

William Paterson University Policy

University Policy

SUBJECT:	University Policy	TITLE:	P-Card Expenditures for Sponsored Programs		
CATEGORY: Check One	Board of Trustees <input type="checkbox"/>	University X <input checked="" type="checkbox"/>	Functional <input type="checkbox"/>	School/Unit <input type="checkbox"/>	
Responsible Executive:	VP for Administration and Finance		Responsible Office:	Office of the Controller	
CODING:	00-01-	ADOPTED:	May 29, 2019	AMENDED:	
			LAST REVIEWED: xx/xx/xx		

I. PURPOSE AND BACKGROUND

The University facilitates and supports sponsored programs. The Office of the Controller maintains transactional mechanisms and ensures compliance of all University financial transactions. Acknowledging that sponsored programs may have special expenditure requirements that cannot easily be fulfilled using the University’s requisition-to-payment process, this policy defines circumstances under which sponsored program expenditures can be transacted using a p-card when the particular transaction type(s) are not permitted under the University’s general P-Card Policy.

Along with designating an efficient expenditure tool for sponsored program transactions, this policy also establishes required steps that must be taken towards mitigation of the risk inherent to transactions conducted outside of the requisition-to-payment process. Internal controls inherent to the requisition-to-payment process (which do not occur with p-card purchases) include Banner online approvals prior to purchase, budget check prior to purchase, Purchasing Department vendor controls, immediate posting of the purchase commitment and payment transactions to the grant financial report in Banner, and budget check at the time of payment. Requisition-to-payment is a preferred process over p-card purchasing because of the value of these controls, however it is acknowledged that the efficiency and flexibility of p-card transacting is necessary for certain types of expenditures. The Office of the Controller has established acceptable controls for sponsored program p-card transactions as outlined in this policy.

II. ACCOUNTABILITY

The Office of the Controller maintains this policy and related written procedures. The policy is approved by the Vice President for Administration and Finance.

III. APPLICABILITY

This policy applies to expenditures made with sponsored program funds, and as such, to all persons involved in the processes of transacting these expenditures and/or administration of the associated funds.

The terms of this policy apply to grants and other externally sponsored projects including contracts, cooperative agreements, MOUs, and other non-grant funding agreements.

IV. OTHER APPLICABLE POLICIES and WRITTEN PROCEDURES/GUIDELINES

- WPUNJ Procurement Card Program Policy and Procedures
LINK: <https://www.wpunj.edu/purchasing/assets-protected/WPUNJ%20PCard%20Policy%20012219.pdf>
- Travel Policy
- Gift Cards Purchase and Oversight – University Standard Operating Procedure (SOP)
- Office of the Controller’s Supporting Documentation Guidelines
- Purchasing Policy
- How to Clarify a Sponsored Program Budget Procedure Document

VII. POLICY

All non-salary sponsored program expenses must be purchased and paid for using the requisition-to-payment process unless they are identified as “applicable p-card sponsored program expenditures” during review of the clarified sponsored program budget. “Applicable p-card sponsored program expenditures” may be transacted using a University p-card.

P-cards may be issued to Principal Investigators (PIs) or other sponsored program directors for the transactional purposes defined in this policy, subject to the following requirements.

Clarified Sponsored Program Budget

The sponsored program budget in place at the award stage must be further clarified to indicate, for each budget category, the anticipated payees (including nationality or country-location), and the anticipated tender type of each payment *to the extent reasonably possible (placeholders such as “TBD” may be used for budget lines that are undetermined)*. This policy recommends that PIs meet with the Associate Director of Post-Award Grants Administration or the Associate Controller within the Office of the Controller for advice regarding optimal tender types for each budget line. Grant budgets are expected to be clarified at or near the kick-off meeting of the sponsored program.

Applicable P-Card Sponsored Program Expenditures

Applicable sponsored program expenditures are those expenses within an approved sponsored program budget that cannot be transacted under the requisition-to-pay process without causing material interruption to the sponsored program or undue hardship to the PI. The PI or other sponsored program administrator is advised to engage the Associate Director of Post-Award Grants Administration for assistance in clarifying the sponsored program budget and identifying sponsored program expenditures that are best suited for the p-card.

Process for a PI to apply for a P-Card

PIs must apply for the p-card following instructions in the WPUNJ Procurement Card Program Policy and Procedures document. Additionally, a review of the clarified sponsored program budget by the Office of the Controller is required and will be the basis for determination of transaction limits and relevance of the cash advance card feature. P-cards for sponsored program expenditures will not be issued until the clarified grant budget review is complete.

P-Card Training, Administration and Reconciliation

P-cards issued for sponsored program expenditures are subject to the same requirements as other p-card uses as per the WPUNJ Procurement Card Program Policy and Procedures document, including the identification of the PI who will direct and approve transactions and the P-Card Administrator who will manage and reconcile transactions, mandatory training, and the reconciling of all charges within the required timeframe. Administration includes collecting and documenting all receipts, invoices, and other records in accordance with standards established by the Office of the Controller, and ensuring that correct FOAPS are charged for such expenditures. Documentation must be available at any time for audit.

P-Card Transaction Amount Limits

The transaction limit amounts that must be established for each new p-card issuance (per-transaction, per-month, and per-cash advance (if relevant) maximums) will be based on a review of the clarified sponsored program budget.

Cash Advances on P-Card

The cash advance feature on a p-card may be activated if, after review of the clarified budget, it is clear that certain budget lines can only be reasonably transacted by cash advances drawn on the p-card. All p-card cash advances must be settled and reconciled within 30 days of the cash draw, and must be fully supported in accordance with the Office of the Controller's Supporting Documentation Guidelines.

Restricted Purchases

The restricted purchases listed in the WPUNJ Procurement Card Program Policy and Procedures document applies to sponsored program expenditure p-cards unless specifically approved as an exception after review of the clarified sponsored program budget by the Office of the Controller.

Banner Recording Delay and Insufficient Funds

P-card transactions are recorded to the University general ledger on a delayed basis of up to 45 days. As such, p-card expenses may not be included in a sponsored program financial report that is produced by the Banner system. If, during the delay, funds are spent down and there is insufficient budget to cover p-card expenses when they are posted to the general ledger, the academic department overseeing the sponsored program is responsible to provide an alternate FOAP to fund the p-card charges. PIs are encouraged to track p-card spending and monitor these transactions against available budget.

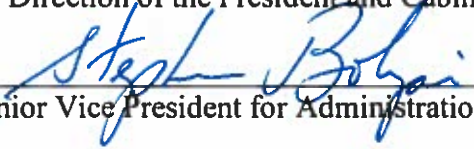
Other Applicable Policies and written procedures/guidelines

All requirements that are stated in other applicable policies (listed above) apply to the transactions addressed in this policy unless this policy provides a specific exception.

VII. POLICY ENFORCEMENT

Failure to comply with provisions of this policy, the WPUNJ Procurement Card Program Policy and Procedures document, and other applicable policies and written procedures/guidelines may result in revocation of the card.

By Direction of the President and Cabinet:



Senior Vice President for Administration and Finance

May 30, 2019
Date