

## **Pcard Office Hours: Disputes and Credits Q & A**

(Office Hours originally held on 3/12/15; information updated on 3/17/2017)

**Q: I see that we have to fill out the dispute form within 10 days, is this P-Card policy? I thought it was 30 days.**

A: Cardholders should attempt to resolve a dispute directly with the merchant first. Typically, in most cases if the merchant agrees to resolve the dispute and issue a credit, this will occur within 10 business days. If the merchant does not issue a credit or resolve the dispute within a reasonable time frame (e.g. 10 days); the cardholder must then file a dispute form directly with the bank (JP Morgan) and copy the Purchase Card Helpdesk. Disputes must be filed with the bank within 90 days of the transaction postdate.

Once the bank receives the dispute form, the bank will typically issue the cardholder a temporary dispute credit that will remain on the account while the dispute is being investigated. In NBS, the charge should be flagged as a “dispute” then approved by the cardholder’s CAO. A copy of the dispute will remain in the “disputes/credit” tab of the cardholder’s reconciliation so that when the credit is received, these can be matched and reconciled.

**Q: How do you credit an approved log when you received a credit a month later?**

A: If you disputed an invoice in a prior month and subsequently receive a credit, a copy of the disputed invoice should be in the NBS Dispute/Credit Tab. The cardholder should match the credit to the dispute in the month the credit is received.

If the dispute was cleared in NBS prior to the credit being received, the only option is to then also clear the credit. This is not ideal as the dispute and credit are not then matched. If a credit is cleared without selecting a document from the Doc # List of values, the credit is applied to the cardholder’s default Project/CAN. To apply a credit to another CAN or to the original PROJECT/CAN that was selected on the log, the cardholder must select a Document from the Doc # List of Values. Values will only display for those transactions which have been matched and are sitting in one of these queues: *Matched*, *Verified*, or *Approved*. The matched transaction may be in the *Approved* queue for a previous reconciliation cycle. See NBS NAVs on NBS portal for steps on how to complete this process

**Q: Does a credit and dispute have to be equal value in order to match?**

A: No. If only a portion of the charged amount is incorrect, cardholders should do a partial dispute and then match the partial credit received by the merchant or bank to the dispute.

**Q: What do we do if we have a purchased item that did not meet the requestor's needs and we need to return the item? Or what about a partial refund how does that work?**

A: The cardholder should immediately contact the merchant to resolve any issues with the order. If an item is returned, the merchant should provide a credit to the cardholder for the item that was returned. In the NBS P-Card reconciliation form, you should partially dispute the invoice and notate that a partial credit is expected.

**Q: Disputed a charge but did not match to a log. User cancelled a log, is this allowed?**

A: Yes, if you disputed an invoice in error - the disputed invoice will be paid against your default Project/CAN even though you have an existing log. To correct this, you will need to cancel the existing P-Card Log as to not double obligate funds. A Project/CAN change form should be submitted to OFM if the invoice should not been charged to your default Project/CAN.

**Q: Do you have to enter a dispute credit if you contact the vendor and they provide a credit within the same billing period? Do they cancel each other out?**

A: Yes, you should proceed to dispute the invoice, obtain the credit from the merchant, match the dispute and credit in the same statement period under the Dispute/Credit Tab and process the match to reconcile.

**Q: I have a dispute that also had a credit but I think the vendor tried to fix something on their side and it left me with an amount of \$110 that did not balance in my CAN with a credit and it is just sitting there in my disputes?**

A: If you have a credit of \$110 which is in your Dispute/Credit tab you should proceed to clear the credit applying it if needed to a selected document from the Doc# List of Values. Note: when you select a Document from the Doc # List of Values, this enables you to return the credited funds back *to the original Project/CAN* selected on the log, and not to the default Project/CAN. Values will only display for those transactions which have been matched and are sitting in one of these queues: *Matched, Verified, or Approved*. The matched transaction may be in the *Approved* queue for a previous reconciliation cycle.

**Q: Two credits from same merchant for early bird registration. Credits have not cleared but registrations have been processed for payment. How do I match? In March-15 statement period. Log has been matched to invoice.**

A: At this point, you should clear your credits, since you have already matched your invoice and P-Card Log for the March-15 statement period. When you clear your credit select the Document # from the List of Values to enable you to return the credited funds back *to the original Project/CAN* selected on the log, and not to the default Project/CAN. Values will only display for those transactions which have been matched and are sitting in one of these queues: *Matched, Verified, or Approved*. The matched transaction may be in the *Approved* queue for a previous reconciliation cycle.

**Q: How would you match a dispute with an actual logged charge? The charge/invoice was originally disputed then you realized it was disputed in error so, how would you reverse the dispute and match it with the logged charge? Will a CAN change form need to be submitted to OFM?**

A: If it was determined an invoice was disputed in error in the current statement period and you have not Verified your reconciliation, you can “Undo” your dispute from the Dispute/Credit Tab. If you have Verified the current statement period, your approver can reject the disputed invoice. If you have verified and your approver has approved the dispute, your approver will have to withdraw the approval of the dispute. NOTE: This all must be within the current statement period. Any of these actions will place the invoice back to your Unmatched Tab and allow for you to match a P-Card Log to the invoice.

If it is after the current statement period and you determine that you disputed the invoice in error you need to clear the dispute and document in your file what occurred. Determine if a Project/CAN change form should be submitted to OFM if the charges should not have been charged to your default Project/CAN.

**Q: How should returns be processed?**

A: Cardholders should notify the merchant when an item needs to be returned. The merchant should then issue a credit for the returned items.

**Q: Some vendors add taxes to your purchase, what steps do I have to go through to remove taxes. How long do we allow vendors to take to return tax?**

A: The NIH Purchase Card Supplement V.6 states that all U.S. government purchases using the purchase card are tax exempt. Cardholders must ensure the merchant is aware of the tax exempt status prior to placing the order. If tax was paid, the cardholder is entitled to receive a refund from the merchant. If the merchant requests a tax exempt form, the cardholder should provide a copy of either the state tax letter or the Federal Tax Identification Number (TIN). If unsuccessful at recovering the tax amount, the cardholder should document this in their purchase card file.

**Q: Can I dispute taxes?**

A: Cardholders must dispute taxes with the merchant directly. They cannot file formal disputes with the bank to recover taxes. U.S. government purchases using the purchase card are tax exempt. Cardholders must ensure the merchant is aware of the tax exempt status prior to placing the order. See above question for additional information.

**Q: Called vendor said product was on the way, vendor had billed for it. User disputed it, next day product arrived. Cleared the dispute so item could be paid. Now in Sophie it looks like it was paid twice. What happened?**

A: If during the current statement period the product arrives after you disputed an invoice you should proceed to “Undo” your dispute from the Dispute/Credit Tab. If you have verified the dispute in the current statement period your approver will have to reject the disputed invoice. If you have verified and your approver has approved the dispute, your approver will have to withdraw the approval of the dispute, note this is all within the current statement period. This action will place the invoice back to your Unmatched Tab and allow for you to match a P-Card Log to the invoice. For reporting issues related to Sofie, please contact Sofie Helpdesk.

**Q: Completed reconciliation for products delivered in November. Found out that vendor had issued him a credit in January. What is the correct way to apply that credit to the order that has already been approved and matched?**

A: Clear the credit and apply it to a Doc # by selecting the Project/CAN under the Doc # column. You can reference NBS Job Aid, “P-Card Returns” located on the NBS Acquisition Portal, it is the same concept.

**Q: Can you leave an item in the dispute tab for 90 days while you work with the vendor to rectify the issue?**

A: Most billing discrepancies or disputes should be resolved with the vendor within 10 business days of the transaction postdate. NIH pays the bank whether the charge in question is valid or not even if the invoice is disputed in NBS. Once a charge is disputed in NBS, the amount is applied to the cardholder’s default CAN at the end of the statement period. If the cardholder is unable to resolve the dispute and obtain a credit within from the vendor within 10 business days, a formal dispute must be filed with JP Morgan within 90 days of the transaction date. The bank will then issue a temporary dispute credit while they investigate the dispute. This temporary dispute should be matched to the transaction that was disputed in NBS and reconciled.

**Q: Will there be actual classroom training on these topics?**

A: No, NBS will not be offering any classroom training, however we will continue to offer Office Hours Sessions on PCard related topics.

**Q: Where can I find the print-outs at for this meeting?**

A: The NAVs used in this session are located on the NBS Portal. Additional NAVs on topics related to the PCard role are also located on the [NBS Portal](#).

**Q: Where can I obtain a dispute form?**

A: The JP Morgan Dispute form may be located on the [purchase card website](#). When filing formal disputes with the bank, the form must be emailed to [ccscolumbusdisputes@chase.com](mailto:ccscolumbusdisputes@chase.com) along with a copy to the Purchase Card Helpdesk.

**Q: What happens after 90 days if you did not reconcile with the Bank?**

A: Disputes should be resolved directly with the merchant within 10 business days. If not resolved, the cardholder must file a formal dispute with JP Morgan within 90 days of the transaction postdate. They should not wait to resolve towards the end of the 90 day window.

NIH pays the bank whether or not your invoice is properly matched up to a P-Card Log or not. If a credit for a disputed charge is not received from the merchant or the bank, NIH is left to pay invalid charges for goods or services that were not received. When an invoice is disputed, NIH still pays the bank, the amount of the invoice is charged to your default Project/CAN. If within 90 days you still have not resolved the matter with either the Merchant and or Bank, the disputed amount has already been paid against your default Project/ CAN. The cardholder can be held personally liable for charges that are not disputed or resolved.

**Q: My understanding is that you may leave an item in the dispute tab for 90 days while you work with the vendor to rectify the issue. Is that correct? In the meantime the invoice is paid.**

A: No. Disputes should be resolved directly with the merchant within 10 business days. If this cannot be done, the cardholder must file a formal dispute with the bank. The cardholder should actively work with the merchant or the bank to resolve disputes and obtain credits. The dispute should not be cleared in NBS until proper resolution.

**Q: In the Dispute/Credit tab, will a copy of the log appear in the credit tab?**

A: The dispute remains in the Dispute/Credit Tab until either you have cleared the Dispute or matched it to a Credit received from either Merchant or Bank. If you match apply a P-Card Log to a Dispute, in cases where you are not disputing the full amount of an invoice, then your P-Card Log will appear in Disputes section, under the Doc # column.

**Q: If the credit appears and there is nothing to match it to, you then proceed to look up the doc #. This process has caused difficulty for people. Is there some trick to finding the proper document #? Is it ok to match it to different document that has the right project #/can#?**

A: Yes, if you receive a credit and there is no dispute to match to, you can apply the credit to a selected Project/CAN. The list of values button under the Doc # column enables a user to select which Project/CAN you would like the credit applied to.

**Q: Do you have a screen shot of what the sign off sheet will look like when an item is in dispute?**

A: Please reference the NIH Purchase Card Report that is provided for each reconciliation statement period with a list of transactions. The transactions that have a transaction type of “D” are those that were disputed and require proper resolution.