

BABSON COLLEGE P-CARD MANUAL



BABSON

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1. Overview

Babson College provides qualified employees with a US Bank 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 US Bank 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 transaction 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. After 60 days of delinquent P-Card transactions, the Employee's P-Card will result in revocation (suspension) by the Accounts Payable Department until the (a) transactions have cleared and (b) the non-compliant employee's supervisor signs off on a resumption of cardholder privileges. Once all violations of policy have been remedied, the supervisor may request the P-Card to be reinstated.

Cost Center Managers are responsible and are held accountable for the P-Card charges made against their budgets. For this reason and for auditing purposes, effective immediately, 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.

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 US Bank after the employee and his/her department head have completed the application, which is available in Workday under "Requests". See Instructions below.

All program participants are required to confirm review of the P-Card program policies and procedures and instruction 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.

The P-Card should be activated by calling US Bank Customer Service at 1-800-344-5696.

For the cardholder's protection, he/she 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 US Bank.

2.2 P-Card Renewal

Approximately two weeks prior to a P-Card's expiration date, US Bank will send a new card to the Accounts Payable Office. The Accounts Payable Office staff will send an email notification to the cardholder and forward the new card via inter-office mail. Upon receipt, the cardholder should immediately sign and activate the new card.

2.3 P-Card Suspension and Cancellation

US Bank and Babson College reserve the right to suspend or cancel cardholder privileges at any time. Upon cancellation, the P-Card must be cut in half and forwarded to the Accounts Payable Office. Use of a P-Card or the card account number after notice of its cancellation may be considered fraudulent and could result in US Bank 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 US Bank and the Accounts Payable Office. The US Bank lost/stolen card customer service number is 1-800-344-5696. Please be prepared to supply both the zip code (02481) and the office phone number associated with the card. The cardholder is responsible for confirming notification to the Accounts Payable Office 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 US Bank.

3. P-Card Use

3.1 Purchases

Cardholders may use the P-Card to purchase goods 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 042103544 or Babson Global's Tax I.D. number 271642647.**
-

The billing and shipping address for P-Card purchases is 231 Forest Street, Wellesely, MA 02481. If the vendor requests a PO 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 his/her departmental Procurement requirements. Each profile includes two spending limits:

- Single-Maximum dollar amount for a single transaction or daily transaction combination.
- 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 sale.

There are four user profiles: Extra Light, Light, Medium, and High. The table below shows the four P-Card limits by profile. To change a P-Card profile or spending limit a cardholder must obtain approval from the appropriate cost center manager and submit a request to the Accounts Payable Office. A cardholder’s profile can be changed temporarily during a monthly cycle (for the 26th of one month to the 25th of the next month) upon approval of the cardholder’s supervisor and/or division director (cost center manager).

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 to confirm their spending limits and determine whether their profile needs to be changed temporarily. The Accounts Payable Office staff will notify US Bank 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 US Bank. The customer service number to inform the bank of such travel is 1-800-344-5696. For security purposes, when calling US Bank the cardholder should be prepared to supply them with the phone number (typically the Babson Office phone number) and the zip code (02481) associated with the card.

Should a cardholder have difficulty using his/her card while traveling, please call the applicable US Bank 24hr customer service number listed on the back of each P-Card for immediate assistance.

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 Documentation and to ensure P-Card Compliance.

The P-Card Administrator will run a compliance report and communicate to those who are delinquent in submitting Expense documentation that 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 043103544 (or where applicable, Babson Global's state tax-ID number 271642647). Vendors should not include sales tax in any charges. **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 or on the Babson K-drive; K:/PERM/Business-Forms/ST-2 (New).pdf

3.6 Fraudulent Transactions or Disputed Charges

If US Bank identifies a possible fraudulent transaction, it will place a temporary hold on the P-Card in question and notify the cardholder. If US Bank 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 US Bank 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 US Bank.

US Bank will investigate the transaction, and within 90 days will determine a resolution. If US Bank 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 US Bank, 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
- 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.

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.

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 in all scenarios.

4.3 Transactions >\$10,000

Transactions of more than \$10,000 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 will 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, he/she 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 are required to 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

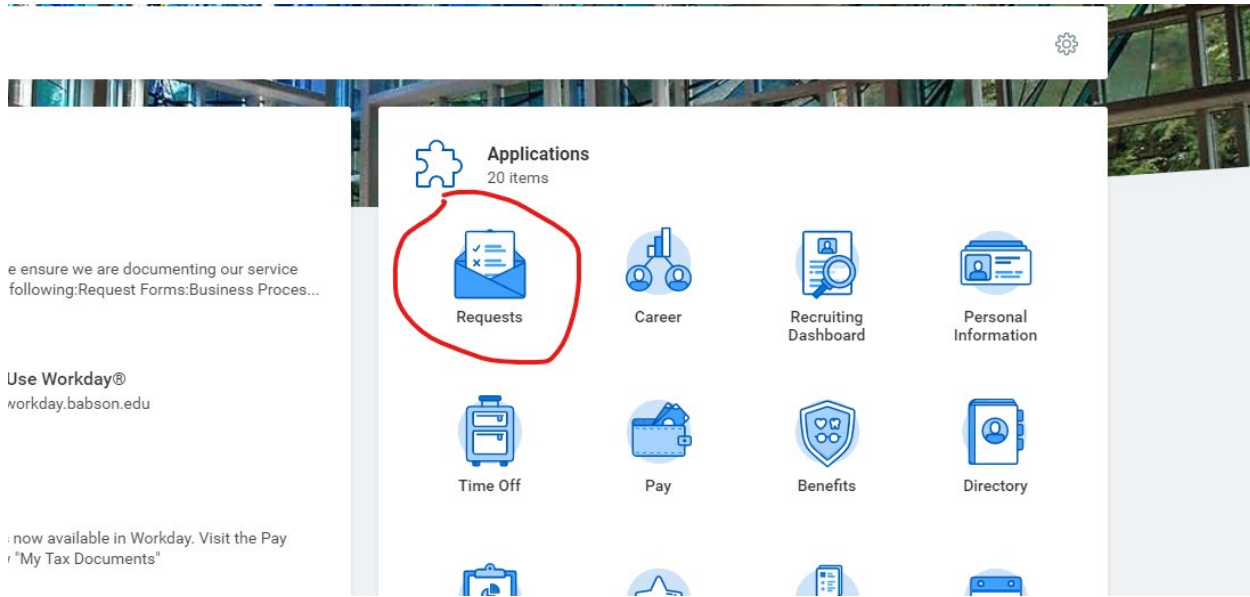
Cardholders are responsible for electronically attaching all their receipts to their transactions. In the event a receipt is lost or missing, the vendor can sometimes provide a new receipt or a copy of the original. If the cardholder has contacted a vendor and still cannot produce a receipt, she/he will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

INSTRUCTIONS 1

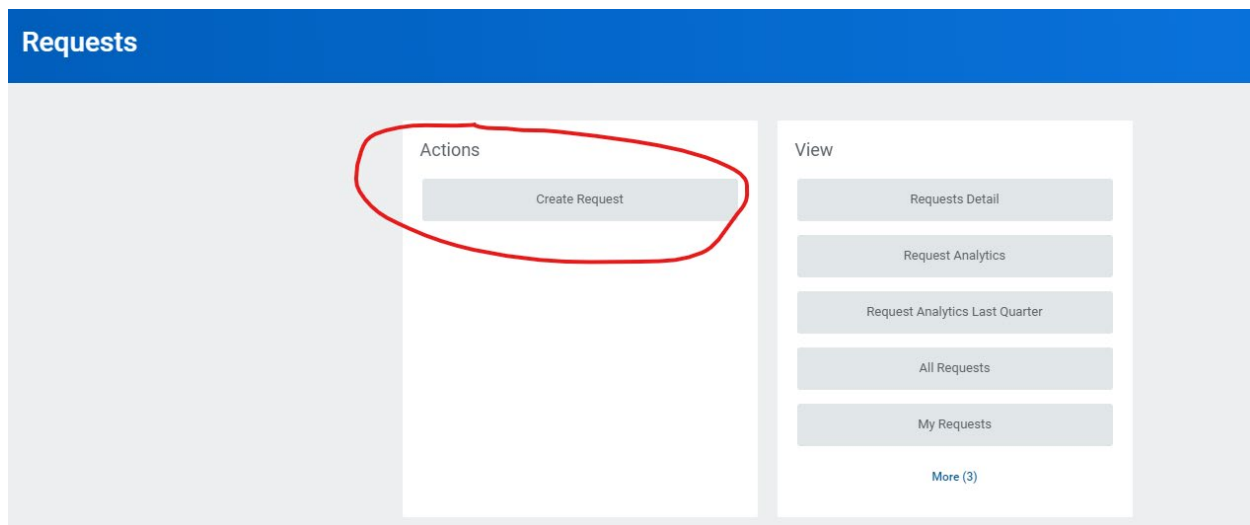


To request a Babson College Procurement Card

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 *

Request Type *

- Search
- ← All
- Alert, Announcement, Dashboard, Worklet Request
- Business Process Change Request
- Configuration Request
- Driver Authorization
- Procurement Card Application
- Report Request Form
- Security Role Assignment
- Staffing Allocation Request

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

Please specify your work location and office #. (Required)

Babson Extension (Required)

Email (Required)

Submit

Save for Later

Cancel

