

New York University  
School of Medicine

Policy # 3.7

P-Card Management

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**Contents:**

- I. Policy Summary & Purpose
  - II. Policy Statement
  - III. Definitions
  - IV. Other Related Documents
  - V. Applicable Regulations
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**I. Policy Summary & Purpose**

The P-Card program was adopted by the NYUSOM to provide a convenient means with which to make purchases, while reducing costs associated with initiating and paying for those purchases. The P-Card is a Master Card issued by JP Morgan Chase, and carries with it the responsibilities of proper management. Each department has a number of individual Cardholders, PIs, as well as a Card Administrator, who is the department administrator. When a P-Card is issued to a Principal Investigator (PI), it is assigned a default chartfield to be charged. Since only one card is issued for each PI, and some PIs have more than one chartfield, it is critical that the costs associated with purchases benefiting more than the default chartfield be properly allocated to those chartfields.

The purpose of this policy is to set forth the required process, for all NYUSOM P-Card holders. It describes how the P-Card is to be used, and the maintenance required to insure compliance with federal guidelines. It describes how to properly allocate charges generated by the card to the chartfields benefiting from the purchase in a timely manner.

Note: This policy is an extract from the university P-Card program. A complete program description, policy and procedures, is available <http://www.nyu.edu/purchasing.services/restricted/pcard.html>

**II. Policy Statement**

It is the policy of the NYUSOM that all requirements for the maintenance of P-Cards are met, and that the *NYU P-Card Policy and Purchasing Guide* is carefully followed. This can be accessed at <http://www.nyu.edu/purchasing.services/restricted/pcard.html>, and by clicking on "[Purchasing Card Policies & Procedures Manual](#)". Of particular importance, especially for

those PIs with multiple grants, is the timely allocation of costs within one week of purchase, to properly assign charges to the correct projects, and maintain compliance with federal guidelines. Since the card is associated with one chartfield, all purchases made for the partial benefit of another chartfield requires the allocation of the charges with 24-48 hours. (This is accomplished by logging on at [www.paymentnet.com](http://www.paymentnet.com), reviewing the charge, changing the chartfield if necessary and placing a check mark in the Reviewed box.) Failure to process timely allocations requires a cost transfer to be processed, which if greater than ninety days from the charge results in a non-compliant condition with federal policies.

There are specific limitations, which are clearly illustrated in the policy and procedures guide, such as avoiding the purchase of items for personal use, limiting purchases to suggested vendors, and adhering to the reconciliation and document retention requirements. It is the policy of NYUSOM that all P-Card holders, and P-Card Administrators be trained in the use and maintenance of the P-Card. Therefore, each cardholder and administrator is required to participate in the on-line training available at <http://www2.purch.nyu.edu/pcard/>. All existing P-Card holders are required to take the training course within six months of the issuance of this policy, and all new P-Cards will require the applicant to have taken the course prior to issuance. For additional information regarding on-line P-Card training, please contact Purchasing Services at 998-1031.

Purchases made using a P-Card, post to the PaymentNet "Transaction List" screen within 24 to 48 hours of placing an order. At this time the cardholder must access the "Transaction List" screen to review the default chartfield and the vendor name to ensure accuracy. Once verified, the "Reviewed" box is to be checked by the cardholder to confirm order is correct, or has been split as needed. By the close of business Monday, it is required that each P-Card administrator access the "Transaction Screen", ensure the cardholder has reviewed the transactions, and check the "Approved" box. Sponsored Programs Financial Services will be reviewing these lists weekly, and will advise if this hasn't been done timely. Failure to approve all transactions in a timely manner will result in suspension or forfeiture of P-Card privileges.

***Note: A School PURCHASING CARD is not a benefit of employment. The School reserves the right to terminate individual PURCHASING CARD privileges at any time with or without cause. Unauthorized and/or inappropriate use of the Purchasing Card may result in disciplinary action up to and including termination of employment and criminal prosecution.***

### **III. Definitions**

**Purchasing Card:** A charge card/credit card issued to an employee of the SOM for the purpose of making authorized purchases on the School's behalf. Charges made through the Purchasing Card program will be paid through the University.

**PaymentNet:** JP Morgan Chase Commercial Card products designed PaymentNet as an Internet based software, which can be accessed with practically any commercial browser. Internet accessibility allows cardholders to view information from the office, home or any other remote location. PaymentNet is used to review and reallocate charges. The review of charges by the CARDHOLDER should be done within 24-48 hours after a charge has been placed. This is accomplished by logging on at [www.paymentnet.com](http://www.paymentnet.com), reviewing the charge, changing the chartfield if necessary and placing a check mark in the Reviewed box. The Program Manager will post any information or announcements regarding the Purchasing Card program on the Home Page of PAYMENTNET.

**PaymentNet On-Line Review Deadline:** Review and if necessary reallocation of all charges (chartfield changes and split chartfields) must be completed on a weekly basis no later than Tuesday of the following week. This date is posted on the PAYMENTNET home page under "Message from your Program Administrator." If an erroneous chartfield is entered during the reallocation process or if the chartfield entered is not recognized by FAME, the charge will be processed against the DEFAULT CHARTFIELD. All charges made are paid regardless of a check mark appearing in the Reviewed or Approved box. This is how the weekly payment cycle will work:

- CARDHOLDERS and CARD ADMINISTRATORS review charges periodically during the week reconciling charges by changing chartfields if necessary and placing a check mark in the Reviewed/Approved boxes.
- On Monday the CARDHOLDER and CARD ADMINISTRATOR receive an e-mail from JP Morgan Chase to review charges.
- CARDHOLDERS and CARD ADMINISTRATORS make their final review of the previous weeks charges posted to PAYMENTNET. They have until Tuesday to make any final changes.
- On Wednesday the PAYMENTNET file for the previous week's charges is loaded into FAME for payment. In order to maintain consistency, the file will always be loaded into FAME on Wednesday regardless of any Holiday falling on Monday.

#### **IV. Other Related Documents**

NYU Purchasing Card, Policies & Procedures Guide

<http://www.nyu.edu/purchasing.services/restricted/pcard.html>

P-Card On-line training

<http://www2.purch.nyu.edu/pcard/>

#### **V. Applicable Regulations**

Office of Management and Budget, Circular A-21

Sponsor specific guidelines