

Dear Applicant,

Thanks for expressing interest in using the Unity Health Toronto Purchasing Card Program. The attached P-Card application package includes:

1. Purchasing Card Application form
2. Employee Acknowledgements
3. Purchasing Card Program Policy
4. P-Card Highlight Notes
5. BOM Purchasing Card - Transaction Log

We encourage you to read the Policy thoroughly to clearly understand the program and what it provides. This will assist you to decide whether it will satisfy your needs. After doing so please complete pages 2 & 3 and email your application to **Loverne.Jackson-Smith@unityhealth.to** (P-Card Administrator).

We do emphasize that full compliance to the policy is a mandatory requirement. Should you need further information or assistance, please do not hesitate to contact the P-Card Administrator by email. This application takes about four (4) to six ((6) weeks for processing.

Loverne Jackson-Smith,
Unity Health Toronto P-Card Administrator
Account Payable
Email: Loverne.Jackson-Smith@unityhealth.to

PURCHASING CARD APPLICATION FORM

APPLICANT:

DEPARTMENT:Location:

TITLE:

⇒ Payroll confirmation -----Applicant is a Unity Health Toronto Employee. YES NO...

DEPARTMENT DIRECTOR/VP:

APPROVED BY: NAME:

SIGNATURE:

CARD CREDIT LIMIT: (AS PER POLICY)

Co: **Accounting Unit (AU):** **Account:** **Project Number:**

⇒ Account Payable confirm to ORA (Office of Research Administration) that approver has signing authority on this accounting unit. YES... NO...

PLANNED ITEMS TO PURCHASE ON CARD:

- | | |
|---------|---------|
| 1. | 2. |
| 3. | 4. |

PROCUREMENT SERVICES APPROVAL

1. NAME:
TITLE:
SIGNATURE:
DATE:

RESEARCH ACCOUNTING APPROVAL

(Research and Trust accounts only)

2. NAME:
TITLE:
SIGNATURE:
DATE:

FINANCE DEPARTMENT APPROVAL

3. NAME:
TITLE:
SIGNATURE:
DATE:

Note: The card takes about three weeks for processing after submission to the Bank. Director and VP are required to sign off on each monthly statement.

Employee Acknowledgement: Bank of Montreal Purchasing

This document outlines the responsibilities I have as a holder of the Bank of Montreal (BOM) Purchasing Card for procurement. My signature indicates that I have read and understand these responsibilities, and agree to adhere to SMH's policies and procedures established for the program

1. This credit card is intended to facilitate the purchase and payment of materials and services required to conduct business at St. Michael's Hospital. Items/services viewed as potential candidates for the Purchasing Card are those items/services normally purchased in low volumes and without the need of a contract.
2. The BOM Purchase Card will not be used for personal purchases.
3. Unauthorized use of the card can be considered misappropriation of funds. This could result in; (a) immediate and irrevocable forfeiture of the card and/or (b) disciplinary action, which may result in termination of employment.
4. I understand that the card must be surrendered upon termination of employment, whether for retirement, voluntary separation, resignation, dismissal, or in cases of long term leave such as maternity leave. I may also be requested to surrender the card for reasons not related to my own personal situation, such as re-organization.
5. I will maintain the card with appropriate security whenever and wherever I may use the card. If the card is lost or stolen, I agree to notify Bank of Montreal, 1-800-844-6445 and the SMH's Purchasing Card Administrator in Vendor Administration immediately.
6. The Purchasing Card is issued in my name. I will not allow any other person to use my card.
7. I understand that since St. Michael's Hospital is responsible for payment, I may be periodically required to comply with internal control procedures designed to protect the organization's assets.
8. I understand that I will receive a monthly statement that will report all activity during the last cycle. I will resolve any discrepancies by either contacting the supplier or the Purchasing Card Administrator as appropriate. I understand that I will be required to obtain a copy of the receipt/packing slip and reconcile them with the monthly statement.
9. I understand that all charges will be billed directly to and paid directly by St. Michael's Hospital. I understand that the Bank of Montreal cannot accept payment from me directly.
10. I understand that the charges made against my card are automatically recorded against the appropriate GL lines as specified on the application. I agree to charge only those purchases consistent with the type of materials and services authorized by management.

Employee Name: _____

Employee ID #: _____

Employee Signature: _____

Date: _____

Title: PURCHASING CARD PROGRAM (P-Card)	
Category: Administration	Type Of Procedure: Corporate
Authorizing Title: Chief Supply Chain Officer and Director Support Services	
Primary Document Author: Manager, Procurement Services	Effective Date: June 1/2009
Areas Consulted: Finance	Next Review: June 1/2011
Committee Approved: Operational Resources & New Technology Committee	Associated Emergency Code: NA

Purpose:

The Purchasing Card (P-Card) program is designed to streamline the Unity Health Toronto purchasing system to better support the organization’s operating needs, without eroding good business practices or circumventing internal controls. The program significantly reduces costs associated with purchasing and accounting transactions, as well as eliminating the need for personal fund expenditures, requisitions for payments, petty cash or reimbursements. The program is not intended to avoid or bypass existing processes; it is to complement Unity Health Toronto’s existing purchasing and payment policies and procedures.

Unity Health Toronto employees and individuals who are specifically authorized within their department may participate in this program. Cardholders are asked to use the card responsibly and carefully, as they would their own credit card. **Individuals assigned a P-Card and their Directors are personally responsible for its proper use. Infractions will lead to reporting to the immediate supervisor of the infractor, cancellation of the card and may include disciplinary action.**

Items/services viewed as potential candidates for the P-Card are those non-patient care, non-repetitive items/services normally purchased infrequently, and without the need of a contract. It is recommended that provincial tax exempt purchases continue to be processed through Procurement Services (PS). The use of the P-Card will not allow provincial tax exemptions. All purchases on P-Card will continue to receive the GST rebate. A quick reference table is found in Schedule “A” attached

Procedure

How to Apply for a P-Card:

- ◆ Applicant requesting the card must submit a completed application (available on the intranet), approved by the applicant’s Administrative Director, to the P-Card Administrator for processing. The Finance Department will also review the application as the final step for approval of a P-Card.
- ◆ A Unity Health Toronto accounting unit and account number must be specified on the application.
- ◆ All P-Card purchases will be charged to the assigned a Unity Health Toronto accounting unit and account number.
 - If the default cost centre and expense code is not appropriate for a specific purchase you may note on the statement directly beside the item the most appropriate cost centre and account code that accurately describes the expens

- ◆ Newly issued P-Cards, must be picked up from the P-Card coordinator, on presentation of valid Unity Health Toronto ID,
- ◆ The cardholders must sign the back of the new card immediately upon receipt.
- ◆ The cardholder is also required to sign an acknowledgement document, stating that the P-Card was received and will only be used by them (not shared), for authorized purchases in accordance to this policy
- ◆ Unity Health Toronto defined monthly maximum credit limit parameter is \$2,500 for appointed staff members, \$5,000 for Managers, and \$10,000 for Directors and \$5,000 for Research Physicians.
- ◆ For those one-time credit/transaction extensions, approval must be obtained from the Chief Supply Officer and Director, Support Services, or the VP, Finance.

Cardholders Responsibilities:

- ◆ The cardholder is responsible for verifying the correctness of all monthly statements within its payment period.
- ◆ The P-Card is user-specific, the cardholder is personally accountable for the Card.; therefore delegation of authority, or sharing of P-Card is not permitted in making transactions.
- ◆ If the card is lost or stolen, BMO and the Purchasing Card Administrator must be notified immediately.
- ◆ Cardholders must ensure funds are available within the specified credit limit and budget prior to the purchase.
- ◆ Each month end the cardholder must submit the monthly card statement along with the corresponding original receipts/packing slips, invoices, to their Administrative Director for approval and subsequent **forwarding to the Administrator within 15 working days** of the statement date. **The cardholder should keep copies of statements/receipts submitted.**
- ◆ **Cardholder who are habitually late with their statements, or have missing receipts, their card will be cancelled.**
- ◆ All Purchasing Card purchases will be charged to the accounting unit and account #, as listed on the application form. Therefore, if any changes/modifications are required, it must be noted on the approved statement.
- ◆ Cardholders must ensure that expenditures are in accordance with Unity Health Toronto Purchasing Card Policies and Procedures.
- ◆ In the event that non-compliance with this policy is discovered, the employee and the employee's direct supervisor will be contacted and the card may be cancelled.
- ◆ Merchant errors are the responsibility of the Cardholder to resolve.

Organization Support for non-P Card holders:

Procurement P-Cards for non-Procurement Services (PS) purposes are for approved requisitions from various departments that meet the P-Card criteria, (new vendor, one time purchase, low cost/low value, non patient care items and end users does not own a P-Card). They have a monthly limit of \$10,000, due to the high volume of purchase requisitions that fall under the P-Card criteria category. They are subject to the P-Card policy compliance and signing authorities' policy for the supporting requisitions.

Monthly maintenance for these P-Cards requires that all requisitions and receipts are attached to the monthly statement. Statements and transactions are check and approved by the Manager and the Administrative Director. This adds an extra level of approval for these purchases. The person name is on the P-Card is held solely accountable for the use of these P-cards.

Manager's and Director's Responsibilities:

- ◆ The Administrative Director must authorize the application for a Unity Health Toronto Purchasing Card.
- ◆ The individual with one-up authority ensures the Administrative Director signs the monthly statement and forwards them to the Administrator by the last working day of the transaction month.
- ◆ Ensure that Cardholders and those individuals with one-up signatures received the appropriate education and training regarding the use of the P-Card, including the authorization process and understanding the requirements for

retaining and attaching supporting documents to their purchase card statements. This can be arranged by contacting the P-Card Administrator and requesting training..

◆ Inform the Purchase Card Administrator when the cardholder is leaving employment of SMH, being transferred to another department, or the card is no longer required.

Monthly Payment Procedure:

◆ A monthly activity statement for each account is accessible at BMO online after the 15th of the month for verification.

◆ The Cardholder must immediately notify the Purchasing card Administrator for any unauthorized charges.

◆ Each month end the cardholder must submit the monthly card statement along with the corresponding original receipts/packing slips, invoices, to their Administrative Director for approval and subsequent **forwarding to Administrator within 15 working days** of the statement date. **The cardholder should keep copies of statements/receipts submitted.**

Purchasing Card Administrator’s Responsibility:

◆ The Purchasing Card Administrator can be contacted by email.

◆ Maintain a file of the individuals authorized for Purchasing Card transactions, assisting in resolution of problems, and administering the overall program to charge the appropriate cost centres.

◆ Ensure all original receipts are attached in an organized manner and that all monthly statements are appropriately authorized.

◆ The Purchasing Card Administrator logs receipt of statements and reports monthly violations to the Manager of AP and the Chief Supply Chain Officer and Director, Support Services.

◆ The Manager of AP will send out a warning to the cardholder regarding P-Card purchasing irregularities and exceptions, (i.e. missing supporting documents, and monthly BMO statements not submitted or submitted without appropriate approval), that the card will be suspended and unless corrective action is taken within 30 days the card will be cancelled.

◆ If no response is received to correct the conditions of suspension the notice will be escalated to the cardholder’s supervisor and the card cancelled.

◆ Updates/modifications to a cardholder’s name, address, transaction limit, etc., are made through the Purchasing Card Administrator in AP.

◆ The Purchase Card Administrator will schedule a semi-annual educational and training session, regarding the use of the P-Card, including the authorization process, and understanding the requirements for retaining and attaching supporting documents to their purchase card statements.

**Schedule “A”
Quick Reference Table**

P-Card Holder	Monthly Limit	Approval Authority
Staff	\$2,500	Manager and Administrative Director
Manager	\$5,000	Administrative Director
Research, Principal Investigator	\$5,000`	Director, Research
Administrator Director	\$10,000`	EVP
The transaction limit is \$2,000 for a single transaction for all levels of P-Card holders		

Non-repeatable purchases for items/services without the need of a contract, Association fees, Conference Registrations and miscellaneous items used to support the program.	To reduce administrative cost for PO and invoice processing.
Miscellaneous transactions include small purchases made from Canadian Tire Store, Balloon King, Flower Gallery, Shoppers Drug Mart, Carlton Cards, etc.	These purchases are usually low cost/low value, needed for special purposes such as bereavement, etc.
Staff beneficiaries for gifts, gift cards, and/or recognition awards must be identified on the statement, as this will constitute a taxable benefit. The transaction must not exceed \$100/person.	This is to comply with tax regulations and will be copied to Human Resources.
Recognition for group awards must be listed and staff identified	Same requirement as above.
Merchants must credit the P-Card account for returns.	Funds are expensed via the P-card and must go back to the P-card.

Do Not (Infractions)	Explanation
No patient care items or patient care equipment.	Items/equipment for direct patient care requires SMH standard terms & conditions, which a P-Card purchase does not provide.
No travel expenses (airfares, hotels, parking, taxis, and meals including alcohol). Vendors for hotels/restaurants and travel are blocked out on the program and the card will be declined.	Airfares are booked using the SMH Travel Agency, other travel expenses are paid by staff and reimbursed as per Travel policy.
No purchases of capital equipment allowed on P-Cards.	Capital equipment starts at \$5K, which is above the transaction limit of the card, and will not be permitted
No computer hardware and peripheral devices.	These purchases are handled via an ICT request; any exceptions will be approved by the ICT manager.
No purchases of jewelry.	There is no business requirement for purchasing jewelry.
No grocery or alcohol purchases.	Contact the Food Services Department (X5386) to facilitate these purchases.
No purchases for products currently on contract from competing suppliers (i.e. office supplies will be blocked)	There is no way to ensure the P-card user will get the contracted price or the purchases captured towards a value add or rebate.
No sharing of the P-Card with anyone else is allowed.	User is personally liable for the transactions on the card.
No personal purchases or cash withdrawals are allowed.	
No splitting of into smaller purchases (parceling) in order to meet the transaction limit. This will lead to card cancellation.	If the rare case arises, the limit can be raised by approval, see policy.

St. Michael's Hospital

BOM Purchasing Card - Transaction Log

Cardholder's Name: _____ Dept.: _____

Card Number: _____

Co: _____ Accounting Unit (AU): _____ Project Number: _____

Item #	Date	Vendor Name and Location (city, State)	QTY	Unit cost	Description of purchase	HST	Total Cost Including taxes	Account
1								
2								
3								
4								
5								
6								
7								
8								
9								

Reviewed By: _____ Date: _____

Telephone #: _____