

**Introduction / Overview:**

The Procurement Card Program is intended to streamline and simplify the purchasing process for certain types of transactions. It is a tool that facilitates timely acquisition of materials and supplies, reduces transaction costs, and automates data flow for accounting purposes. The Procurement Card should never be used to avoid or bypass the current University policies and procedures. All purchases must be made in compliance with established University purchasing policies & procedures which can be found on the Northwestern University website at <http://www.northwestern.edu/userservices/purchasing/policy.pdf>.

All individuals involved with the Procurement Card Program including Cardholders, Allocators, Reviewers, and Post Auditors are expected to understand and follow all NU/WCAS policies and procedures. Intentional misuse or fraudulent use will result in personal liability and/or disciplinary action .

This document was created as a supplement for the Weinberg College of Arts & Sciences (WCAS) users and should be used in conjunction with the Northwestern University Procurement Card Cardholder Manual. This manual is a supplement to the NU procurement card manual, which can be found on the Accounting Services website at:

<http://www.northwestern.edu/financial-operations/controller/accounting-services/procard/cardholder-agreement.pdf>

**Who May Obtain a Card in WCAS?**

1. Lead staff member in the department or program
2. Financial Assistant
3. Lab Manager
4. Department Assistant

Cards will not be issued to the following:

1. Faculty Members\*
2. Visiting Postdocs & Scholars
3. Temporary Employees
4. Work study participants
5. Contractors
6. Employees of NU affiliates without an NU employee ID

\* Some exceptions may apply for faculty in the laboratory sciences; contact the WCAS Dean's Office to be considered for an exception.

**How to Obtain a Procurement Card:**

1. First, the Cardholder must read and review the Northwestern University Purchasing Policies and Procedures (<http://www.northwestern.edu/userservices/purchasing/policy.pdf>) and the WCAS Procurement Card Policies & Procedures (this document).
2. The Cardholder should then complete and sign the Northwestern University Procurement Card Program Cardholder Agreement for WCAS. By signing this form, the Cardholder acknowledges that he/she has read,

understands, and agrees to comply with the established Procurement Card policies and procedures (both NU and WCAS).

3. The completed and signed form is directed to the WCAS Dean's Office for review and signature. WCAS will set transaction limits, assign supervisors, and mail form to Accounting Services for final processing.
4. WCAS will forward the application to Accounting Services for final processing.
5. The final step is for the Cardholder to attend a mandatory training session held by Accounting Services. The Cardholder will be notified by Accounting Services of the available training session dates so that the Cardholder can register for one of the sessions. The ProCard will be distributed to the Cardholder following completion of the training session.

**Purchasing Rules for the Card:**

1. The Procurement Card should only be used for Northwestern purchases. All Procurement Card expenses are paid with Northwestern funds and, therefore, the Procurement Card may not be used for non-Northwestern purchases
2. Cards may only be used by authorized cardholders whose name appears on the card. The card is non-transferrable. No exceptions.
3. Itemized receipts are required for all purchases. The following rules should be used to identify what should be retained for each transaction type:
  - a. Phone Order: Receipt received from the vendor via email or faxed order confirmation that includes prices.
  - b. Web Order: Email confirmation or order confirmation page
  - c. Store Purchase: Original itemized store receipt
4. The Procurement Card may NOT be used for the following transaction types:
  - a. Travel/Entertainment (including airlines, hotels, car rentals)
  - b. Dining out at restaurants (note: the ProCard may be used to cater in for special events that are within NU policies/procedures when vendors do not accept purchase orders.
  - c. Alcoholic Beverages (including from bars and package stores)
  - d. Cellular Phones/Pagers
  - e. Gifts/Flowers
  - f. Purchases made on auction sites (e.g. Ebay, Ubid, etc.)
  - g. Individual purchases of \$5,000 or more including Capital Equipment
  - h. Purchases from vendors that do not accept NU's tax exempt status
  - i. Cash Advances
  - j. Personal Purchases
  - k. Items that can be purchased through NUFInancials (IBuyNU, requisition, online voucher)

## **Weinberg College of Arts & Sciences:** **Procurement Card Policies & Procedures**

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Please note that the list above is not a comprehensive list and WCAS reserves the right to deny any purchase made to a questionable vendor. . Purchases must be in compliance with all NU and WCAS policies.

5. The card may be used for the following types of transactions:
  - a. Registration fees
  - b. Subscriptions
  - c. Professional membership dues
  - d. Conference registrations
  - e. Internet orders when item cannot be found from any other vendor source
  - f. Small orders (including catering) from vendors that do not accept purchase orders
  - g. Small miscellaneous / incidental supply purchases

### **Dollar Limit & Merchant Code Thresholds / Restrictions**

All WCAS users are assigned to Merchant Category 950. WCAS works with business administrators in the college to set transaction and monthly limits. These limits can be different for different card holders in various areas. The limits may be temporarily increased if a unique situation arises and a Cardholder needs to make a purchase for an amount greater than the established threshold. The dollar limits on ProCards can be adjusted temporarily with the approval of WCAS by contacting Ben Polancich via e-mail with reasoning for why limit should be modified. If approved, WCAS will contact the Procurement Card administrator, who will increase the limit accordingly. This can typically be done within 24 hours.

### **Responsibilities of the Cardholder**

1. Attending mandatory ProCard training session
2. Making approved/allowable purchases in accordance with all NU/WCAS policies
3. Ensuring that purchases made on sponsored project accounts are in accordance with sponsored project conditions and requirements
4. Informing merchants of NU tax-exempt status so taxes are not paid on purchases made with the ProCard
5. Obtaining a detailed, itemized receipt for each purchase
6. Documenting appropriate Chart strings that should be charged
7. Regularly updating Paymentnet system with chart string, account code, and transaction note detail prior to scheduled upload dates (as set by Accounting Services procurement card calendar)
8. Resolving discrepancies
9. Obtaining credits if necessary
10. Receiving monthly credit card statement and verifying transactions against receipts
11. Forwarding purchase documentation to designated Reviewer for approval

**Responsibilities of the Allocator:**

Generally, the allocator is the same individual as the cardholder. Following the weekly calendar provided by the Procurement Card Administrator, the Allocator must log into PaymentNet and allocate expenses made with the card to the appropriate account (Fund, Department, Project, and Account Code). Costs must be allocated each week before the expenses are uploaded to the University financial system. In rare instances, when expenses could not be allocated prior to the weekly upload, it is the Allocator's responsibility to submit a Correction Journal to move the charges to the appropriate Chart string/account code following the upload. Please note that if the Allocator continually fails to allocate costs in PaymentNet prior to the upload, action will be taken to suspend or cancel the card.

**Responsibilities of the Reviewer:**

Reviewers are required to ensure that charges are authorized, appropriate, within University policies and procedures, and adequately documented. The Reviewer is typically the Cardholder's supervisor or someone within the Cardholder's chain of command. A Reviewer MAY NOT review his/her own transactions to ensure adequate internal controls and separation of duty. Examples of positions that are most typically Reviewers include: research administrators, accounting supervisors, department managers, division administrators, budget/financial analysts, etc.

Reviewer's responsibilities include:

1. Providing approval of cardholder purchases
2. Verifying that itemized receipts have been obtained for all purchases
3. Confirming that all purchases are authorized, appropriate, and consistent with NU/FSM policies and procedures
4. Ensuring that appropriate Chart string is identified in the transaction allocation column in Paymentnet before weekly upload to NU Financials is completed
5. Ensuring that account code is changed from default ProCard object code 75695 to the appropriate account code in Paymentnet before weekly upload to NU Financials is completed
6. Ensuring that detailed transaction notes describing purchase are included in Paymentnet website
7. Verifying that no tax has been charged for purchases
8. Maintaining adequate records for audit purposes (e.g. monthly statements, itemized receipts, transaction log, etc).

**Post Audits**

It is the responsibility of the department/division to review the ProCard transactions following the weekly upload to NU Financials to ensure that the transactions were posted to the correct accounts. Any transaction corrections that need to be made following the weekly upload should be made via a Correction Journal. Departments/divisions should note that all ProCard transactions allocated to a sponsored project account will be reviewed by Accounting Services for Research and Sponsored Projects (ASRSP). ASRSP reviews each transaction and will contact departments/divisions if charges are unallowable to specific accounts. It is the department's/division's responsibility to move the charges from the sponsored project account to a different departmental Chart string via a Correction Journal.

At any time, NU Internal Audit, ASRSP, the Procurement Card Administrator, WCAS, Budget, & Payroll, or other authorized University Office may conduct audits of a department's/division's ProCard activity. Departments/divisions are expected to provide monthly statements, itemized receipts, transaction logs, and other reconciliation documents as requested during the audits. Additionally, the Procurement Card Administrator reviews individual purchases made by each Cardholder to ensure that Cardholders are adhering to the Procurement Card Program policies. Cardholders will be contacted by the Procurement Card Administrator and/or the Office of Finance, Budget, and Payroll regarding issues such as questionable transactions, tax payments, or failure to document correct Chart string account codes.