

# GEORGETOWN UNIVERSITY



## FINANCIAL AFFAIRS MANUAL

Issuing Department Purchasing & Contracts		Topic Phone/Internet Ordering	Policy # FA 111-05	
New	Revised 10/2008 3/2011		Supersedes Policy # AP101-99	Effective Date 10/14/04

### 111.1 POLICY

Placing Orders for Goods and Services via Phone and Internet

### 111.2 APPLICABILITY

All employees and members of the University Community conducting business on behalf of Georgetown.

### 111.3 PURPOSE

If you are in a position where you have to use your personal credit card (while on business travel, etc.), documentation requirements apply equally whether a University ProCard or personal credit card seeking reimbursement was used for the purchase.

### 111.4 STATEMENT

In some cases, the Internet and phone provide attractive methods for the ordering of goods and services. In all cases, regardless of the ordering medium, current policies and procedures apply equally, including policies on the submission and maintenance of proper documentation for ordering, bids, payment, reimbursement and audit, and capital expenditure thresholds (under \$5,000).

### 111.5 ADMINISTRATION

Paper documentation is required to meet audit guidelines including, as applicable, an order log, order confirmation page, packing slip, invoice and if returned, a return authorization number and confirmation. Documentation requirements apply equally whether a University ProCard or personal credit card seeking reimbursement was used for the purchase.

## 111.6 RESPONSIBILITIES

Department personnel with the authority to solicit goods and services via phone or Internet must be conscious of the security risks of these methods, particularly when sharing credit card account numbers. Maintaining required documentation will help to protect this information and facilitate prosecution of fraudulent activity.

### Orders by Phone

When placing orders for goods and services by phone in compliance with existing University policies, it is important **to use preferred suppliers**, maintain a phone log that includes the company name, date, time of call, the person you have spoken to **with their extension number or first and last name of the person**, the agreed price and terms of the order and a description (a sample log follows at the end of this policy). It is also important to save any packing slips and/or invoices that arrive with the goods or service personnel as backup for these charges (Please note that an invoice is required as a packing slip alone is not sufficient to support the purchase). The log and related documentation should be reconciled against your personal credit card statement or ProCard statement, as applicable, to verify price and quantity. Disputes must be filed immediately in accordance with the ProCard or your personal credit card issuer's policy.

### Orders by Internet

Similar to phone orders, and in compliance with existing University policies, it is important to maintain some record of each Internet transaction (unless the University already maintains automatic reconciliation of these records through a Preferred Supplier Agreement – i.e., Office Max, FedEx, Fisher, etc.). Frequently, vendors operating through the internet will provide an order confirmation number and page with product details and price. This page should be printed and saved for eventual reconciliation with your personal credit card statement or ProCard statement. If an order confirmation page is not provided, it is imperative that a log of the transaction be maintained (similar to the phone log) to record as much pertinent information as possible. Upon receipt of the good or service, some form of documentation must be maintained whether a packing slip, invoice, attendance confirmation, etc.

### Sales Tax

Georgetown is exempted from sales and use taxes in many states. As of the writing of this policy, all interstate orders are exempted from sales tax unless the vendor maintains operations in the receiving state. If the vendor quotes a price with sales tax, the user is required to inform the vendor that Georgetown University is a tax-exempt organization under IRS 501(c)3

provisions. The vendor will ask for the appropriate exemption certificate. Many of these certificates are available from Purchasing & Contracts or the Tax Department. University personnel placing phone and internet orders must be particularly conscious of the University's sales tax exemption as policy dictates that employees shall be personally responsible for reimbursement to the University if sales tax is unduly charged.

**111.7 ENFORCEMENT AND RELATED POLICIES**

Please see related policies on Sales Tax <http://financialaffairs.georgetown.edu/tax/tax.html>, Expense Voucher Documentation <http://financialaffairs.georgetown.edu/policytc.html> and restrictions and documentation requirements in the Procurement Card Manual. Other applicable policies related to purchasing and contracting may be found throughout the Purchasing & Contracts' website and in the Business Practices Manual.

**111.8 REVIEW CYCLE**

This policy will be reviewed as needed by the Manager, Purchasing & Contracts, in conjunction with related policies.

**SAMPLE PHONE/INTERNET TRANSACTION LOG**

**Name: George Jetson                      Card#: 9999                      Month: July, 2002**

<b>Date</b>	<b>Vendor</b>	<b>Item</b>	<b>Qty</b>	<b>Price</b>	<b>Total</b>	<b>Due</b>	<b>Rec'd</b>	<b>Comments</b>
7/12/02	Acme	Roadrunner Kits	10	229.90	2,299.00	7/13/02	Yes	Shipped overnight
<b>Add lines</b>								
<b>as needed</b>								

**Attach confirmation pages, invoices and packing slips.**

**I certify that the above charges were solely for the business purposes of Georgetown University and seek reimbursement or payment under this premise.**

**Cardholder: \_\_\_\_\_ Date: \_\_\_\_\_**

**Direct Supervisor/**

**Fiscal Officer: \_\_\_\_\_ Date: \_\_\_\_\_**