

BABSON COLLEGE P-CARD MANUAL



BABSON

TABLE OF CONTENTS

1. Overview	2
2. Administration	3
2.1 P-Card Acquisition	
2.2 P-Card Renewal	
2.3 P-Card Suspension and Cancellation	
2.4 Lost/Stolen P-Card	
3. P-Card Use	4
3.1 Purchases	
3.2 P-Card Limits	
3.3 Traveling	
3.4 P-Card Monitoring	
3.5 Tax Exemption	
3.6 Fraudulent Transactions or Disputed Charges	
4. P-Card Restrictions	6
4.1 Prohibited Items	
4.2 Gift Cards and Gift Certificates	
4.3 Transactions > \$10,000	
4.4 Personal Items	
4.5 Accidental/Inadvertent Charges	
5. P-Card Accounting	8
5.1 P-Card Charges	
6. P-Card Reporting	8
6.1 Workday Financial System	
6.2 Missing Receipts	
7. Instructions	9
7.1 Application Procurement Card Request	
7.2 PCard Limit Increase Request	

1. Overview

Babson College provides qualified employees with a JP Morgan VISA Procurement Card (P-Card) to purchase goods that do not require a Babson College Purchase Order (see Section 4.3 for information on purchase orders). Babson College strongly encourages P-Card use for certain small dollar purchases in addition to travel, meal and entertainment expenses incurred on behalf of the College. The P-Card provides convenience and improves efficiency by:

- Simplifying the ordering process
- Facilitating prompt payment to vendors
- Reducing overall processing costs and administrative burden
- Eliminates Employee Advances
- Driving campus spend toward the JP Morgan Rebate program

Cardholders may use the Campus P-Card for Babson College Business only in accordance with the College's Appropriate Use of Funds Policy. **Use of Babson's P-Card for personal purchases is strictly prohibited.** Violations may result in revocation of cardholder privileges and possible disciplinary action.

Cardholders must expense all P-Card transactions in the Workday Expense Management system within 30 days of each transaction. If the cardholder does not expense their P-Card transactions within the 30-day requirement, an email will be sent to the Cardholder and their immediate supervisor to remind them to expense all transactions within Workday Expense Management. To avoid suspension of P-Card privileges, please comply with the P-Card policy by submitting expenses within 30 days. After 35 days of delinquent P-Card transactions, the employee's P-Card may result in the suspension by the Accounts Payable Department until (a) transactions have cleared and (b) the employee's supervisor signs off on a reinstatement of cardholder privileges. Once all outstanding transactions of policy have been remedied, the supervisor may request the P-Card to be reinstated.

Cost Center Managers are responsible for the P-Card charges made against their budgets. For this reason and for auditing purposes, all Cardholder expenses must be reconciled in Workday and approved by their designated approver within the Workday Expense Management System.

Applying for and using the Babson P-Card **does not affect** a cardholder's personal credit history. Personal information is used for tracking and administration purposes only. Babson College assumes full corporate liability for P-Card use.

Please note Babson strongly suggest all business expenses should be completed with a Babson P-Card and not personal funds. P-Card holders should only utilize a reimbursement request for mileage and extreme emergency situations when a P-Card cannot be used.

2. Administration

2.1 P-Card Acquisition

Both full-time and part-time employees of Babson College are eligible to apply for Babson P-Cards. The Accounts Payable Office will order a P-Card from JP Morgan after the employee and his/her department head have completed the application, which is available in Workday under “Requests”. Please refer to the instructions at the end of the manual.

All program participants are required to confirm review of the P-Card program policies, procedures, and instructions for reconciling P-Card transactions within the Workday Expense Management system in order to utilize program privileges. A message will be sent to all new cardholders with information on how to access the program policy signoff via Workday.

Please note the new JP Morgan P-Card will be mailed directly to the employee’s home.

The P-Card should be activated by calling JP Morgan Customer Service at 1-800-316-6056.

For the cardholder’s protection, they must sign the P-Card immediately upon receipt. The cardholder is responsible for keeping the card number confidential and preventing unauthorized use of the P-Card. Only the assigned cardholder whose name appears on the front of the card may use it. **Violations will result in the revocation of cardholder privileges, disciplinary action up to and including termination.** The P-Card remains the sole property of JP Morgan.

2.2 P-Card Renewal

Approximately two weeks prior to a P-Card’s expiration date, JP Morgan will send a new card to your home address. Upon receipt, the cardholder should immediately sign and activate the new card.

2.3 P-Card Suspension and Cancellation

JP Morgan and Babson College reserve the right to suspend or cancel cardholder privileges at any time. Upon cancellation, the P-Card must be shredded/destroyed. Use of a P-Card or the card account number after notice of its cancellation may be considered fraudulent and could result in JP Morgan taking legal action against the cardholder.

2.4 Lost/Stolen P-Card

Should a P-Card become lost or stolen, the cardholder must immediately notify JP Morgan and the Accounts Payable Office at pcard@babson.edu. The JP Morgan lost/stolen card customer service number is 1-800-270-7760. Please be prepared to supply both your home address zip code, and the last 4 digits of your Workday ID. The cardholder is responsible for confirming notification to the Accounts Payable Office at pcard@babson.edu by the next business day. Babson College is liable for all active P-Card transactions until the card is formally reported as lost or stolen to JP Morgan.

3. P-Card Use

3.1 Purchases

Cardholders may use the P-Card to purchase goods under **\$10,000** by telephone, mail, internet, or in person. It is the cardholder’s responsibility to ensure proper receipt of these goods. When using the P-Card for internet purchases, the cardholder should obtain the appropriate documentation as proof of the purchase and receipt of goods. Cardholders should make purchases from secure sites **ONLY**.

When placing an order, cardholders should be able to provide the vendor with the following information:

- The full name of the cardholder as it appears on the front of the card
- The P-Card number, expiration date and the three-digit security code on the back of the card
- **Babson’s Tax I.D. Number 04-2103544 or Babson Global’s Tax I.D. number 27-1642647, please request tax exemption at point of purchase**

The Employee’s home billing and shipping address should be used for P-Card purchases. If the vendor requests a PO (Purchase Order) number, please use **“P-CARD”** as the PO number.

3.2 P-Card Limits

Babson College assigns a spending profile to each P-Card that reflects a cardholder’s needs and their departmental Procurement requirements. Each profile includes two spending limits:

- Single-Maximum dollar amount for a single transaction
- Monthly- Maximum dollar amount that can be spent in one month

If either of the spending limits is exceeded, the card will be declined at the point of sale.

There are four user profiles: Extra Light, Light, Medium, and High. The table below shows the four P-Card limits by profile. A cardholder’s profile can be changed temporarily for a period of 30 days or permanently via the P-Card Limit Increase request in Workday. The maximum per transaction limit for any card is capped at \$9,999. **If a purchase is \$10,000 or more, it should be processed in Workday via a purchase order.**

Profile	Monthly	Single
Extra Light	\$1,500	\$1,500
Light	\$5,000	\$2,500
Medium	\$15,000	\$10,000
High	\$25,000	\$15,000

Before traveling, cardholders should contact the Accounts Payable Office at pcard@babson.edu to confirm their spending limits and determine whether their profile needs to be changed temporarily. The Babson P-Card Administrator will notify JP Morgan of temporary changes. Cardholders should always be aware of their profiles and limits, as well as the provisions of the Babson College P-Card Agreement.

3.3 Traveling

Intention of international travel and travel dates should be documented with JP Morgan. The customer service number to inform the bank of such travel is 1-800-270-7760. For security purposes, when calling JP Morgan, the cardholder should be prepared to supply them with their home zip code and the last four digits of their Workday ID, which acts as an access code. Should a cardholder have difficulty using their card while traveling, please call the applicable JP Morgan 24hr customer service number listed on the back of each P-Card for immediate assistance.

For additional information and guidance regarding domestic and international travel please refer to the Babson Travel Policies: [Domestic Travel Policy](#) or [International Travel Policy](#)

3.4 Program Monitoring

The Accounts Payable Office monitors P-Card use and Program status on an ongoing basis. Monitoring activities include:

- Periodically requesting positive confirmation from approvers of total department spend, spend per user, and other key metrics
- Review of monthly P-Card transactions including auditing Expense reports for proper Babson Business Auditing Documentation, ensure P-Card Compliance and adherence to IRS (Internal Revenue Service) guidelines.

The P-Card Administrator will run a compliance report and communicate to those who are delinquent in submitting expense documentation when they are at risk of their P-Card program participation or privileges being suspended.

3.5 Tax Exemption

As a 501(c) (3) non-profit organization, Babson College does not pay Massachusetts sales tax. Each P-Card is embossed with Babson College's state tax-ID number 042103544 (or where applicable, Babson Global's state tax-ID number 271642647). Vendors should not include sales tax on any charges, the cardholder should request the exemption at the point of sale. **In the event sales tax is included, it is the responsibility of the cardholder to ensure that the vendor credits the tax payment back to their P-Card account.** If a vendor needs documentation of Babson's tax exempt status, copies of the College's Certificate of Exemption and a letter from the Department of Revenue are available from the Accounts Payable Department.

3.6 Fraudulent Transactions or Disputed Charges

If JP Morgan identifies a possible fraudulent transaction, it will place a temporary hold on the P-Card in question and notify the cardholder. If JP Morgan is not able to contact the cardholder, it will contact the Babson's Program Administrator in the Accounts Payable Department. The administrator will then attempt to verify the questionable transactions with the cardholder. If the charge and/or charges are deemed to be fraudulent, the card will be cancelled, and JP Morgan will issue a new card within 3-5 business days.

It is the **cardholder's responsibility** to follow up on any erroneous charges, returns, or adjustments and to ensure that the vendor applies the proper credit on subsequent statements. If a timely resolution cannot be reached between the cardholder and the merchant, the cardholder may then dispute the transaction through JP Morgan.

JP Morgan will investigate the transaction, and within 90 days will determine a resolution. If JP Morgan rules in favor of the cardholder, the cardholder's account will be credited. If the expense is found to be incurred by Babson College, the bank will reinstate the charge. Please note that once a dispute has been submitted to JP Morgan, Babson College is required to pay for the transaction until a judgment has been made

4. P-Card Restrictions

4.1 Prohibited Items

In accordance with the Appropriate Use of Funds policy (found on the Accounts Payable website or the Employee Guidelines) purchases of prohibited items may result in P-Card suspension. Some examples of prohibited purchases are:

- Alcoholic beverages, except when purchased as part of a restaurant meal or with the approval of the appropriate division director and/or cost center manager
- Items redeemable for cash, including all gift cards (e.g., American Express, Visa, MasterCard)
- Gasoline for personal automotive use
- Printers, scanners, copiers, and fax machines (these items can be ordered through Babson IT department)
- Insurance
- Hazardous materials
- Animals
- Precious metals
- Travelers' checks
- Cash advances
- Firearms and ammunition
- Prescription drugs
- Personal items (i.e. Uber travel)

4.2 Gift Cards and Gift Certificates

Babson College in conjunction with IRS policies does not allow the use of P-Cards to purchase gifts, gift cards or gift certificates as this is considered personal income not a gift

College funded expenditures for gift cards or gift certificates to student employees as a token of appreciation for their work are not acceptable, per IRS regulations.

Gift Cards

IRS regulations consider gift cards to be “cash equivalents” and, therefore, taxable income. For this reason, gift cards may **not** be given to Babson College employees. The meaning of a Gift Card is a stored value or similar instrument including gift certificates.

Acceptable Gift Card Uses

- Overseas alumni assisting locally in their respective countries at college fairs, etc.
- For research involving human subjects, gift certificates may be given to subjects, not to those conducting the research.
- Full-time Babson College students for campus-wide academic or co-curricular achievements, contests, or competitions. College funded expenditures for gift cards to student employees as a token of appreciation for their work are **not** acceptable.
- For non-employees of Babson College, but **not** in lieu of pay. Examples are:
 - A visiting speaker that is not receiving a fee or honorarium may be given a \$50 gift card as a ‘Thank You’. The receipt must specify the name of the person and the purpose of the expense.
 - An alumnus volunteering at an event may be given a \$50 gift card as a ‘Thank You’. The receipt must specify the name of the person and the purpose of the expense.

Gift Card Requirements

- In the memo field on the expense report, include a description of how, why, and pertinent dates for the gift cards. Gift card purchases should be within three months of distribution.
- The maximum value of the gift cards given to a single participant shall not exceed \$50 without prior approval from the Department Cost Center Manager.
- Due to private and sensitive information of the participants, records are to be kept by the principal investigator (in the case of a student, the faculty member supervising the student). The record must include the name of the recipient and dollar amount. Student name and student ID number must be provided with expense report.
- If any one participant receives a total of \$100 or more in gift cards in a calendar year, a completed W-9 must be obtained from that participant and provided to the Accounts Payable Office along with the total value of all gift cards given to the participant.

Please also note that use of a P-Card to purchase Visa, MasterCard, or American Express Gift Cards is strictly prohibited by Babson College policy.

4.3 Transactions > \$10,000

Transactions of more than \$10,000 goods purchased require a Babson College purchase order and must comply with Procurement Office requirements for bidding or sole source authorization. Please refer to the Procurement office website for information on purchase order requirements. In certain instances, exceptions may be at the discretion of the Manager of Procurement (i.e. deposits on large events) and with approval of appropriate individuals (i.e. department/division heads and/or Cost Center Managers).

4.4 Personal Items

Cardholders may not use a P-Card to purchase personal items. Use of a P-Card for personal purposes could result in card suspension and/or other disciplinary action.

4.5 Accidental/Inadvertent Charges

If a cardholder accidentally or inadvertently charges a personal item or another prohibited item to a P-Card, they should immediately reimburse the College. They should complete a Cash Sale within the Workday Financial System. A check made out to Babson College, and a copy of the Cash Sale should be placed in a Cash Receipts Voucher Envelope and submitted to Financial Services. A copy of the check should also be uploaded into the Workday Financial System and attached to the applicable transaction with the receipt. A description of “Used P-Card in error” should be entered into the narrative field. The Cash Receipts Voucher Envelope is available through Financial Services.

5. P-Card Accounting

5.1 P-Card Charges

All P-Card transactions default to the cost center linked to an employee’s card unless allocated to a different cost center by the cardholder. All transactions must be viewed and allocated in the Workday Financial Expense Reporting System.

6. P-Card Reporting

6.1 Workday Financial Expense Reporting System and Transaction Reconciliation and Review

Allocation of P-Card transaction expenses is required to be done electronically using the Workday Expense Report Program. The Workday Expense Report Program is a web-based application that facilitates online P-Card administration, accounting, and reporting that facilitates review of transactions as they are processed rather than waiting for the close of a billing cycle and has the ability to run card activity reports at any time during the monthly cycle.

Please note that in accordance with audit standards, Babson College requires all P-Card transactions to be designated to the proper Expense Item and allocated to the correct cost center, and a detailed description of the expense as it relates to Babson Business to be entered in the Business Reason field. In accordance with IRS Publication 463, receipts are also required to be electronically attached to all transactions over \$75.00 (***support documentation is encouraged for all transactions regardless of amounts***) and entered in the Workday Financial System. If the expense is for travel, meals and/or entertainment, a detailed listing of participants and business purpose is required regardless of the transaction amount. Transactions are then routed to a designated approver and/or Cost Center Manger. All P-Card transactions are posted immediately.

Please note all designated approvers must log onto Workday Weekly and review the current expenses of their assigned cardholders. Approvers should verify the correct cost center has been used, a description of the expense

as it relates to Babson Business has been supplied, and a receipt has been attached for all transactions above \$75.00. Expense reports may be sent back to the Cardholder for further clarifications of expenses.

PLEASE NOTE: Failure to comply with the above reconciliation policy within 30 days after the end of the monthly P-Card cycle may result in suspension of P-Card privileges.

Instructions on navigating the Workday Expense Reporting System are found in Workday. Click on “*Learn How to Use Workday*”, <http://learnworkday.babson.edu>. Double click on the Financials Icon and locate Expense Reimbursement and P-Card Allocation instructions. For more information about Expense Management, or for questions regarding the system, please contact Accounts Payable.

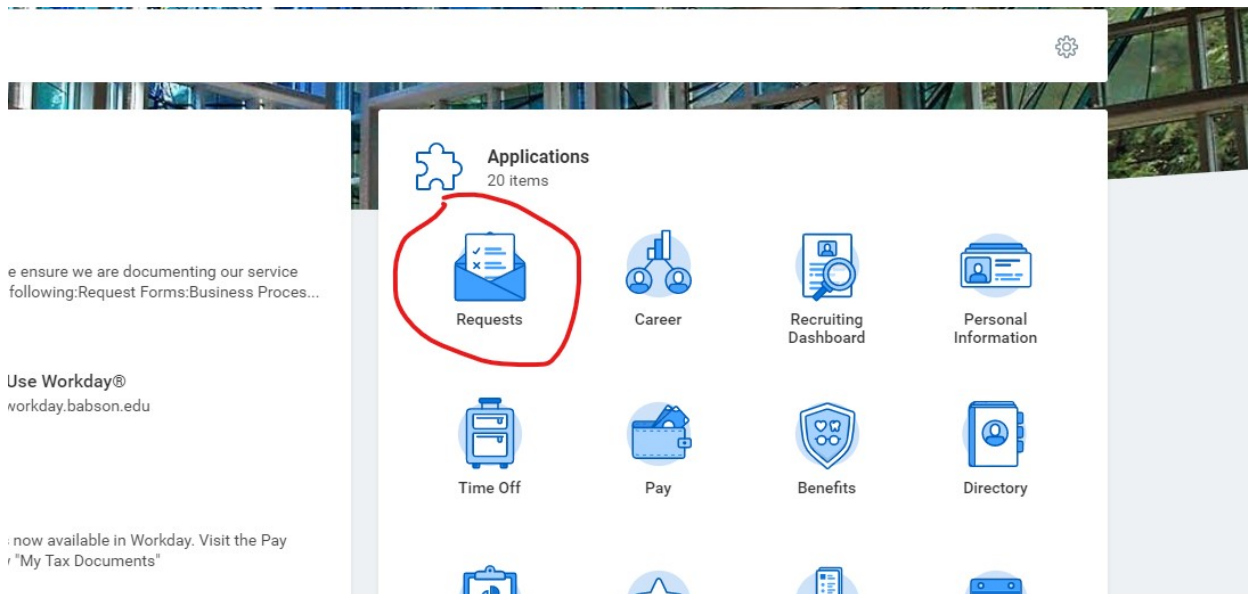
6.2 Missing Receipts

Cardholders are responsible for electronically attaching all their receipts to their transactions. In the event a receipt is lost or missing, the vendor can sometimes provide a new receipt or a copy of the original. If the cardholder has contacted a vendor and still cannot produce a receipt, they will upload a Microsoft Word document describing the expense and label “Lost Receipt Affidavit” for the attachment.

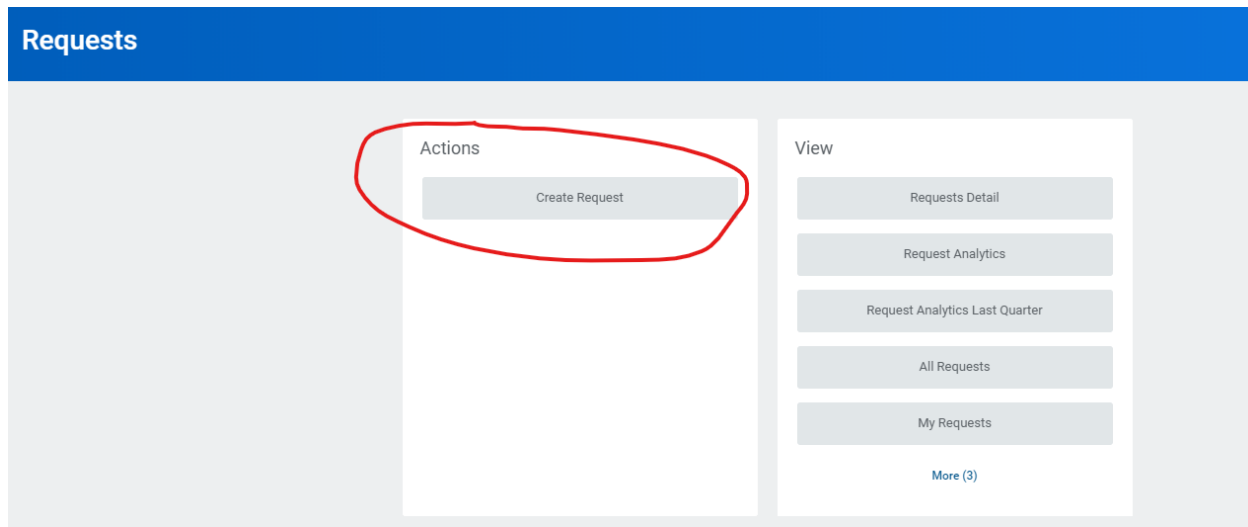
7. INSTRUCTIONS for New P-Card and Current P-Card Limit Increase

7.1 Application Procurement Card Request

Log into Workday and on the home page, click on the icon “Requests”



Once you open the Requests application, click on the icon “Create requests”



You then will get a drop-down option for the request type, either click on the drop-down option and then click on All. Select Procurement Card Application.

Create Request

Request Type *

- Search
- All
- Request Types by Workday Object
- Request Types without Workday Objects

OK Cancel

Create Request

Request Type *

Search

← All

- Driver Authorization
- Employee Moving Outside of Massachusetts
- Internal Change
- New Position Working Outside of Massachusetts
- Procurement Card Application
- Recruitment
- Remote Work
- Report Request Form
- Return to Work Protocol
- Security Role Assignment
- Student Staffing
- Temporary - Extension

OK

System Status: Your system is currently down for maintenance. Next Weekly Service Update at 2:00 AM PDT (GMT-7).

Answer the questions in the form and then press the icon "Submit" at the end of the form.

7.2 PCard Limit Increase Request

To request a Babson College Procurement Card Credit Limit Increase

Log into Workday and on the home page, click on the icon “Requests”

Select P-Card Limit Increase and complete the form. This will route to cardholder’s manager for approval and then AP for final approval and processing.

Create Request

Request Type *

× P-Card Limit Increase



OK

Cancel

