

The Reimbursement Services office welcomes you to WHOI's Purchasing Card program. The purpose of this program is to eliminate most of the paperwork associated with purchases of and payment for goods and services costing less than \$5000.00. You will be able to make these purchases by using the WHOI Purchasing MasterCard instead of a Purchase Requisition or Request for Payment form.

Program Overview

Many of the merchants with whom WHOI does business accept MasterCard as payment for purchases. Placing orders with merchants can be done in person, over the phone or online using the MasterCard as an ordering and payment mechanism. Charges made with this card are then electronically posted to WHOI's online purchasing card system. When this occurs, as the cardholder, you will receive an e-mail notification. By simply logging on to the website you can review your purchase, assign the appropriate accounting information and note the preprinted tracking number. This number comes from the pre-printed envelopes provided at training and used to forward your invoices showing cost, shipping date and form of payment, eliminating the need for any additional paperwork.

The purchasing card program streamlines the purchasing and payment process and allows the following improvements:

- Orders are placed with more accuracy and speed as you are interacting directly with the supplier.
- Goods and services arrive faster and to the exact location.
- Time consuming approval processes are done before you receive your card.
- Paperwork is greatly reduced.
- You do not need to use personal funds or credit to purchase supplies needed to do your job.
- Your supplier is happy as they receive payment from MasterCard within three business days.
- Fewer Purchase Orders and checks need to be issued.
- One-time vendors do not need to go through the new vendor process.

Saving time and paperwork are important goals for all of us. The Purchasing Card program will assist in meeting these goals.

The Card

The WHOI Purchasing Card program is different from the travel card program which you may be familiar with. First, all liability for transactions made on the Purchasing Card are the responsibility of the Institution. You will not need to be reimbursed for purchases made on the card, as you will not be expected to make payment. It is the responsibility, however, of the cardholder to adhere to the Purchasing Card limits and deadlines. Assigning accounting and forwarding appropriate receipts for each transaction is the responsibility of the cardholder.

Secondly, the program is geared strictly to purchase transactions. As such, we are able to set each card with specific parameters that will limit the use of the card before a purchase is completed. Your card will have specific limits relating to the value to the purchase to be made; the number of times a card can be used in a certain period of time and what categories of suppliers the card can be used with.

These features allow the Institution to issue cards without involving your personal credit or affect your credit history.

Policy

1. The maximum amount of any one charge made on a purchasing card may not exceed the limit set by the hosting department. No card may have a one-time charge limit greater than \$5000.00. The splitting of an order to avoid the maximum one-time charge limit **will result in suspension of charge privileges.**
2. Certain categories of purchases are excluded from the purchasing card program without express written authorization before the purchase is made. These include, but are not limited to, purchase of:
 - Personal purchases
 - Live animals
 - Alcoholic beverages
 - Cash advances
 - Consulting or personnel services
 - Gift certificates
 - Hazardous materials
 - Gases
 - Automobile gasoline
 - Travel and entertain expenses
 - Weapons and ammunition

3. Purchasing cards will be issued to individuals upon authorization of the Department Administrator from the hosting department. The person whose name appears on the card is responsible for protecting the card and is accountable for all the purchases made by or under the immediate direction of the person to whom the card is issued.
4. Purchases made for the use and benefit of WHOI and grants and contracts must adhere to Institution policy and the policies and guidelines of the funding or contracting agency.
5. No personal purchases are allowed on this MasterCard account regardless of the intent of the individual to reimburse WHOI.
6. Fraudulent or misuse of the purchasing card by any WHOI employee will result in suspension of card privileges and further disciplinary actions up to and including termination of employment.
7. The cardholder must sign a WHOI Purchasing Card Cardholder Agreement, which specifies that they will protect the card and adhere to the policies and procedures that govern its use.
8. The cardholder and the Department Administrator are responsible for the processing of all card transactions in a timely manner.
9. It is the responsibility of the cardholder to report the loss or theft of the card immediately to JPMC (1-800-VISA-911) .JPMC customer service representatives are available 24 hours at 1-800-270-7760.
10. The cardholder is responsible for attempting to resolve any disputes with a vendor within 15 days of receipt of disputed goods or services. If a resolution is not possible, the cardholder should put the charge into dispute.
11. The AP office reserves the right to cancel any card at any time for failure to comply with the policies and procedures associated with the purchasing card program.
12. Notify the AP office of any changes to the card parameters and changes of address in hosting department immediately.
13. The cardholder is responsible to return the card to the APS office upon leaving the Institution.

Using the Card

1. Decide what you need to purchase.
2. Contact the merchant either by phone, online, or in person.
3. Give the merchant your card number and expiration date and CVV code if requested.

...And Paying for the Transaction

Once the merchant has accepted your MasterCard for payment, Paymentnet is notified of the transaction. This process usually takes 48 hours but some merchants may not process their card transactions for several days. Paymentnet will notify you that the transaction is ready for viewing in the WHOI/Paymentnet site. This site will be used to process payment information to the RS office. Detailed instructions of how to use this site will be provided to you via e-mail and again during training.

After entering accounting information into the system, simply put all the associated reviewed purchase invoices into a pre-numbered envelope. WHOI is using 'bag receipting' for the tracking of invoices associated with purchasing card transactions. When your card is issued, you will be provided with these pre-numbered receipt envelopes. You will use the envelope number as the 'tracking number'.

Please type in 'PT' before this envelope number without space/dash. This information will be used by AP to track the hard copy documents associated with the payment of goods and services. The envelope and the documents contained in it must reach the AP office before payment to the bank can be made.

Once you have assigned accounting information to the transaction and have check-marked your 'Reviewed' box allowing the item to be pulled for payment and RS receives the 'PT envelope', the contents will be reviewed, matched with the transactions in the system and approved for payment.

If you realize that you need to change the accounting on a purchase after the invoice has been reviewed, please notify the AP office, x3267 for assistance.

**PAYMENTNET ONLINE PROCESSING
DEADLINES, PROCEDURES AND QUICK REFERENCE**

- Billing cycle closing date is the 12th of each month

All transactions that have a 'Post Date' from the 13th of one month up to and including the 12th of the next month need to have accounting assigned.

Once accounting has been assigned to a charge, all documents pertaining to this transaction should be enclosed in the pre-numbered/pre-addressed brown envelope and forwarded to AP, MS#1 by the 20th of the month.

Note: Items should not be placed into dispute because an invoice has not been received. If you have not received an invoice, every effort should be made to obtain this from the vendor.

Purchasing limits that must be adhered to:

Single transaction amount:	\$5,000
Daily transaction amount:	\$15,000
Daily number of transactions:	12
Monthly purchasing limit:	\$50,000

The payment downloads to the bank will be processed once a month and those items are removed from the transaction detail (posted) and viewed in your FSRs. Once items are removed from transaction detail, they will be accessible through Paymentnet queries for 18 months. You will then be notified for only those items outstanding for the following billing cycle.

Mastercard Cardholder Guidelines

- Your MasterCard Purchasing Card is intended for business use and should be used for all business related purchases (up to \$5000.00).
- It is the responsibility of the cardholder to be aware of Institution restrictions prior to using the card.
- Purchasing Card policies and procedures are available online and AP is also available to answer any questions you may have.
- Each cardholder is responsible and accountable for their Purchasing Card.
- Only named cardholder should use the card.
- Cardholder is responsible for initiating resolution of any disputes with merchants and must flag the item as disputed online if not resolved within the billing cycle.
- Cardholder is responsible for reporting loss/theft of his/her card immediately to JPMChase (1-800-VISA-911).
- Itemized invoices \$ are required documentation as backup for online processing and must be forwarded to **AP, MS#1** in the pre-numbered envelope for payment after accounting is assigned.

Purchasing Card Process

The process of a MasterCard transaction:

- Cardholder goes to store/online for purchase of an item
- Store swipes card
- Card information goes to main processing center which answers store with approval information
- Processing center sends information to bank (usually within 24 hours)
- JPMC then sends the transaction information to WHOI server
- Cardholder will receive e-mail notification once weekly to review their transactions
- Reviewed transactions will go back to AP via online
- APS will then create a download for an electronic payment to be made to the bank
- Transactions appear on the FSRs when download process is complete