

PURCHASING CARD GUIDELINES



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PURPOSE

The purpose of Western's Visa Purchasing Card Program is to offer an efficient and cost effective method to purchase and pay for goods and services of relatively low dollar value. This program is designed to serve as an alternative to the use of petty cash, instances where a regular Purchase Order is not accepted by a vendor, or a vendor is not available through Mustang Market. It is not intended to be a mechanism to avoid or bypass Western Procurement Policies and Procedures ([MAPP 2.8 – Procurement of Materials & Services](#)). This program is intended to complement existing processes available within policy.

GENERAL CARD TERMS AND CONDITIONS

The Visa Purchasing Card (P-Card) may be used with any vendor who accepts Visa. The card can be used for in-store purchases, and orders placed by mail, fax, phone, or over the internet. Although the card is issued in your name, it is the property of Western University and is to be used exclusively for University business purchases. **This card is not for personal use.** You are responsible for the security of, and all purchases made with, this card. Cards not used in compliance with program guidelines may result in the loss of card privileges and other consequences as deemed appropriate by your Budget Unit Head. Card usage will be audited and privileges may be rescinded at any time.

There is no cost to the users either for the card or for transactions made using the card.

HOW TO OBTAIN A CARD

To obtain a P-Card, forward a completed Purchasing (P-Card) Application Form and Cardholder Acknowledgement to Procurement Services. This serves as acknowledgment that you have read and agree to the policies, procedures and terms & conditions of the program. After the application has been received, approved and processed, a card will be issued and sent directly to Procurement Services. Cards take approximately 5-7 business days to arrive. Procurement Services will contact the cardholder to make arrangements for pick up (photo ID is required). The reverse of the card includes a space for the cardholder's signature; the card **must** be signed as soon as the card is received to prevent unauthorized use.

[Purchasing Card \(P-Card\) Application](#)
[Travel Card Application](#)

Activation of the Card

The card must be activated before it can be used. To activate, the cardholder must call 1-888-823-9657 and provide the "significant date" (this date will be provided in an email from Procurement Services to the cardholder). This email also contains the cardholder's password as well as instructions for accessing the Scotiabank Centre Suite System.

LIMITS

Individual transactions are set between \$1,000 and \$5,000. The recommended default level is \$2,500; however, departments can determine the level appropriate for the

individual cardholder. Orders must not be split to bypass the single or monthly transaction limits. The monthly credit limit is defaulted at \$10,000. At their discretion, units may request changes to these limits by submitting a P-Card Change Request to Procurement Services for approval.

[Purchasing Card Change Request](#)

The P- Card **MAY** be used for the following:

- conference registrations
- flowers
- subscriptions
- books
- water
- Shred-it
- reprints
- memberships
- mail/phone/fax/internet orders
- in store purchases (e.g. retail operations such as RONA, Home Depot or Loblaw's)
- telephone/cell phone bills

The P-Card **MAY NOT** be used for the following:

- travel and entertainment expenses (e.g. airlines, vehicle rental, lodging, restaurants)
- purchases of foreign tangible goods - except where approved by Customs and Logistics – customs@uwo.ca
- supplies available through Western's Mustang Market
- alcohol, ethyl alcohol, radioactive materials, narcotics, dangerous goods and controlled substances
- goods or services from any officer or employee of the University
- cash advances
- personal purchases
- equipment greater than \$5,000

TRAVEL COORDINATOR ROLE

A Travel Coordinator Role has been developed to give departments the ability to book certain Travel and Hospitality on P-Cards; these privileges are limited to one cardholder per unit. Travel Coordinators are only authorized to charge hospitality for group events and book travel for non-University employees. All individual travel and expenses should be reported through the Western Financials - Travel and Expense Centre.

[Purchasing Card \(P-Card\) Application](#)

PURCHASING CARDS ON RESEARCH GRANTS

If an applicant identifies a research grant as the default account, Research Finance will be notified and the terms of your grant will be reviewed. Cardholders are expected to ensure that all transactions are eligible expenses as per the funding agency guidelines and will be held personally responsible for all ineligible expenditures.

CONTROL FEATURES

The following controls are built into the program:

- dollar limit per transaction for individual cardholders
- monthly credit limit for individual cardholders
- declining balance cards
- types of merchants that will be authorized

Card limits are set to fit the need of the individual. Some industry vendor groups have been blocked from the program. If you present your card to any vendor from one of these industry groups, the transaction will be declined. Cardholders who feel a purchase has been wrongly declined should contact the Program Administrator at 519.661.2111, Ext. 88563.

CARDHOLDER RESPONSIBILITIES

The cardholder is:

- responsible for the custody, control and use of the Visa P-Card; account numbers should not be recorded, stored, or shared internally or via email.
- authorized to act on University business only. The University will not be responsible for payment of personal purchases. **Personal purchases are strictly prohibited;**
- responsible for ensuring that budget funds are available to meet the terms of payment for each month and that all transactions are cleared prior to year end or grant closures;
- responsible and accountable for the selection of supplier, product/service specification, quality, quantity, price, delivery terms and costs, ordering, expediting, amendments, returns, etc.; and
- responsible for ensuring the accuracy of any order received including communicating discrepancies to the vendor, arranging for returns of wrong goods ordered or goods found to be defective/inferior, and for the negotiation of the terms of repair or replacement.

In the event of a lost or stolen card, cardholders must notify the Scotiabank Call Centre immediately to cancel the card and order a replacement. The Scotiabank Call Center must also be advised immediately if there is a billing discrepancy that cannot be resolved with a vendor, where transactions exist that the cardholder did not authorize or where the cardholder suspects fraudulent use of the account.

If it becomes necessary to purchase any foreign tangible goods, the cardholder must notify Customs and Logistics prior to making a purchase: customs@uwo.ca. The delivery address must be a valid University of Western Ontario address.

The cardholder must always retain receipts at the point of purchase for 7 years.

All cardholder purchases are subject to a supervisory review by way of the online submission of a monthly expense report. Failure to submit the monthly expense report is considered a violation.

ORDERING & RECEIPTS

As previously indicated, orders can be placed in person, by phone, fax or online via the internet. When ordering through the internet, be sure you are using a secure site. Secure sites will be identified by a closed padlock shown in the status bar located at the bottom of your web browser.

When ordering, inform the vendor you are ordering with your Western P-Card. Give your name as it appears on the card.

If the vendor requests a billing address, they are trying to match the information on file at the bank with the information you are providing. The billing address is based on your original application.

When placing an order please ensure the following information is given to the vendor;

- Full name as it appears on card
- Contact telephone number

Vendor invoice receipts should:

- Contain the cardholder's Bill to/Sold to address
- Reflect amount owing as \$0.00
- Indicated "paid by Visa" to avoid duplicate payment

It is also strongly recommended that the vendor records the last six digits of your P-Card number on the receipt for tracking and order reference purposes. At no time should more than six digits be recorded.

Invoice receipts should go only to the cardholder and not to Accounts Payable or Procurement Services. Purchase Orders should not be set up.

RECONCILIATION AND PAYMENT (USING CENTRE SUITE BASED SOFTWARE)

On or about the 16th of each month, cardholders (or appointed reconcilers) will receive a notice that their electronic statement is available for review and approval in the Scotiabank Centre Suite System. The statement will identify each transaction made against the card during that billing period.

The cardholders (or designated reconcilers) are responsible for:

- reviewing all transactions on the monthly statement;
- creating an expense report for that period; and
- submitting the expense report for approval by their designated approver.

In the Centre Suite System, transactions will be allocated to default accounts; however, account coding can be changed when creating an expense report - descriptions must also be added at that time. The expense report will be forwarded to the designated approver for review and approval in Centre Suite.

[Valid General Ledger Accounts](#)

Statements must be reconciled and approved within the specified time period for each month. Failure to do so will result in the balance being paid against your default speed code/account number.

CARD VIOLATIONS

Western's P-Card is entrusted to individuals in accordance with the procedures outlined in the Purchasing (P-Card) Cardholder Acknowledgement. Individuals are required to report all misuse or unauthorized use of the P-Card to both Scotiabank and Western's Program Administrator. Failure to adhere to P-Card procedures constitutes misuse of University property and may result in the cancellation of the P-Card and, where appropriate, disciplinary action. Procurement Services reserves the right to remove all cards at an individual or departmental level for non-compliance.

Review for Violations

- specific violations may result in a written warning. Five warnings within one calendar year may result in card cancellation.

The following violations may result in an audit:

- P-Card used to purchase restricted or personal goods and services
- repeated late submission of expense reports for approval
- repeated instances of missing documentation
- repeated splitting of transactions to purchase items which exceed transaction limits
- failure to report a lost or stolen card

Depending on the type of violation, the following steps may be taken:

- 1st violation – Verbal/written warning
- 2nd violation – Written warning with a copy to the Unit Budget Head
- 3rd violation – One month card suspension
- 4th violation – Six month card suspension
- 5th violation – Card cancellation

At the beginning of each fiscal year, cardholders will start with a clean record (unless their card was revoked).

DOCUMENTATION & TAXES

Cardholders must retain all receipts for goods and services purchased. The receipt is the only original documentation specifying whether or not taxes have been paid on the purchase. The Centre Suite System and Western's Program Administrator manage the reporting of taxes through to the general ledger. The amount shown on your general ledger is the net of tax rebate amount.

AUDIT

Statements are subject to review and audit. All documentation (e.g. packing slips, receipts, credit card slips, etc.) must be retained with your Visa statement at the

department level for a period of seven years. If a receipt or packing slip does not include a description of the purchase, add a handwritten description on the receipt/packing slip.

The Program Administrator and Internal Audit conduct audits and will look to ensure receipts are being retained for the required time period.

TEMPORARY LEAVE

The following steps are to be taken if an employee is on an extended leave of absence or away from his/her regular place of employment for an extended period of time:

1. The appropriate supervisor is responsible for collecting the card.
2. The supervisor must deliver the card to the Program Administrator for safekeeping.
3. The Program Administrator will return the card to the employee upon their return to work.
4. If the cardholder performs the function of a reconciler or approver in the Centre Suite system, alternates need to be identified to Procurement Services.

[Purchasing Card Change Request](#)

TRANSFERRED OR TERMINATED EMPLOYEES

The following steps are to be taken if an employee is terminated or transferred to another department on campus:

1. The appropriate supervisor is responsible for collecting the card and returning it to the Program Administrator.
2. The Program Administrator will cancel the card.

DISPUTE PROCESS

If a cardholder disputes a transaction:

1. The cardholder should contact the supplier directly.
2. The supplier should review the information and either demonstrate the charge is legitimate, credit the account, or continue the dispute.
3. If the dispute continues, the cardholder should contact the Scotiabank Commercial Card Contact Centre at 1-888-823-9657 and file a report. The Cardholder must also notify the Program Administrator with details of the disputed transaction.

LOST OR STOLEN CARDS

The cardholder must immediately notify Scotiabank (1-888-823-9657) and the Program Administrator where a card is lost or stolen. The card will be cancelled and a replacement card issued within two to three business days. Employees are asked to treat the Purchasing card as they would their own.

HYDRO APPROVAL FOR ELECTRICAL AND ELECTRONIC GOODS

The Power Commission Act of Ontario states that all electrical and electronic goods sold or imported into Ontario must comply with the provisions of the Ontario Electrical Safety Code. Each approved piece of equipment must bear the label or mark of a testing organization recognized by the Standards Council of Canada. It is the cardholder's responsibility to ensure that the supplier complies with this stipulation.

KEY CONTACTS

Scotia Bank Commercial Card Call Centre

1-888-823-9657

- Account status and balance inquiries
- Transaction inquiries
- Problem resolution on any purchase
- Transaction disputes
- Report of lost/stolen cards
- Emergency card replacement
- Card declines
- Replacement cards

Program Administrator
Procurement Services

519-661-2111 ext. 87658
pcard@uwo.ca