose. Gasoline purchases on the p-card are strictly for University vehicles and van rentals for University purposes. The purchasing card should not under any circumstances be used to pay for gasoline for personal vehicles.

#### 2.23.2.2 Cardholder Spending Limits

The Purchasing Card may be used to make supply purchases which in aggregate do not exceed \$1,499. Transactions made using the card eliminate the need for requisitions or Departmental Purchase Orders (DPO) in some instances. Under no circumstances is it permissible to split up large purchases into a series of smaller ones in order to avoid following the normal purchasing procedures.

As indicated above, the Department Head may identify further limits. These will be identified on the cardholder application and the cardholder should review the request to be aware of the limits. The available limits include:

Monthly Spending Limit	Single Purchase Limit	
Option One	\$5,000	\$1,499
Option Two	<u>Custom</u> *	\$1,499

\* Larger amounts require approval by the Purchasing Card Administrator

#### 2.23.2.3 Merchant Restrictions

MasterCard assigns a Standard Industrial Classification (SIC) code to each merchant participating in the program. The SIC identifies the product or service provided by the merchant. Emory has reviewed the major SIC codes and has placed restrictions on certain business types. Emory has, as an example, deleted the travel and entertainment companies from the program. The department head may place additional restrictions on a card.

#### 2.23.2.4 Policy Restrictions

In addition to the SIC controls imposed by card issuer at the point of sale, Emory University policy restricts use of the card for the following items or services:

Animals	Consultants and Employees
Radio Active Materials	Travel-Related Expenses
Hazardous Chemicals (Chemicals requiring EHS approval)	Capital Equipment
Controlled Substances	Weapons and Ammunition
Prescription Drugs	Relocation Expenses
Pharmaceuticals	Purchases for Personal Use
Research Grade Alcohol	Fuel Purchases for Personal Vehicles (see 2.23.2.5)
Alcoholic Beverages	Purchases over \$1,499
Payments to Individuals	See Special Requirements for Sponsored Projects (2.23.18)

- **NOTE:** Please [click here](#) for a Quick List of the major Dos and Don'ts. Please keep this quick list for your reference!

#### **2.23.2.5 Personal Car Usage (extracted from Travel & Expense Policy)-**

Fuel purchases for personal vehicles are not permitted on the Purchasing Card. Employees may use their personal car for business purposes if it is less expensive than renting a car, taking a taxi, or using alternate transportation and if it saves time.

It is the responsibility of the owners of vehicles being used for business to carry adequate insurance coverage for their protection and for the protection of any passengers. Frequent use of personal vehicles for business travel is discouraged and justification will be required with the expense statement.

Employees will be reimbursed for either mileage OR fuel expenses. Emory will comply with the reimbursable mileage rate published annually by the IRS. The reimbursement rate is posted on the [Payment Services website](#). Some sponsors have lower mileage rates than Emory, which should be noted for Sponsored Projects. Emory travelers may be reimbursed for the difference between the sponsor's rate and the Emory rate, from unrestricted Emory funds, but only the sponsor rate can be charged to the grant or contract account.

At the discretion of the department, employees may be reimbursed for travel to and from meetings. The travel must originate from the employee's usual place of work.

Employees will not be reimbursed for the following, even if these costs are incurred during business travel:

- Car repairs
- Rental car costs during repair of personal car
- Tickets, fines, or traffic violations
- Towing charges

#### **2.23.3 Cost Allocation**

Each card issued will be assigned a single default 10-digit account number identified by the Department Head on the card holder application. When completing the monthly statement reconciliation, a different account number can be assigned within ten (10) days after purchase. The cost transfer rules are not applicable. If change is made after this period, the change approval must follow the usual account transfer procedures of the University.

#### **2.23.4 Employee Agreement Form**

The final step to issuance of a card is the signing of the Employee Agreement Form by the employee. This form should be returned to the Purchasing Card Administrator in a timely manner.

#### **2.23.5 Cardholder Responsibilities**

When accepting the Purchasing Card, the cardholder becomes an authorized purchaser of the University and has certain responsibilities. These include:

##### **2.23.5.1 Protection of Card**

Cardholder must protect the security of his/her Purchasing Card and Purchasing Card number. Cardholder must notify GE immediately by calling 800-274-7378 if the card is lost or stolen. Cardholder must notify the Purchasing Card Administrator of problems with the card. Please see the [Key Contacts list](#) for more options.

##### **2.23.5.2 Conflict of Interest**

The approved policies of the University pertaining to Conflict of Interest (see 2.23.5.2) apply to all purchases made using the Purchasing Card.

##### **2.23.5.3 Limitations on Purchases**

Cardholder accepts responsibility to ensure prohibited items, as outlined in 2.23.2, are not obtained with the Purchasing Card.

#### **2.23.6 Making Purchases with the Purchasing Card**

The Purchasing Card can be used to make purchases over the counter, by mail, or by telephone. The following procedure should be followed for all purchases with the Purchasing Card:

##### **2.23.6.1 Decision to Buy**

When making the decision to buy, the cardholder should first review the University's current list of available contracts. If the required item is under contract the cardholder should use this source to satisfy the requirement. If the item is not available under an existing supply contract

you may use a known source of supply or contact a purchasing staff member for assistance in locating one. In all cases you should make sure that the price paid is fair, reasonable and competitive within the Atlanta market.

Note: The University's current Contract Standing Order listings are published annually and sent to each department. A review of these contracts is also found on the [Procurement website](#).

#### **2.23.6.2 Over the Counter Purchases**

Verify that the supplier accepts the Purchasing Card (MasterCard) as a means of payment. (Note: If the supplier does not accept the card and you will need this source for future purchases, please notify the Purchasing Card Administrator and arrangements will be made to add this vendor to the Emory University Purchasing Card Program.)

When making a purchase please:

1. Present the card at the sales counter.
2. Notify the sales attendant that the purchase is exempt from state and local sales taxes. If you are questioned about this, please present the merchant with the Tax Exempt Letter provided with your card.
3. Review your sales receipt for accuracy. Make sure you have not paid sales tax and if so, please have the merchant credit the card for the amount of tax paid.

#### **2.23.6.3 Mail, Telephone and Online Transactions**

Provide supplier with your name, card number, expiration date on the account, and your department's address.

1. Specify that the purchase is exempt from state and local sales tax.
2. Instruct the vendor of specific directions for delivery.
3. Review your sales receipt for accuracy.

#### **2.23.6.4 Payment**

Payment Services will receive purchase information electronically from the Card Issuer.

#### **2.23.7 Returning Purchases made with Purchasing Card**

If you determine that the material is defective or incorrect, notify the supplier that the item needs to be returned, request a ship-to address and a return authorization number. Request that the supplier process a credit transaction through the Purchasing Card. If a Transaction Log is kept and goods have been returned for credit, mark the transaction as "disputed" when performing the reconciliation. Ensure that the credit appears on the next monthly statement and review the transaction in the MARS software. Facilitate monthly reconciliation through MARS. The Transaction Log should identify the cardholder, statement closing date, default account and the following information regarding each purchase:

Date of Purchase

Supplier(s)

Items and Quantity

Total Amount of Transaction

Receiver (yes/no)

Notes (different account to charge, disputed)

The cardholder should keep all receipts and packing slips with Transaction Log.

#### **2.23.8 Resolving Disputes with Suppliers**

If the cardholder is charged for an item incorrectly, they should contact the supplier and attempt to resolve the problem. Any communication should be documented and include dates, the persons invoiced, and a brief description of the problem. Emory University has sixty (60) days following the billing cycle ending date to dispute the charge with Card Issuer. If the cardholder is unable to resolve the dispute with the supplier, the following steps should be taken:

If it is determined that a charge will be disputed, the dispute form on the back of the cardholder statement must be completed. The dispute form should be sent to the Purchasing Card Administrator. The Purchasing Card Administrator would then return the completed form to The Card Issuer.

The dispute is logged with the Card Issuer and a temporary credit in the amount of the disputed transaction will be placed on the account of Emory University.

If the dispute is settled in favor of Emory University, the credit will remain. If the dispute is settled in favor of the Card Issuer, a charge for the disputed amount will be placed on the next billing statement to Emory University with a description of the charge beside the amount.

Cardholder should record the transaction as "disputed" on the Transaction Log and note an incorrect charge.

Cardholder should ensure that the next monthly statement reflects a correction. The correction should also be reviewed on the MARS software and the Transaction Log.

#### **2.23.9 Record-Keeping and Statement Reconciling**

Maintaining a record of transactions within the department is required. Itemized invoices, receipts and packing lists (when applicable) for every P-Card purchase must be retained at the department level. Original documentation must be retained with the monthly statement in the event that an audit is requested.

Statements must be signed by the cardholder and the cardholder's supervisor at the end of each billing cycle. Faxes and e-mail notices from cardholders are not acceptable proof of payment, however they may be used to explain unusual situations.

### 2.23.9.1 Reporting Catering and Business Meals

When the Purchasing Card is used for catering or business meals, it is mandatory that the business purpose of the meal be documented, as well as the names of the attendees, if fewer than 10. This can be done by typing the topic of discussion or business purpose of the meal and the names of those in attendance in the "Notes" section (consult 707.12 for further information) of MARS. It is assumed that if the Purchasing Card is used that the meal is a business meal, therefore "business meal" is not an acceptable business purpose. Please be more specific. The following are examples of acceptable business purpose descriptions:

The topic under discussion

Recruiting dinner

Staff meeting

Year-end planning

Budget review

The Payment Services department will conduct audits of records periodically.

### 2.23.9.2 Keeping a Transaction Log

Departments may wish to establish internal procedures that require each cardholder to keep a detailed monthly list (Transaction Log) of all charges made during each monthly billing period. A sample of the log has been provided for use (707.21.02, Appendix B). Keeping a Transaction Log will assist the cardholder to keep track of what has been purchased and facilitate monthly reconciliation through MARS.

The Transaction Log should identify the cardholder, statement closing date, default account and the following information regarding each purchase:

Date of Purchase

Supplier(s)

Items and Quantity

Total Amount of Transaction

Receiver (yes/no)

Notes (different account to charge, disputed)

The cardholder should keep all receipts and packing slips with Transaction Log.

Please see 707.21.02, Appendix B, for a sample Transaction Log for your review and/or use.

## 2.23.10 Approving Transactions

To ensure billing to the correct Emory FAS account number and to protect each department's account(s) from potential fraud or misuse, each transaction made using the p-card should be approved by the department head or an authorized approver.

### 2.23.10.1 Authorized Approvers

As indicated in 2.23.5.1, the department head (the individual responsible for the account assigned to the p-card) may authorize certain individuals to access the MARS software and view (approve) transactions. These individuals may be assigned the responsibility to view (approve) transactions made by some or all of the cardholders in a department. Persons eligible to approve (view) transactions for the department who are also cardholders are required to have their own monthly statements reviewed by their department head. A signed or initialed copy of the statement should be filed with the receipts mentioned in 2.23.9.

### 2.23.10.2 Responsibilities of Statement Approver

The Department Head will identify the statement approver for each cardholder. The approver must be familiar with the instructions. The responsibilities of the reviewer are as follows:

- Review MARS software and/or Transaction Log to verify appropriateness of items being purchased and funds being used.
- Identify any minor violations as noted in 2.23.14.2 and discuss with the cardholder. (Discussion should be noted and copy kept on file)

### 2.23.10.3 Viewing (Approving) Transactions in MARS Software

If you are authorized to approve purchases made by cardholders, **please note** : you must approve (by selecting the "viewed" box in MARS) all transactions posted against your cardholder account, prior to the end of the accounting cycle as discussed in 2.23.11.2. Verify these transactions against the printed statement making sure these two records are in agreement. Any non-reconciled charges may be placed in dispute, in the manner as discussed in 2.23.8 and 2.23.9.2.

Any items on the Transaction Log, but not appearing on the statement, should be identified as "billed." The receipts should be removed and placed in next month's Transaction Log.

### 2.23.11 Using the MARS Software

Before purchase information is exported to FAS, the account reviewer needs to check it to make sure it is accurate. Check the transaction amount, the merchant or supplier name, the accounting codes, and verify the tax information. Verify purchase information on the *Transaction Review* window, found on the home page of the MARS Software. This window displays transaction information for each of the MARS cardholders whose records you are authorized to view.

To make adjustments to a transaction click on a transaction summary record and it will appear on the bottom half of the screen. Use the transaction detail record on the bottom half of the screen to edit the transaction. In this feature a description **must** be added, an accounting code can be changed, and a charge can be split between different accounts. If you require extra space for remarks or are viewing catering or business meals, type all notes, descriptions or comments on the purchase in the *additional comments* box located at the bottom of the transaction detail record. Once you have finished all changes that you wish to make, save your edited information. To the left of the transaction summary record a box marked "Viewed" should be checked off to indicate that the charge is approved to be sent over to FAS. All charges marked viewed will be posted to FAS the next business day.

**This process should be completed within ten (10) business days of post date for all charges.**

Once the charges have been sent to FAS they will not appear on the screen under *Purchase Review*. To view old charges you must run a search. The search option is located on the *Transaction Review* screen. There are several different methods for searching, including supplier name, transaction amount, and post date.

#### 2.23.11.1 Reporting

Much of the reporting in MARS is based on the company hierarchy. The reporting function of MARS contains several generic reports that will be of use to all MARS users. There are four (4) categories of reports included in this feature. These categories are:

1. Cardholders
2. Transactions
3. Suppliers
4. Administrative

Note: A cardholder can only generate reports on himself/herself. A Manager can generate reports on all Cardholders subordinate to him/her. Only a Manager/Administrator can generate supplier reports.

For more information on running reports please consult the "help" section of MARS.

#### 2.23.11.2 Cycle Dates and Viewing the Transactions

While in the MARS Software, on the Purchase Review screen, you will see two (2) different dates recorded. One will be the actual **transaction** date, which is the date the vendor sent the purchase to MasterCard. The other is the **posting** date, made by GE to the MARS Software. Items that have a posting date by the 22nd and viewed not later than the 1st of the following month will be posted on the previous month's AMO90 report.

After reviewing current transactions on the Purchase Review screen you have ten (10) calendar days from the posting date to make any changes on a purchase (i.e. account number, subcode, and any additional information).

After changes have been made, it must be viewed by highlighting the transaction and selecting the "Viewed Box." Once the transaction has been marked as "viewed" it will be sent to the Financial Accounting System, ten (10) days from the posting date. Any transaction not viewed after 10 days will be automatically recorded in F.A.S. under the default account number. Changes can be made to the transaction after it has been viewed, however once the transaction has been sent to the Financial Accounting System, no further changes can be made through the P-Card software.

### 2.23.12 Lost or Stolen Purchasing Cards

Cardholder **must** immediately contact GE Capital Financial Purchasing Card Customer Service when their card has been lost or stolen at **800-274-7378**. Cardholder should also contact the [Purchasing Card Administrator](#) as soon as possible by email or phone at 7-4324.

### 2.23.13 Returning a Purchasing Card

Upon termination or retirement, card **must** be surrendered to supervisor and the [Purchasing Card Administrator](#) should be informed.

### 2.23.14 Violations of Purchasing Card Policy

Violations of rules governing use of Purchasing Card can be classified as minor or major. The action taken is dependent upon the violation at the time of occurrence.

### 2.23.14.1 Minor Violations

Minor violations include:

- Purchases that are allowable with University funds but not allowable on the Purchasing Card.
- Missing reconciliation deadline.
- Policy Restrictions as outlined in 2.23.2.4.

A cardholder will receive two warnings for minor violations. A third violation will result in loss of card privileges.

### 2.23.14.2 Major Violations

These violations indicate a willful intent to disregard rules. Examples would include splitting orders to avoid \$1,499 transaction limit, making personal purchases, a repeated pattern of inappropriate or transferring purchasing card purchases on sponsored programs. The circumstances of the violations will determine the appropriate action, which could include termination of employment.

### 2.23.15 Key Contact List

The following resources are available to help you with the use of the Purchasing Card, answer any questions you may have, or help solve any problems that may arise:

- To cancel or report your Purchasing Card lost or stolen please call (24 hours a day):

**GE Capital Financial  
Lost/Stolen Card Service  
800-274-7378**

- For any other Purchasing Card customer service needs, please call (8AM - 6PM Mountain Standard Time):

**GE Capital Financial Service  
Purchasing Card Customer Service  
800-277-7378**

- To request specific assistance with use of your Purchasing Card, or to apply for a Purchasing Card, please call the Purchasing Card Program Administrator:

**[Amy DeMore](mailto:amy.demore@emory.edu)  
404-727-4324**

- To help Vendors begin to accept the Purchasing Card, refer them to:

**National Data Corporation  
404-728-2281**

- For questions about the Purchasing Card procedures or policy, please call the Purchasing Card Program:

**404-727-4324**

- Purchasing Card Web Site:

**<https://www.finance.emory.edu/procurement/>**

### 2.23. 16 Conflict of Interest

Emory University requires its employees to avoid any financial relationship, transaction or event that may be viewed, internally or externally, as a conflict of interest between an employee and an outside party. As provided in the University by-laws, relations between the University and contractors, consultants, vendors, suppliers and other third parties are to be maintained without any direct or indirect personal or financial benefit accruing to any University employee or any member of the employee's family.

Specific circumstances which may constitute a conflict of interest include, but are not limited to, the following:

- Holding, either directly or indirectly, a position or financial interest (see below for definition of "financial interest") in an outside concern which provides services competitive with services rendered by the University, or an outside concern from which the University secures goods or services, if the employee is involved in or may influence the ordering of such goods or services.
- Competing, either directly or indirectly, with the University in the purchase or sale of property or property rights, interest or services.
- Disclosing or using non-public information obtained through University employment for personal profit or gain, or for the profit or gain of an immediate family member.
- Accepting gratuities of special favors, such as meals, airline tickets, hotel accommodations entertainment, sporting event tickets, etc., from any outside concern that does, or is seeking to do, business with the University, or extending gratuities or special favors to employees of the University

under circumstances which might reasonably be interpreted as an attempt to influence the employees in the performance of their duties. This does not include the acceptance of items of nominal or minor value (\$30.00 or less) that are clearly tokens of friendship and are not related to any particular transaction or activity of the University, nor does it include business-related social events where the employee is representing the University's interest.

- Retaining, directly or indirectly, consultants who have financial interest or employment that conflicts with services (including sponsored research) provided by the University.

Any existing or proposed relationship, transaction or other event which may raise a conflict of interest issue is to be disclosed to the employee's Dean, Director or Vice President, in writing, to determine its appropriateness and to receive specific approval to maintain or proceed with such relationship, transaction or event.

#### 2.23.16.1 Financial interest

"**Financial interest**" as used in this policy does not include ownership of interests in diversified investments (e.g., mutual funds, retirement plans) where the employee or consultant does not control investment decisions, nor does it include non-controlling ownership of securities in large, publicly-held corporations unless the activities of the employee or consultant could have an other than inconsequential effect on the value of such securities. With respect to ownership in start-up and other entities utilizing University intellectual property, the Policy and Procedures for Faculty Members involved in Sponsored Scientific Research and Technology shall supplement and take precedence over this policy where applicable. Where applicable, governmental regulations regarding conflict of interest shall be followed, as shall other Universities policies

#### 2.23.17 Employee Relations, Theft and other Criminal Incidents

**(From HR Policy Manual Section VIII, Part G, Faculty and Staff; Revised 11/08/2002)**

All thefts of university property, thefts of property of individuals who are members of the university community, and all other criminal incidents should be immediately reported to the Emory Police Department for investigation. No one should make any commitments relating to restitution, prosecution, or otherwise, pending investigation. When university funds are involved, Internal Audit and the Treasurer's Office also should be notified. In the case of thefts of university property or other criminal incidents, decisions on whether or not to prosecute will be made by the senior associate vice president for business and/or the executive vice president in consultation with other university officials and the Emory Police Department. No other official of the university or employee, other than the President or his or her designee, has the authority to make such decisions. In the case of theft of Emory Healthcare property, or other criminal incidents, decisions on whether or not to prosecute will be made by the CEO of Emory Healthcare, or his or her designee, in consultation with the Emory Healthcare Department of Public Safety and/or the Emory Police Department. No other official of Emory Healthcare or employee has the authority to make such decisions. In case of theft of property from individuals, or other criminal incidents in which an individual is the victim, on University or Emory Healthcare property, the decision to prosecute is up to the individual victim. The Emory Police Department will assist the victim in making an informed decision. A decision as to whether criminal prosecution is appropriate for a theft or other criminal act does not determine whether or not an accused employee should be terminated or otherwise disciplined. Such a decision also is not determinative of whether an accused student should face Conduct Council proceedings.

#### 2.23.18 Special Requirements for Sponsored Projects

**(Restricted Accounts are all 5-ledgers and all 6-37xxx - 6-47xxx)**

1. Use of the procurement card does not waive any of the standard sponsored projects compliance or accounting requirements. All costs incurred on a sponsored project must be reasonable, necessary, allocable and appropriate to the specific account charged. Costs may not be incurred on a sponsored project for preplanned transfer or redistribution to another account.
2. Because of the limited life of a sponsored project and possible compliance issues, while not specifically prohibited, use of a sponsored project account number as the Purchasing Card primary cost center number is not encouraged and should be limited. A sponsored project should only be used as a primary number under the following circumstances:
  - For multi-year projects (FDP/Expanded/Contract) where the account number will not change on an annual basis, and
  - The project requires a large volume of small purchases that could be processed through the procurement card, and
  - All purchases are specific to and allowable on the specified sponsored project.
3. When the primary account number is not a sponsored project, a sponsored project may be charged for a specific expenditure through the MARS redistribution system, provided that the charge is appropriate to and meets all of the other sponsored project requirements.
4. Because of the unique audit requirements for sponsored projects, Departments must retain all receipts for Purchasing Card purchases, charged against a sponsored project. Because some vendors do not provide detailed receipts, the Department may need to retain a detailed Transaction Log of a sponsored project purchase, so that the individual items purchased are clearly documented.

For example: a receipt may say "miscellaneous merchandise" with a total of \$150. This

will be insufficient for audit purposes or cost transfers. A complete summary of the items should be attached to the receipt; e.g.: \$150 receipt: 24 binders at \$5=\$120, 2 boxes of floppy disks at \$10 = \$20 and 4 boxes of felt-tip pens at \$2.50 = \$10.

5. A Purchasing Card purchase may only be transferred (by journal voucher) to a sponsored project if the journal voucher includes a copy of the receipt and the purchase detail with the backup. All other sponsored projects requirements, such as 120-day justifications, also apply.

### 2.23.19 Purchasing Card Compliance Review Program

This compliance review program has been created by the Office of Procurement and Payment Services to protect the financial integrity of the Emory University Purchasing Card Program. The policy takes an integrated approach with a comprehensive emphasis on people, policy, procedures, technology, and oversight, and is meant for Emory University Purchasing Card users and their supervisors.

The purpose of the Emory Compliance Review Plan is to provide proper guidance and definitive policy on the use of and responsibilities for the Emory Purchasing Card. These policies are a part of the overall Emory P-Card Program and were designed to provide the proper checks and balances required in order for the P-Card program to remain successful.

The Emory Compliance Review Staff, led by [Marlene Otonicar](#), Lead Compliance Review Coordinator, and [Kathy Grant](#), Compliance Review Coordinator, under the leadership and supervision of [Loette King](#), Senior Director, Procurement and Payment Services, will administer the Emory Compliance Review Program.

The Compliance Review staff will conduct monthly reviews of cardholder and department use of the Emory P-Card. These reviews may either be *scheduled* or *unscheduled* with all decisions made at the discretion of the Compliance Review staff. Reviews may also be conducted by other entities including, but not limited to: Emory's Internal Audit Unit and the Internal Revenue Service (I.R.S.).

The Compliance Review Program **does not** replace the responsibilities of Emory's Internal Audit Division and is designed to educate and encourage adherence to the Emory University Purchasing Card Program. The intent of this policy is to provide guidance and clarity for uniform compliance of all cardholders and supervisors to the policies and procedures of the Purchasing Card Program. It is important that cardholders, department managers, financial staff, principal investigators, and University executives work together in order to preserve the financial integrity of the program.

#### 2.23.19.1 Roles and Responsibilities

- **Compliance Review Staff:** This group has oversight of the compliance review program. Its key responsibilities are to enforce and administer all Compliance Review Program policies and procedures. The CRS takes necessary action to ensure compliance to the mandate of the Purchasing Card Program, and reports directly to the Sr. Director of Procurement and Payment Services.

The CRS shall produce all reports regarding department and cardholder Purchasing Card use as well as reports requested from Emory University stakeholders, including Internal Audit and financial management executives with interest in Emory Purchasing Card use. The CRS shall also report annually to the Sr. Director of Procurement and Payment Services with recommendations that would enhance the quality of internal controls and promote program compliance.

- **Purchasing Card Program Staff** : This staff is made up of employees within Procurement Services who administer the Purchasing Card Program and monitor the MARS software. Among other duties, the P-Card Program Staff will conduct mandatory training for cardholders and managers to effectively communicate P-Card program policy. A special section for program compliance review is included in the standard training workshop. While this staff has no direct responsibility for compliance, they work closely with the Compliance Review Staff to communicate P-Card policy and procedures to individual employees and the campus at large.
- **Cardholders:** Specifically for this policy, cardholders are expected to adhere to certain monthly procedures and guidelines in order to remain in good standing. Much of the success and failure of the P-Card program begins and ends with cardholder compliance, therefore there are expectations for cooperation with and consistency to the program. Failure to meet these expectations could result in a retraction of the P-Card or termination.
- **Managers** : Managers play a key role in the success of the Emory Purchasing Card Program. Specifically for this policy, the manager is defined as the *immediate supervisor* of the cardholder and is ultimately responsible for compliance to this policy within his/her supervision.

**Summary Table of Responsibilities** - The table below lists key responsibilities for both the cardholder and manager. Please review the entire table very carefully so that both roles are understood. The check and balance system outlined here must be respected and complied with in order for the card program to maintain successful internal controls.

Cardholder Responsibilities	Management Responsibilities
Comply with All Emory Procurement and Payment Services Policies.	Be correctly identified and listed on the Emory Purchasing Card Program Application as the manager/supervisor of the cardholder.

Maintain security of the card and corresponding account number. P-Cards are <b>never</b> to be shared among staff or students.	Ensure cardholder purchases are authorized, reasonable, appropriate, and cost effective.
Ensure proper receipt of products and services ordered with the P-Card.	Approve or disapprove cardholder transactions by actively reviewing transactions within the proper timeline using the online P-Card Program System (MARS). Ensure that purchases fall within the prescribed P-Card policies and procedures; specifically that transaction limits are not violated due to "splitting".
Receive and reconcile monthly P-Card statement from Emory P-Card provider (G.E. Capital Financial Services). Sign the monthly cardholder statement ensuring that the proper documentation is attached including receipts, packing slips, invoices, and any other corresponding documents. Once completed, forward to manager/supervisor for review.	Review, sign and use full signature, the monthly cardholder statement ensuring that each transaction is properly documented with the appropriate receipt, invoice, or packing slip.
Verify the accuracy of all transactions on both the cardholder statement and within the Emory P-Card Program online system (MARS).	Review monthly cardholder transactions to ensure that prohibited items have not been purchased.
Resolve delivery and credit disputes with suppliers or contact Emory Purchasing Card Coordinator to resolve disputes.	Communicate with cardholder(s) to ensure that monthly reconciliation processes are met in a timely manner.
Reallocate P-Card transactions to their proper G/L accounting code within the appropriate accounting period.	Ensure that all cardholder transactions are reviewed, approved, reconciled, and described in the online P-Card Program System (MARS) within the appropriate accounting period.
Contact the Emory P-Card Program Coordinator and return the card when the cardholder resigns, terminates, or moves from one department to another.	Retrieve P-Card when cardholders resign, terminate, or move from one department to another. The P-Card should then be forwarded to the Emory P-Card Program Coordinator for cancellation/destruction.

[Click here for a Quicklist of PCard Dos and Don'ts.](#)

### 2.23.19.2 Guidelines

In order to successfully stay within Emory compliance review program guidelines, cardholders and departments are **required** to meet the following guidelines:

- **Separation of Duties** : Cardholders may not under any circumstances serve as their own approver for Emory P-Card Transactions. Cardholders should have their recognized supervisor and manager perform the recognized monthly review, reconciliation, and reallocation process. This separation of duties extends to and includes approval access in the online P-Card Program Management System (MARS).
- **Monthly Reconciliation Process** : Each cardholder and their immediate supervisor/manager is required to receive, sign with his or her full signature, and authenticate the monthly cardholder statement, along with supporting documentation such as receipts, packing slips, and invoices. This process must be completed every month in order for the cardholder to remain in good standing.
- **Documentation** : Signed and authenticated cardholder statements and corresponding documentation should be kept in the department in chronological order by month. Documentation should be accessible and ready for review when a cardholder is selected for compliance review.
- **Training** : Prior to the issuance , all Emory Purchasing Cardholders will be required to attend a comprehensive training program in order to educate employees on card use, **compliance** , and use of the online P-Card Program Management System (MARS). The Emory P-Card Program Coordinator will present this training. **Note:** As a pre-caution, each new cardholder will be reviewed by the Compliance Review staff in order to verify that policies, procedures, and processes are being properly followed.
- **Reporting** : Daily, monthly, and annual reviews of certain exception reports (reports that show transactions that fall outside the area of allowable purchases as defined in the Emory P-Card Policies and Procedures) from the Emory P-Card Program Financial Partner (G.E. Capital Financial Services) will be generated by the Compliance Review staff. Types of reports include, but are not limited to, "splitting" (a technique used to circumvent the single purchase limit), weekend transactions, grant

account transactions, transactions without review or descriptions, travel and entertainment related transactions, and MCC (Merchant Category Code) exception reports.

- **Employee Verification:** The Purchasing Card Coordinator shall verify that all potential cardholders are in fact employees of Emory University. Note: Temporary and student workers shall not be issued Emory Purchasing Cards but under certain circumstances may receive an Emor

## Definitions

**Small Dollar Purchases** : A single purchase which, in aggregate, costs less than \$1,499.

**Department Head** : Vice President, Dean, Director, Department Head or Business Manager with budget authority.

**Cardholder** : Employee who has been issued a Purchasing Card.

**Card Issuer** : MasterCard through General Electric Capital Financial.

**Key Contacts** : Individuals or companies responsible for different aspects of the program who are available to answer specific questions pertaining to use of the card program (see 707.18).

**Standard Industrial Code (SIC)** : This is a code assigned to each merchant participating in the program identifying the product or service provided by the merchant.

**Purchasing Card Administrator** : Emory Finance Division employee responsible for issuance of the Purchasing Card and other facets of the Emory Purchasing Card Program.

**MARS Software** : Software provided by Card Issuer and used to review transactions and change account numbers as noted in [707.12](#).

Note: Database management of MARS software will take place daily, usually at times in early morning or late in the evening.

**Authorized Approver** : A person designated by the Department Head to review purchasing card transactions on the MARS software. The authorized approver may review charges for one or multiple cardholders.

## Related Links

- Current Version of This Policy: <http://policies.emory.edu/2.23>
- [Payment Services Website](https://www.finance.emory.edu/external/deptpages/ap/index.cfm) (https://www.finance.emory.edu/external/deptpages/ap/index.cfm)
- [Purchasing Card Website](https://www.finance.emory.edu/procurement/) (https://www.finance.emory.edu/procurement/)
- [P-Card Policy Quick List of Dos and Don'ts](https://www.finance.emory.edu/external/polprod/quicklist.cfm) (https://www.finance.emory.edu/external/polprod/quicklist.cfm)

## Contact Information

Subject	Contact	Phone	Email
Procurement Services		404-727-5400	e-market@emory.edu
Purchasing Card Administrator	Amy DeMore		amy.demore@emory.edu

## Revision History

**No previous versions of this policy were found.**