

Northwestern Engineering

Procurement Card Policies and Procedures

OVERVIEW

The Procurement Card Program is intended to streamline and simplify the purchasing process for specific types of transactions. The program is not intended to avoid or bypass appropriate use of payment procedures (purchase orders for iBuyNU vendors, expense reports, blankets, etc.).

Northwestern Engineering has implemented the following procedures for Cardholders and Supervisors/Approvers. This document was created as a supplement for Northwestern Engineering users and should be used in conjunction with the [Northwestern University Procurement Card Cardholder Guide](#). If any of these procedures are not adhered to, Northwestern Engineering Administration reserves the right to revoke a Cardholder's procurement card (pcard).

PROCEDURES TO OBTAIN A PCARD

In order to obtain a pcard, an employee must:

1. Read through and understand the Northwestern University Procurement Card Cardholder Guide.
2. Complete the [Northwestern University Procurement Card Cardholder Agreement](#). This agreement must be approved by the Supervisor/Approver (i.e. the person who will be reviewing and approving the transactions).
3. Read and sign the Northwestern Engineering Procurement Card Policies and Procedures document (this document).
4. Send the signed documents to Jackson Lee (Tech L370). After reviewing the forms, Northwestern Engineering Administration will send them to Accounting Services.
5. Once Accounting Services has received the procurement card, the Cardholder must attend training with Accounting Services in order to pick it up. The Cardholder will be contacted by Accounting Services to schedule this training.

See page 4 for who can and cannot obtain a pcard.

GUIDELINES FOR PCARD USE

Cardholders should only make purchases for their own department. The procurement card is not transferable between departments. Procurement card information must never be shared with others.

The procurement card is not open to all merchants. In the rare instance that a department needs to make a purchase from a vendor with an excluded merchant code category, the Supervisor/Approver should notify Jackson Lee and provide the business purpose for the expense. If approved, a temporary lift of the excluded category will be submitted via a request to the Procurement Card Administrator.

See page 4 for a list of correct and incorrect uses of the procurement card.

CARDHOLDER RESPONSIBILITIES

Managing/Reconciling a PCard

Previously, Cardholders needed to assign the proper chart string and account code to each pcard purchase on a weekly basis within the [PaymentNet](#) website. In addition, monthly three-way reconciliation was required between the purchase receipts, monthly credit card statement, and transaction log. Cardholders needed to obtain the signature of their Supervisor/Approver on the reconciliation materials as well as maintain the documentation as part of the audit process.

Beginning in January 2016, Cardholders will reconcile transactions in NUFinancials instead of PaymentNet. Under this new process, pcard transactions will be automatically transferred into My Wallet in NUFinancials. Cardholders will receive an email notification when transactions are ready for processing in NUFinancials.

The Cardholder will need to allocate and reconcile their pcard transactions by creating an expense report from receipts in My Wallet. Each transaction will be loaded automatically to fill in an expense report with all values except the chart string and business purpose. Cardholders must assign the appropriate chart string and business purpose as well as ensure the pre-populated account code is accurate. Similar to reimbursements, pcard transaction receipts will need to be scanned and attached to the expense report for documentation.

Pcard transactions in My Wallet will follow the standard expense report workflow approval process (cardholder approval, workflow approval, expenses supervisor approval, ASRSP approval, AP approval). This electronic workflow process acts in place of the signed three-way reconciliation. Although an expense report is being processed, no payment is issued to user.

As under the old process, transactions should continue to be moved on a weekly basis in a timely manner. Cardholders should consult with their Supervisor/Approver as additional internal procedures may also apply.

In the case of erroneous charges, please refer to the [Northwestern University Procurement Card Cardholder Guide](#) for further instruction.

Cancelling a PCard

The Supervisor/Approver should email Jackson Lee (jackson.lee@northwestern.edu) to request cancellation. Once cancelled, the physical pcard should be sent in a sealed envelope through interoffice mail to Mary Hallissey (2020 Ridge Ave, Room 111, Evanston, IL 60208) as Accounting Services must properly dispose of the pcard. **This should be done one week prior to the Cardholder's last day in a position.**

NON-COMPLIANCE

Northwestern Engineering has adopted a three strikes policy in regards to non-compliance. All Cardholders and Supervisors/Approvers are expected to follow the Northwestern University and Northwestern Engineering guidelines for procurement cards, travel/entertainment, and purchasing policies. Anyone not in adherence to these guidelines will receive a “strike.” After three strikes, the pcard will be permanently revoked. Examples of “strikes” include, but are not limited to:

1. Paying with the pcard to circumvent using standard purchasing processes via iBuyNU or established vendors in NUFinancials.
2. Making purchases for transaction types that are not allowed.
3. Sharing the pcard (or its numbers) with others.
4. Lack of original receipts.
5. Repeatedly paying tax on purchases made with the pcard.

PAYMENT

Purchases made on the pcard are paid electronically by Northwestern University. The department/program should NOT pay pcard purchases via purchase orders. This will result in double payment to the bank.

Please see additional resources on the [Procurement Card Program website](#).

Northwestern Engineering

Quick Guide for Procurement Card Do's and Don'ts

DO'S

Who Can Obtain a PCard?

- Financial Assistants
- Lab Managers
- Program Assistants
- Directors and Administrators, as deemed necessary

Correct Uses of a Procurement Card:

- Conference registration
- Association memberships
- Subscriptions (magazines, professional journals, etc.)
- Low dollar/risk transactions not available through iBuyNU
- Emergency purchases
- Small catering needs(box lunches, food trays; if applicable include attendee list)

Procurement Card Do's for Cardholders:

- Attend mandatory Northwestern PCard training session
- Keep your pcard in a secure location
- Obtain itemized receipts for EVERY purchase
- Make sure the vendor is aware of your tax exempt status
- Allocate transactions to the correct chart string with an accurate business purpose and account code on a weekly basis
- Complete reconciliation of pcard activity on a weekly basis

Procurement Card Do's for Supervisors/Approvers:

- Attend mandatory Northwestern PCard training session
- Verify that purchases are authorized, appropriate, and consistent with all procurement card and Northwestern purchasing policies
- Ensure that the expense report is accurate, complete, timely, and includes itemized receipts for every purchase
- Confirm that transactions were posted to the correct chart string and account code with the appropriate business purpose
- Verify no sales tax has been charged on the procurement card
- Ensure that if a Cardholder is leaving Northwestern, their pcard is in your possession one week before appointment end date

DON'TS

Who Cannot Obtain a PCard?

- Faculty
- Temporary Employees
- Work-Study Students
- Visiting Postdocs, Scholars, and Fellows
- Contractors

Incorrect Uses of a Procurement Card:

- Purchase of any item that can be purchased through iBuyNU (i.e. supplies, computers, toner, printers, etc.)
- Travel (airline tickets, hotels, rental cars, meals, etc.)
- Alcoholic beverages
- Dining (group meals and department outings)
- Deposits for events (catering, hotel reservations, etc.)
- Individual gifts
- Purchases of \$5K or more, including capital equipment
- Purchases of any item not allowed by Northwestern policy
- Personal use

Procurement Card Don'ts for Cardholders:

- Use the procurement card to circumvent the standard purchasing process via iBuyNU
- Use the procurement card for transaction types that are not allowed (see Incorrect Uses of a Procurement Card above) or not in compliance with Northwestern purchasing policies and procedures
- Share your pcard or pcard numbers with others
- Pay sales tax on purchases
- Discard itemized receipts
- Forget to process transactions from *My Wallet* on a weekly basis
- Transfer pcard from one department or program to another

I have read and understand the Northwestern Engineering Procurement Card Policies and Procedures document.

Sign and deliver original to Jackson Lee (Tech L370).

Cardholder Signature

Date

Supervisor/Approver Signature

Date