

Purdue Research Foundation Commercial Card Handbook

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Last Revised: 02/14/2018

Purdue Research Foundation Commercial Card

“QUICK REFERENCE GUIDE”

LOST OR STOLEN CARDS

A cardholder should notify JP Morgan Chase immediately at the telephone number below if a Commercial Card is lost or stolen. Representatives are available 24 hours a day, 7 days a week; also, contact the credit card manager to inform them that you have contacted JP Morgan Chase.

JP Morgan Chase Lost or Stolen: 1-800-316-6056
Credit Card Manager: 765-588-3338 or tkgick@prf.org

DISPUTES

If there is a charge that is not recognized by the cardholder, or if it appears to be incorrect, the cardholder should:

1. Go back to the Merchant at which the purchase was made and try to resolve the discrepancy.
2. If this does not remedy the situation, the cardholder should follow the dispute guidelines on Appendix D, or call JP Morgan Chase at 1-800-316-6056.
3. Notify the PRF Card Manager, PRF/KPTC, of the dispute.

All questioned items must be communicated to JP Morgan Chase at the address above within 60 days of the cycle date when the item was originally posted.

GENERAL INFORMATION

JP Morgan Chase's Commercial Card Customer Service professionals are available Monday through Friday from 7:00 a.m. to 7:00 p.m. Central Time at:

Customer Service 1-800-316-6056

This toll free number should be given to all cardholders. It is printed on the back of every Commercial Card.

Customer Service handles questions such as why a cardholder was declined at a merchant when attempting to purchase goods. They can also respond to requests for copies of sales drafts.

General Card Information

The Purdue Research Foundation Commercial Card is a MasterCard, issued through and supported by JP Morgan Chase. The Card is intended to facilitate the efficient expenditure of School Discretionary and Institutional Program funds (hereafter referred to as PRF funds) by streamlining the procurement and payment process.

All current policies and regulation regarding PRF fund expenditures apply when using the Commercial Card. The card is simply a tool to eliminate the need to request reimbursement from PRF.

Obtaining a Card

These cards can be issued for PRF accounts as requested by the Deans, Directors, and Department Heads. The cards are to be administered through the departmental business office.

Complete and sign the Purdue Research Foundation Card Application (Appendix A). This requires two authorized signatures. First line, the Department Business Manager and the second, from the respective Dean, Director, or Department Head. Validation for those, whom authorize new credit card applications or changes, will be verified approvers per the Discretionary Signature Authorization Form on file at Purdue Research Foundation. Transaction limits for each card will be established at the time of application. Forward the original application to the PRF Card Manager, PRF/KPTC.

Cards will be ordered and distributed to the departments by the PRF Card Manager.

Individual vs. Department Cards

Where practical, cards will be issued in the name of an individual. These individual cards will typically be reserved for staff who frequently entertain, such as Deans, Directors, Department Heads, and Development Officers. Personal credit history will in no way be affected by these cards; monthly charges will be paid directly by the Research Foundation. Cards issued in an individual's name and used in an over the counter transaction provide the greatest protection to the University.

The individual whose name appears on the card bears the responsibility for purchases charged to the card. These cards must only be used by the cardholder appearing on the card. Each individual receiving a card will be expected to sign a PRF Cardholder Agreement (Appendix B) that outlines guidelines associated with using these cards.

A department card is also available. The card issuers impose greater liability with a departmental card to a variety of users versus an individual cardholder. JP Morgan Chase and MasterCard do recommend a log be kept tracking the use of the card and by whom. However, it should be acknowledged that this does not alleviate the University's liability. Refer to Appendix C for a sample sign-out sheet.

Card Security

Each department/division/office needs to determine how to secure the cards. In some areas, it is more appropriate for individuals to carry the cards. In others, the cards should be stored in a locked, secure place in the business office. In either case, the commercial card number should be protected as any blanket or open vendor order number has been in the past.

Card Controls

Since the card is a MasterCard, any vendor that takes MasterCard will accept the PRF Card.

Restrictions can be coded into a particular card file to limit where cards can be used by Merchant Category Code (MCC), as assigned by the Bank.

All cards have been assigned a MCC, which allows restaurant, catering, grocery, and hotel banquet charges. *Blocks will be installed for airlines, auto rentals, and cash advances on all cards.*

Below are the standard card limits that have been approved by PRF. Limit changes can be requested via the Appendix D Change to Account Form.

Card Type	Max. Transaction	Max. Cycle Limit
Department	\$3,000	\$6,000
Individual	\$2,500	\$5,000

Each card should be detailed with a dollar amount per transaction and dollar amount per cycle limit.

Sales Tax Issues

All PRF expenditures are subject to Indiana Sales Tax. Please remind staff members that they should not request tax exemption when using the PRF Commercial Cards.

Card Renewal

Renewal cards will automatically be mailed to the PRF Card Manager in advance of the card expiration date. These will be effective for two years. The cards will then be distributed to the department business offices.

Business Office Implementation Checklist

- Review current PRF Signature Authorization Form. Someone from this list must approve each transaction before a department card is released. Revise this authorization form as appropriate.
- Review Cardholder Agreement (Appendix B) and Instructions for Use of the Card.
- Identify staff for which an individual card is appropriate. Only individuals who frequently entertain, such as Deans, Department Heads, and Development Officers should receive individual cards.
- Determine the appropriate number of department cards for your area.
- Discuss appropriate limits for each card with you Dean or Department Head.
- Complete card applications (Appendix A) and obtain authorized signatures from Dean, Department Head, or Director.
- Submit PRF Card Application to the PRF Card Manager, PRF/KPTC. Retain a copy of the application in the business office for future reference.
- Once cards issued in the name of an individual are received, schedule informational training session with the cardholder and obtain signature on Cardholder Agreement. The original signed agreement is sent to the PRF Card Manager. Distribute a copy of the Agreement to the cardholder and retain a second copy in the business office.
- For named cardholders, determine the frequency in which log sheets should be submitted to the business office (weekly, biweekly, or monthly). For tracking purposes, it may be more efficient to assign a consistent frequency for all cardholders in your area. Until this cycle becomes familiar, it may be necessary to send periodic email reminders a few days before the log sheet is due to the business office.
- Discuss submission of transaction log sheet with individual cardholders. If an assistant will be maintaining the log sheet for the cardholder, include this individual in the discussion. Discuss such topics as frequency of submission (weekly, biweekly, or monthly), detail required in the description of each transaction, and who to contact with questions about allowable transactions.
- If the log sheet is to be maintained in electronic format, provide a copy of the Word document to the appropriate individual.
- Prepare a checklist for individuals who sign out the department card. Appendix F contains a sample checklist.
- Determine a schedule to periodically review and audit card transactions in your department(s).

Proper Commercial Card Procedures

General Information

- Business Offices will be responsible for administration and reconciliation of the cards, and retention of transaction documentation. Although PRF will not retain original documentation, this information may be requested for audit purposes.
- Each Commercial Card relates to one PRF account number. This eliminates the need to redistribute transactions to various accounts. The cycle period for the PRF Card will begin on the 16th and run through the 15th of each month. The transactions will automatically charge to the appropriate account on or around the 23rd of each month.
- If the cost for an even exceeds the transaction limit for a PRF Commercial Card, it may be appropriate to request a temporary increase. To request such an increase, the business office must complete a PRF Card Change to Account Form. Please indicate the original limit, requested limit, time period of the change, and a description of why the increase is necessary.

Appropriate Use of Cards

PRF cards will primarily be used for restaurant, catering, grocery, and hotel banquet charges. If a transaction falls outside this scope, the departmental business office will provide assistance to staff members to determine if it is allowable on PRF funds. Per PRF discretionary fund guidelines, most recently dated November 2003, the following items have been identified as unallowable expenditures for SDIP funds:

- Gifts or benefits to employees, unless part of a University or departmentally sponsored recognition program (see guidelines for University sponsored programs)
- Travel expenses for spouses of University official not acting as official volunteers or representatives of the University
- Reimbursement of local travel expenses is prohibited
- Payment of fines or penalties for University employees, students, and guests
- Purposely avoiding University travel regulations or procurement policies and procedures, including office furnishings and equipment not in accordance with University standards
- Purchase of memberships in various organizations including private country clubs, airlines, etc. for University personnel
- Donations to charities and/or civic fund-raising campaigns (internal or external)
- Office parties, holiday parties or decorations
- Refreshments at routine staff meetings
- Payments in cash or equivalency (e.g., gift certificates) may only be made through the University, when allowable. Tax reporting will be handled through the payroll system or IRS Form 1099 reporting

The first violation of the above guidelines may result in immediate cancellation of the PRF Card. Business expenditures that are unallowable on PRF funds will result in reimbursement of charges by the employee and possible cancellation of the PRF Card. Personal expenditures will result in reimbursement of charges and/or disciplinary actions that can include suspension, termination, and prosecution under state and federal laws.

Determining the allowability of a transaction can be unclear. Please refer any questions to the PRF Card Manager at 765-588-3338.

Backup Documentation

Department Cards

- Each transaction will be documented and approved by an entry on the PRF Department Card Sign Out Sheet (Appendix C), which also outlines compliance with regulations. The requestor will complete this documentation before obtaining a card from the business office.
- A business office Authorized Signer must approve each transaction before the card is released to the staff member. This signature should be obtained on the Sign Out Sheet (Appendix C) in the "Approval" column. Authorized Signers are defined as those individuals who have been granted signature authority on the department's discretionary fund, as disclosed in memo format to PRF. The description of the activity must be sufficiently detailed in order to determine if a transaction is allowable.
- Depending on internal department procedures, it may also be necessary to obtain academic approval of the transaction. The PRF Commercial Card Request Form (Appendix C-1) is supplied for optional use by the department for documentation purposes, but is not required.
- The staff member will submit original itemized receipts when returning the card, within the same business day unless otherwise approved.

Individual Cards

- As described in the Cardholder Agreement Form (Appendix B), the cardholder is responsible for purchasing only those items that are allowable on PRF funds. The business office should be the primary contact if the staff member has questions about the allowability of a specific purchase.
- The staff member will submit a transaction log (Appendix C-2) describing the activity, along with itemized receipts, on a regular basis. This submission may occur on either a weekly, biweekly, or monthly basis, depending on the level of card activity.
- Transaction logs maintained as computer files are acceptable forms of original documentation and may be transferred electronically to PRF in the case of an audit request to test transactions; however, original receipts will need to be supplied as well.

Reconciliation

- Transactions may be reconciled from the weekly email statements, or at the end of the cycle, depending on the volume of activity.
- To reconcile, the clerk will confirm that all receipts and log sheet entries are allowable transactions and are correct as they appear on the weekly or monthly transaction listing.
- Backup documentation includes: the transaction log, packing slip, and/or cash register receipts. An original itemized receipt must be submitted for every transaction, including restaurant meals.
- The Business Manager should review the monthly email statement and evaluate the allowability of each transaction, along with all backup documentation attached.
- If the transactions are correct, the Business Manager should certify by signing the monthly statement. If discrepancies are found, the department is responsible for completing a dispute form and forwarding to the bank.
- To obtain a copy of a charge or credit slip, call the bank's Customer Service Department at 1-800-316-6056.
- Once the transactions have been reconciled, the email statement with attached receipts and log sheets should be filed in a secure area with the monthly PRF statement and retained for seven (7) years.
- Each card transaction will appear as a separate entry on the department's monthly PRF account statement.

Resolving Errors, Disputes, Returns, and Credits

- The business office is responsible for following up with the vendor or bank on any erroneous charges, disputed items, or returns as soon as possible. A dispute form to the bank may be filed no later than 60 days from the transaction posting date.
- Disputed billing can result from failure to receive goods or services charged altered charges, defective merchandise, incorrect amounts, arithmetic errors, duplicate charges, credits not processed, etc. Most disputes can be resolved when the business office discusses the issue with the vendor. If the business office is unable to reach agreement with the vendor, the next step is to contact the bank's
- Customer Service Department at 1-800-316-6056. The bank may ask for a completed dispute form (Appendix D). Please note on the form the reference number the customer service representative gave you. A copy of the dispute form should be sent to the PRF Card Manager.
- If the business office is still unable to reach an acceptable solution, contact the PRF Card Manager at 765-588-3338. Documentation should be retained explaining each credit received for returns or exchanges. This should be kept with the monthly billing on which the credit appears.

Lost or Stolen Cards (Fraud)

- Immediately contact the bank (1-800-316-6056) or the PRF Card Manager to get an individual or department card cancelled if the charge is due to fraud. The bank's security unit will want to know the card number, transaction dates, vendors, amounts, etc. for cards in an individual's name.
- Inform the PRF Card Manager that the card has been cancelled due to fraud.
- Contact your Business Manager or supervisor to inform her/him of the situation.
- Copies of all correspondence and notes of conversations are to be sent to the PRF Card Manager in cases of fraudulent card activity. The PRF Card Manager will maintain files for this purpose.
- We cannot dispute fraudulent charges. The bank investigates fraudulent cases. Credit is issued if the bank can recover the charges or it is determined that the vendor did not use the proper procedures. Chase will also reissue a new card.

Maintaining Card Records

- Department Business Managers are responsible for informing the PRF Card Manager of any changes related to a PRF Commercial Card. Please follow the procedures listed below when a change is required:
- If changes in the established limits on the card are required, send a Change to Account Form (Appendix E), with appropriate signatures, requesting changes to the PRF Card Manager, PRF/KPTC. Such changes generally take five (5) working days.
- If a responsible user or a business office contact has a change in email address, complete a Change to Account Form and forward to the PRF Card Manager.
- In the event a cardholder moves to another University department, the cardholder or the department business manager should return the PRF Card to the PRF Card Manager. A new application should be submitted if the individual needs to obtain a card for activities in the new department.
- Upon termination of employment of a cardholder, the department business manager should make sure the PRF Card is returned to the PRF Card Manager.
- To cancel a card, the card should be cut in half, and forwarded to the PRF Card Manager. For immediate cancellation, contact the PRF Card Manager by phone, fax, or email.

Purdue Research Foundation Commercial Card Application

Name on Card: _____ (printed)

Dept. Name and Number: _____ Campus Building: _____

Email Address of Cardholder/Responsible Person: _____

- The Purdue Research Foundation Commercial Card is intended for purchases that comply with the Purdue Research Foundation School Discretionary and Institutional Program Funds Guidelines, most recently dated November 2003.
- Business expenditures that are unallowable on PRF funds result in reimbursement of charges by the employee and possible cancellation of the PRF Card. Personal expenditures will result in reimbursement of charges and/or disciplinary actions that can include suspension, termination, and prosecution under state and federal laws.
- If the card is lost or stolen, the cardholder has the responsibility to notify the Bank immediately, and then their Business Office, and the PRF Card Manager. Failure to adhere to procedures may result in revocation of cardholder privileges.

As holder of this Purdue Research Foundation Card, I agree to accept responsibility for the protection and proper use of the card as detailed above, and in the Cardholder Agreement.

Cardholder Signature: _____ Date: _____

Phone#: _____ Date of Birth*: _____

Access Code* (last 4 of SSN): _____

(*May be used by the Bank for over-the-phone identification only.)

As dean, director, or department head, I approve the issuance of a Purdue Research Foundation Card to this staff member and assume all responsibility for the card.

Intended Card Use: Discretionary Fund Transactions

PRF Account Number: _____ Name: _____

Email Address for Card Statement: _____

Single Transaction Limit: \$ _____ (Maximum limit of \$3,000 for Department Card / \$2,500 for Individual Card)

Spending Limit per Cycle: \$ _____ (Maximum limit of \$6,000 for Department Card / \$5,000 for Individual Card)

Name Printed: _____

Signature: _____ Date: _____
(Business Manager's signature, Recommending)

Name Printed: _____

Signature: _____ Date: _____
(Dean/Director/Department Head's signature, Approving)

Signature (acknowledge receipt): _____ Date: _____
(PRF Card Manager)

Return via campus mail to: PRF Card Manager, PRF/KPTC

Purdue Research Foundation Cardholder Agreement

- The PRF Card is intended to be used for expenditures normally acquired by Incidental Purchases charged to the Department/School's discretionary funds. In general, the PRF Card is to be used for meals, catering, and development expenses.
- The PRF Card issued to you has a transaction limit of _____ and a cycle limit of _____. Splitting a transaction into multiple transactions to avoid these limits is prohibited and may result in loss of card privileges.
- This PRF Card may only be used by the cardholder whose name appears on the card.

Per PRF discretionary fund guidelines, most recently dated November 2003 the following items have been identified as unallowable expenditures for SDIP funds and therefore cannot be charged to a PRF card:

- Gifts or benefits to employees, unless part of a University or departmentally sponsored recognition program
 - Travel expenses for spouses of University officials not acting as official volunteers or representatives of the University
 - Reimbursement of local travel expenses is prohibited
 - Payment of fines or penalties for University employees, students, and guests
 - Purposely avoiding University travel regulations or procurement policies and procedures, including office furnishings and equipment not in accordance with University standards
 - Purchase of memberships in various organizations including private country clubs, airlines, etc. for University personnel
 - Donations to charities and/or civic fund-raising campaigns (internal or external)
 - Office parties, holiday parties or decorations
 - Refreshments at routine staff meetings
 - Payments in cash or equivalency (e.g., gift certificates) may only be made through the University, when allowable. Tax reporting will be handled through the payroll system or IRS Form 1099 reporting
- The Transaction Log with *original, itemized receipts* must be submitted to the Business Office on **weekly / biweekly / monthly** (please circle) basis.
 - The first violation of the above guidelines may result in immediate cancellation of the PRF Card. Business expenditures that are unallowable on PRF funds result in reimbursement of charges by the employee and possible cancellation of the PRF Card. Personal expenditures will result in reimbursement of charges and/or disciplinary actions that can include suspension, terminations, and prosecution under state and federal laws.

I have read and understand the above expectations and directives and agree to comply.

Cardholder Name (printed or typed): _____

Signature: _____ Date: _____

Department Name: _____ Department #: _____

I have reviewed the PRF Commercial guidelines with the cardholder named above.

Signature of Department Business Manager: _____

Original to PRF Card Manager – Duplicates to Employee & Business Office

Purdue Research Foundation Commercial Card Purchase Request Form

Department: _____

Date of Activity: _____

PRF Card Number: _____ (last 4 digits)

Staff Member(s) Participating or Attending: _____

Other Individuals Attending:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Description and Purpose of Activity:

Requested Amount: _____

Signature of Requester: _____

Business expenditures that are unallowable on PRF funds will result in reimbursement of charges by the employee. Personal expenditures will result in reimbursement of charges and/or disciplinary actions that can include suspension, termination, and prosecution under state and federal laws.

Approval of Expense: _____ Date: _____
(Authorized signature)

Please complete this form before requesting use of a PRF Commercial Card. Return the Commercial Card and all original, itemized receipts to the business office within 24 hours.

Purdue Research Foundation Cardholder Transaction Log Sheet for Individual Cards

Card Number: _____ Staff Member: _____
(Last four digits only)

Date of Transaction	Vendor	Amount	Individuals Attending	Description of Activity

NOTE: This log should be submitted, along with all original, itemized receipts, to the business office on a weekly, biweekly, or monthly basis.

PRF Department Card: Check List for Users

When to use the card...

- This card is for expenditure appropriate under the guidelines for the proper use of SDIP funds dated November 1, 2003. If you have any questions about the allowability of an expense, please ask your business office representative!
- Meals and refreshment for faculty/staff and industrial partners or donors are not to exceed \$ _____ or _____ participants.
- Meals and refreshments for faculty/staff and prospective employees are not to exceed \$ _____ or _____ participants.

Procedures...

- To request the use of a PRF card, complete the information on the Card Sign-Out Sheet. For audit purposes, please provide a detailed description of the activity, a list of individuals attending, the amount requested, and the time you received the card. The appropriate business office representative must approve the expense before the card is released for use.
- Transaction will be reviewed and approved by an authorized business office representative before the card is released.
- Take the department card to the appropriate local vendor and purchase the items requested.
- Unlike the University expenses, PRF-related expenditures are not exempt from state sales tax. Please do not mention tax exemption status when utilizing the PRF Commercial Card.
- Return the PRF card and original itemized receipts to the business office within 24 hours.

CONTACT LIST

Errors, Disputes, Returns, Credits

JP Morgan Chase
Purchasing Card
Customer Service Department
1-800-316-6056
7:00am to 7:00pm CST

To Report Lost or Stolen Cards

JP Morgan Chase
1-800-848-2813
24 hrs/day
and
PRF Card Manager
765-588-3338, 8am – 5pm

Card Management Changes

PRF Card Manager
PRF/KPTC
765-588-3338

Copy of Charge/Credit Slip

Customer Service Department
1-800-316-6056

PRF Card Manager

Tammy Gick
PRF/KPTC
Phone: 765-588-3338
Email: tkgick@prf.org

PRF Controller

Tammy Metzinger
PRF/KPTC
Phone: 765-588-1271
Email: tmetzinger@prf.org