

# Purchasing Card FAQs

(Frequently Asked Questions)

**Q: What is the purpose of the Dickinson College Purchasing Card program and what exactly is this program?**

**A:** Dickinson College has established a Purchasing Card Program to provide expanded convenience and controls for low dollar purchases, and to establish a payment methodology that will support the future purchasing directions of internal and external transactions. The Purchasing Card, an institutional credit card, is designed to give controlled buying power directly to the Departments/Divisions and to eliminate many small-dollar purchase orders and checks.

Purchasing Cards differ from typical credit cards in that they allow for cardholder review, coding of transactions and reporting online.

**Q: How does it benefit the college to use the card?**

**A:** The goal of the Purchasing Card program is to empower cardholders and provide greater flexibility, which will result in workflow efficiencies.

The Purchasing Card process also brings greater efficiencies to the current Accounts Payable process. Under the current process, Accounts Payable receives invoices and distributes checks for payments to vendors. The Purchasing Card program allows cardholders to review and code all transactions online, therefore eliminating the need to issue checks to multiple vendors. Instead one payment is made to JP Morgan Chase.

Some examples of shortcuts in the online system are the ability to use default coding and the ability to copy codes to multiple transactions. Default codes are established for each Cardholder based on his/her department. Default codes are used for Fund, Organization and Program and allow for greater efficiency when reviewing purchases online, since many transactions will not require further adjustment. In addition, Cardholders can copy the coding for a transaction to the remaining transactions on the page. Another option is to sort the activity by vendor and copy coding to all vendor transactions on the page.

Finally, the Purchasing Card process allows for enhanced internal controls. Cardholders, Budget Officers and Administrators have the ability to run historical reports as well as reports on data spend patterns. Purchasing administrators can also gain an increased knowledge of purchasing habits across campus in an effort to consolidate vendors and save money.

**Q: How do I get a Purchasing Card?**

**A:** A Purchasing Card Account Form must be completed, signed by the Budget Officer/Approver responsible for the applicant's departmental budget, and forwarded to the Accounting Program Administrator (Miriam McMechen) for approval. The Purchasing Card Account Form can be found online at <http://www.dickinson.edu/uploadedFiles/about/offices/financial-operations/content/finance/PCard%20Account%20Form.pdf>.

All prospective Cardholders and Managers are required sign a Cardholder User Agreement to be eligible to receive a Purchasing Card. In normal situations, it takes approximately 7-10 days to receive a new Purchasing Card.

**Q: Can I set up another employee (proxy) to access my account?**

**A:** Yes. The Purchasing Card Account Form includes a section where the cardholder can designate a proxy, who will be provided with a separate logon with access to the cardholder's account for coding and reconciliation purposes. Please keep in mind, when using an individual card, only the Cardholder is authorized to make purchases.

**Q: Are there any special requirements for Mac users?**

**A:** Yes. Mac users must be sure to use Mozilla Firefox v2.0.4 or higher when using Smart Data OnLine. Smart Data OnLine will not work properly with other internet browsers.

**Q: How do I make a purchase using the Dickinson College Purchasing Card?**

**A:** The Purchasing Card can be used at any vendor which accepts MasterCard. Similar to any other credit card, purchases may be made by presenting the Purchasing Card to a vendor in person, by giving your Purchasing Card number over the telephone, by facsimile, over the internet, or by authorizing its use on a mail-in form.

**Q: What about sales tax?**

**A:** As a corporation with a primary purpose of education, Dickinson College is categorized as a non-profit corporation, incorporated in the Commonwealth of Pennsylvania and is exempt from the payment of most Pennsylvania Sales and Use Taxes. The Pennsylvania exemption number is embossed on the front of the Purchasing Card. Vendors may also ask for the PA Exemption Certificate (REV-1220), which can be found at <http://www.dickinson.edu/about/offices/financial-operations/content/finance/Sales-Tax-Exemption/> along with other state certificates held by the College. If traveling in any of these states, print and carry the appropriate form with you. Use of the form is subject to the instructions on each form.

**Q: How will Purchasing Card purchases be reflected against my departmental budget?**

**A:** The Purchasing Card Account Form requires the applicant to include a default General Ledger Account number. This account number allows the charges to be posted to the cardholder's home program and department. Uncoded account numbers will default to the General Ledger based on the Merchant Category Code assigned by the vendor's bank.

It is the cardholder or proxy's responsibility to review purchase transactions within the system prior to the monthly closing process to ensure that purchases are accurately charged to departmental budgets. In addition, the Budget Officer/Approver is responsible to review charges against the General Ledger, to ensure budgeted funds are available.

Please note, when charging expenses to another department's budget, the Cardholder must receive proper authorization from that department's Budget Officer. Authorization may be in the form of email, but must be included with the monthly reconciliation.

**Q: Can I unlock a transaction after clicking the 'reviewed' box?**

**A:** No. You must call the Program Administrator to unlock and edit any transactions that have been locked

**Q: Are there restrictions as to what I can purchase?**

**A:** Yes. As one of the safeguards of the Purchasing Card program, we have blocked certain Merchant Category Codes (MCC's) that we believe to be of no value to the College. For

example, you can not use the card at an off-track betting establishment or at a mobile home dealer.

Please note, additional items may be added to the list of excluded categories at the discretion of your individual department or if items are specifically excluded by funding agencies, when applicable. If you are uncertain whether a commodity and/or vendor are authorized for purchase with the Purchasing Card, please contact one of the Purchasing Card Administrators (Miriam McMechen or David Nelson).

**Q: Can I make personal purchases with the card, and reimburse the College?**

**A:** No. Personal purchases using the College Purchasing Card are strictly prohibited under the Purchasing Card program, even with the intent of reimbursing the College.

**Q: If an item can be charged to the Dickinson College Purchasing Card, is it required that I use the card?**

**A:** Yes. Although not required, this is the preferred method of procurement at the College.

**Q: Can I use the Dickinson College Purchasing Card on campus at locations that accept credit cards?**

**A:** No. Please do not use the Purchasing Card at campus locations, as credit card sales carry certain fees which must be paid by the vendor (bookstore, dining hall, etc.). There are mechanisms in place to allow for the purchase and billing of goods or services on campus without the card.

**Q: Can I use the Dickinson College Purchasing Card for travel and entertainment?**

**A:** Yes. The Dickinson College Purchasing Card is intended for use as a travel card as well as a purchasing card. The Purchasing Card will be the only credit card available for employee use.

**Q: What are some examples of items that can/should be charged to the Dickinson College Purchasing Card?**

**A:** Common uses of the Purchasing Card may include, but **are not limited to:**

- Books, periodicals, subscriptions and newsletters
- Audio and video tapes
- Photo, art, shop and lab supplies
- Flowers, small gifts, etc.
- Conference and seminar registration fees
- Office supplies
- Internet-based purchases
- Repairs
- Small dollar retail purchases
- Travel related expenses (hotel rooms, airfare, car rentals, etc.)

**Q: What happens if my card is misplaced, lost, or stolen?**

**A:** Like any other credit card, JP Morgan (1-800-316-6056) should be notified immediately to limit the College's liability for fraudulent purchases. Please also notify the Purchasing Card Administrator (Miriam McMechen or David Nelson) after reporting the incident to the bank.