



Purchasing Card Policy and Procedure Manual

Table of contents

1. Introduction.....	3
2. Reason for Policies and Procedures.....	3
3. Who Needs to Know the Policies and procedures	3
4. Definitions.....	3
5. Contact Information.....	4
6. Cardholder Eligibility.....	5
7. Cardholder Liability.....	5
8. Application Process.....	5
9. Purchasing Card Security/Storage of the Card.....	6
10. Purchasing Guidelines.....	6
11. Supplier Blocking/Merchant Category Codes.....	6
12. Restrictions.....	7
13. Responsibilities.....	7
14. Sales Tax.....	10
15. Lost, Stolen or Damaged Cards.....	10
16. Fraudulent Use.....	11
17. Erroneous Declines.....	11
18. Credits.....	11
19. Unresolved Disputes and Billing Errors.....	11
20. Missing Receipts.....	11
21. Compliance Policies.....	12
22. Card Security.....	13



23. Cardholder Separation from University.....	13
24. Card Cancellation.....	13
25. Records Retention.....	13



1. Introduction

The Pace University Purchasing Card program has been established to provide a convenient means with which to make purchases and to provide a convenient method for paying for those purchases. The Purchasing and Contracts Department is responsible for managing the Program, and each Academic or Administrative department is responsible for managing its Cardholder accounts.

The Pace University Purchasing Card is an actual **U.S. Bank VISA Credit Card** used for business purposes and billed directly to Pace University for payment.

Purchases made on a Purchasing Card:

- Lower the cost of obtaining small dollar goods by at least half
- Improve delivery times and efficiency for the cardholder
- Provide excellent controls through data management
- Improve supplier relationships

Purchasing Cards are issued to responsible employees who make the everyday transactions associated with their job and those they may support. Compliance with policies and procedures is both an expectation and requirement of having and using a card.

Cardholders are committing University funds each time the Purchasing Card is used and **are responsible for all purchases made with the Purchasing Card.**

The Purchasing and Contracts staff is available to assist with all aspects of Purchasing Card ownership and look forward to providing a high level of customer service to all of those involved.

2. Reason for Policies and Procedures

Pace University employees incur various expenses using the Purchasing Card as they perform tasks and duties that support the operations of the institution and further its missions. This Purchasing Card Policy and Procedure manual serves to ensure the appropriate use of the U.S. Bank Purchasing Card throughout the University.

3. Who Needs To Know the Policies and Procedures

All full time faculty and staff who incur expenses using the Purchasing Card in conduct of University business should be familiar with the policies and procedures. Also, any employee who is involved with the administration of Purchasing Card use should be familiar with the policies and procedure. This includes all Business Representatives and members of Purchasing and Contracts Department who review, approve, or process Purchasing Card applications and transactions.

4. Definitions

- **Purchasing Card:** A **VISA** credit card issued to a permanent employee of Pace University for the purpose of making authorized purchases on the University's behalf. The University will issue payment for the charges made with the Purchasing Card.
- **Cardholder:** University employee whose name appears on the Purchasing Card and is accountable for all charges made with that card.



- **Business Representative:** University employee(s) within each department/division responsible for verifying online that all charges against the Cardholder's account are backed up by support documentation and that the documentation is retained within the department. The Business Representative is also responsible for receiving and disseminating Purchasing Card information within their department(s) and for relaying Purchasing Card information from within their department(s) to the Program Administrator.
- **Program Administrator:** Purchasing and Contracts employee responsible for managing and administering the Purchasing Card Program for the University and acting as the main contact between the University and the bank.
- **Card Issuer:** The card issuer, U.S. Bank, issues Purchasing Cards to approved Pace University Employees, provides electronic transaction authorization, and bills Pace University for all purchases made on U.S. Bank Visa Purchasing Cards.
- **Supplier:** The vendor from whom a Cardholder is making a purchase. The Purchasing Card will be accepted by all businesses accepting the U.S. Bank Purchasing Card. When accepting the card for business purchases, suppliers need not send invoices since they will receive payment directly from U.S. Bank.
- **Independent Review/Audit:** An independent review/audit which includes sampling and testing of Purchasing Card transactions to verify that they are appropriate and supported by adequate documentation. The Independent Review will objectively question any and all Cardholder purchases.
- **Transaction/Charge Limit:** A dollar limitation of purchasing authority assigned to the Cardholder for total of all charges made with the Purchasing Card.
- **Monthly Spending Limit:** A dollar limitation of purchasing authority assigned to the Cardholder for the total of all charges made during each monthly billing cycle.
- **Transaction Detail Report of Account:** A listing of all transactions charged to the Cardholder's card account up to the end of the monthly billing cycle. This Transaction Detail Report is generated by the cardholder.
- **Support Documentation:** A merchant produced or non-University document that records the relevant details for each item purchased including quantities, amounts, and a description of what was purchased, the total charge amount and the merchant's name and address (e.g. sales receipt, original invoice, packaging slip, credit receipt, etc.).

5. Contact Information

Email: businesscard@pace.edu

Phone: (914) 923-2642

Program Administrator: Alice R. Seifert, aseifert@pace.edu, 914-923-2642

U.S. Bank Customer Service and to report lost/stolen cards: 1-800-344-5696



6. Cardholder Eligibility

Who Can Get a Purchasing Card (Cardholder Eligibility)

Pace University employees who have been identified and approved by their Business Representative as needing to spend Pace University funds for items allowed on the card can acquire a Purchasing Card. The Business Representative should consider individuals who are responsible and organized and who are also:

- Permanent employees of Pace University
- Pace University support personnel who actually acquire the merchandise or service
- Currently spending Pace University funds on a regular basis via other methods
- Submitting reimbursement requests on a regular basis for business spending
- Students are not eligible or allowed to use the card.

7. Cardholder Liability

The Purchasing Card is a corporate charge card which **will not** affect the Cardholder's personal credit. However, it is the Cardholder's responsibility to ensure that the card is used within stated guidelines of Purchasing Card Policies and Procedures manual. A University index number will be assigned to each Purchasing Card issued.

No personal credit is checked since the bill is paid directly by Pace University every month.

8. Application Process

How to Apply

Purchasing cards are issued to employees who are approved for a card and need to buy goods and services on behalf of the university. To request a Purchasing Card the requestor must-

Complete Cardholder Account Setup Demographics Form on U.S. Bank Access Online. This form can be obtained by following the link - [Business Card Holder Agreement Form](#)

Complete Cardholder Agreement Form must be submitted for each prospective Cardholder. This form must be signed by the Cardholder applicant and Business Representative and then forwarded to the Program Administrator. This form can be obtained by following the link- [UsBank Access Online](#)

Cardholder Agreement

A Cardholder Agreement is required from each cardholder applicant. As part of the application process, an applicant will be expected to read it in full. By submitting the Cardholder Agreement the Cardholder Applicant and Business Representative agree to the terms and conditions of the Agreement. Make a copy of the [Business Card Holder Agreement Form](#) for your records.

Online Training

All prospective Cardholders must complete online training to be eligible to receive a Purchasing Card. The online webinar training will be forwarded by the Program Administrator to the card applicant upon receipt of the Cardholder Agreement form.



9. Purchasing Card Security/Storage of the Card

The Purchasing Card has all the functionality of a credit card. The Cardholder must maintain the Purchasing Card in a secure location at all times, preferably in their possession. The card should not be stored in a filing cabinet or desk. If the card is ever lost or stolen, it must be reported to U.S. Bank immediately, even on weekends or nights. Call 1-800-344-5696 to report a lost or stolen card 24 hours a day 7 days a week.

10. Purchasing Guidelines

The Cardholder is responsible for making purchases that are in compliance with all Pace University Policies and Procedures in place at the time of purchase.

1. Cards have a default limit per monthly cycle which has been established based on the type of Cardholder usage. The monthly credit limits will be \$5000 for both the Travel and Purchasing cards with the exception of the university recruiters and executive cardholders. A written request to the business card administrator for an alternate credit limit will be required for consideration and approval. In signing this authorization you are authorizing the standard credit limit and agreeing to responsibility for ensuring your transactional activity does not exceed your organizations fiscal year budget availability. The Cardholder can check with their Business Representative for allowable dollar expenses.
2. The Purchasing Card is to be used only for a purchase which is in accordance with policy and procedure. The Program Administrator will adjust monthly limits as determined and approved by the Cardholder's Business Representative, who has the proper authority, adheres to the current fiscal year budget and in accordance with Purchasing Card Policies and Procedures.
3. The Purchasing Card **must never** be used **to purchase items for personal use or for non-university purposes even if the Cardholder intends to reimburse the University.**
4. A Cardholder who makes an unauthorized purchase with the Purchasing Card or uses the Purchasing Card in an inappropriate manner will be subject to disciplinary action including possible card cancellation, termination of employment at Pace University and criminal prosecution.

Personal expenses are expressly prohibited. Personal expenses must be segregated and paid on a personal card. The Purchasing Card **must never** be used **to purchase items for personal use or for non-university purposes even if the Cardholder intends to reimburse the University.** Violations of this policy require an immediate repayment of the full amount in question. We do not make exceptions to this policy. If a personal transaction is made on the Purchasing Card, please notify your business representative and the Purchasing Department immediately.

11. Supplier Blocking/Merchant Category Codes

Merchants operate under a four digit code (Merchant Category Code or MCC) which identifies them as a particular type of supplier. The Purchasing Card automatically blocks certain



merchants this way. Therefore some vendors will be blocked on the card such as cash, jewelry, massage parlors, gambling and other high-risk areas of purchase.

Transactions will be blocked at the point-of-sale for unauthorized suppliers. Changes to the blocking list can be made as demonstrated by a business need. A Cardholder should contact their Business Representative who will need to approve the request before asking the Program Administrator to change the blocking list associated with the Cardholder's profile at U.S. Bank.

If you experience a card denial, please call the bank at 1-800-344-5696 or Purchasing and Contracts at 914-923-2642.

12. Restrictions

The U.S. Bank Purchasing Card is not to be used to purchase restricted items. Below is a partial list of items that may not be purchased with the Purchasing Card:

- Alcoholic Beverages
- Capital items-a fixed asset such as equipment, buildings and land with a cost value equal to or greater than \$2000
- Personal Transactions
- Gifts, Gift Certificates, Gift Cards
- Cash Advances
- Jewelry
- Gambling
- High-risk areas of purchase-jewelry stores, health & beauty spas, stamp & coin stores, wire transfer-money order, antiques and misc. personal services
- Travel
- Gasoline

Cardholders who misuse their Purchasing Card will receive a warning memo from the Program Administrator which identifies the misuse. Additional misuse will result in termination of the Purchasing Card.

13. Responsibilities

Program Administrator

The Purchasing Card Program Administrator serves as the main contact for Pace University. The Program Administrator acts as the intermediary for coordinating all cardholder maintenance (adds, changes and closures) with U.S. Bank. The Program Administrator also coordinates and monitors overall performance of the program.

Responsibilities include:

1. Acting as a liaison with U.S. Bank.
2. Utilizing Software from U.S. Bank.
3. Utilizing U.S. Bank electronic reports to administer the Purchasing Card Program.
4. Reviewing approved Cardholder applications for completeness of required information.
5. Approving Cardholder applicants, change requests, and closure to U.S. Bank.



6. Providing training to Cardholders before releasing Purchasing Card.
7. Having Cardholder sign Purchasing Card Agreement, signifying agreement with the terms of the Purchasing Card Program.
8. Retaining Purchasing Cards Agreements in a secure location.
9. Ensuring that lost or stolen cards have been blocked by U.S. Bank.
10. Assisting Cardholders with erroneous declines, unresolved supplier disputes, lost stolen cards and fraudulent charges.
11. Reviewing usage of Purchasing Card data for appropriateness.
12. Review cardholder purchase activity at any time by performing periodic review/audits.

The Purchasing Card Program Administrator is required to close an account if the Cardholder: (a) transfers to a University department within a different Budget Center, (b) moves to a new job in which the Purchasing Card is not required, (c) terminates University employment or (d) for any of the following reasons which will also subject Cardholder to disciplinary action in accordance with University Policies and Procedures relating to disciplinary action and termination for cause.

Cardholder

The Cardholder is required to obtain original detailed receipts and / or supporting documentation for each transaction as proof of the expense. Credit card receipts must be the detailed original receipts. At the end of each billing cycle, the Cardholder will print their monthly Transaction Detail Report to review each transaction for accuracy. If a purchase is made by phone or mail, the supplier should be asked to include a receipt with the shipment. This is important because the receipt is the only original document for the purchase.

All pertinent information for each receipt must be added to the comments tab in US Bank Access Online while in the process of approving the transaction. If the receipts are in foreign currency, convert all expenses to US dollars prior and check your Transaction Detail Report for accuracy before submitting receipts. Indicate the rates used to convert foreign currency to US dollars. The rates should be those used at the time of the transaction, not the rates in effect at the time you are completing your transaction detail for review.

In addition to reconciling and obtaining approval for the transaction detail, the cardholder is required to reconcile and approve purchases through the U.S. Bank Access Online Transaction Approval Process. Its functionality streamlines the reconciliation process and reduces posting errors. The Cardholder transactions are posted to U.S. Bank Access Online throughout the month and can be reviewed and approved at any time.

When the Transaction Detail Report is received:

1. Review for accuracy.
2. Attach all receipts retained during billing cycle to the back of the Transaction Detail Report in order that they appear on the report.
3. Send the reconciled Transaction Detail Report, receipts, any additional documentation and reconciliation form to the business representative for approval 5 business days after the cycle close date of the 25th of every month.

The Cardholder must:

1. Ensure the Purchasing Card is used for legitimate business purposes only.
2. Maintain the Purchasing Card in a secure location at all times.
3. **Not allow** other individuals to use their Purchasing Card.
4. Adhere to purchasing limits and ensure expenses do not exceed the department/school spending parameters.



5. Obtain a receipt or invoice for **ALL** transactions.
6. Reconcile the Transaction Detail Report to the receipts each month.
7. Approve transactions on U.S. Bank Access Online which includes documenting the business expense in comments tab for each expense and submit the reconciled Transaction Detail Report with attached receipts, additional documentation and reconciliation form to your Business Representative.
8. Ensure that an appropriate credit for reported disputed items or billing errors appear on a subsequent Cardholder Transaction Detail Report.
9. Not accept cash in lieu of a credit to the Purchasing Card account.
10. Immediately report a lost or stolen card to U.S. Bank at 1-800-344-5696 (24 hours a day, 365 days a year).
11. Immediately notify the Program Administrator and your Business Representative of a lost or stolen Purchasing Card at the first opportunity during normal business hours.
12. Return the Purchasing Card to Business Representative or designee upon terminating employment with Pace University or transferring to other departments.
13. Report erroneous declines or fraudulent charges Business representative and Program Administrator during normal business hours.

Business Representative

The Business Representative is required to manage/review the reconciliation and approval process through the U.S. Bank Access Online Transaction Approval Process. Business representatives will have the ability to reallocate transactions to one or multiple accounting codes- including the option of splitting individual transactions by specific dollar or percent of transaction amounts.

The Business Representative will:

1. Approve Cardholder Applicants
2. Oversee appropriate use of the card.
3. Ensure the Purchasing Card is used for legitimate business purposes only.
4. Ensure sufficient budget for purchases.
5. Ensure timely purchasing card reconciliation and approval for all cardholders in their area.
6. Receive and review cardholder Transaction Detail Report, receipts and reconciliation form. Keep file of all ORIGINAL receipts, cardholder Transaction Detail Report and the reconciliation form received from each cardholder. Receipts for purchases must be maintained for 7 years.
7. Review and update fund information in U.S. Bank Access Online before charges are reconciled into Banner. This includes changing default funds and account codes if necessary.
8. Provide approval on U.S. Bank Access Online every month.
9. Notify Program Administrator when there are changes in roles within the department.
10. Inform Program Administrator if Cardholder transfers to a different location.
11. Inform Program Administrator if Cardholder terminates employment.
12. Know to whom cards are distributed within the department.
13. Retrieve cards when a cardholder leaves the university, transfers to another department, or when card use is no longer a need
14. Ensure cardholder responsibilities are managed well.
15. Inform program manager if Cardholder violates policies and procedures as documented in this manual which will also subject Cardholder to disciplinary action.



16. Destroy Purchasing Cards for Cardholders who have been transferred, no longer need the card, or have left the department.

Controller's Office

The Controller's office will have overall cash management responsibility to ensure that the Pace University main operating account is auto-debited for the proper amount. Therefore, the Controller's office will be regularly reconciling the amount of the Purchasing Card charges against the auto-debit payment and will notify the Pace University Purchasing Card support staff of any variations.

14. Sales Tax

Pace University is **exempt** from state sales tax. The tax-exempt number is printed on the card below the cardholder's name. It is the cardholder's responsibility to identify the transaction at the time the purchase is made as exempt from state sales tax. Pace University is a nonprofit corporation using New York State sales tax-exempt number **EX-117208**. The University conveys this information to vendors by means of a tax exempt certificate form ST-119.1. This form indicates Pace University's tax exempt permit number as registered by the State of New York. The tax-exempt certificate can be requested from the Purchasing and Contracts staff in writing.

When originating departments need this information to be sent to vendors, Purchasing and Contracts should be contacted with as much advance notice as possible to provide the appropriate certificate. A tax exempt certificate can only be issued to a vendor when Pace University is paying for the purchase. An employee conducting business on behalf of the university is not eligible to obtain a tax exempt certificate if the employee pays a bill out of pocket and intends to be reimbursed by the University. This would violate state law and result in New York State taking the exemption privilege away from Pace University.

Tax exempt certificates are to be used for conducting business on behalf of the University only, and its use is not permissible for personal purchases. If used fraudulently, the cardholder will be liable for payment of the applicable tax. Fraudulent use of tax exemption certificates shall result in discipline, which may include dismissal by Pace University.

15. Lost, Stolen or Damaged Cards

Pace University has liability for a lost or stolen card up until the time it is reported to the bank. The Cardholder is not liable to reimburse the University or the bank for charges on a lost or stolen card, but is required to report the card lost or stolen the moment they realize their card is gone or that the number has been compromised". The intent of the sentence is to make the cardholder aware that they are "responsible" for reporting the card lost or stolen. This action must take place even if it is a weekend, night or holiday. Call 1-800-344-5696 24 hours a day/7 days a week/365 days a year to report. When normal business hours resume, the Cardholder should also report the action taken to their Business Representative and Purchasing and Contracts staff.

By acting promptly, the cardholder can reduce Pace University's liability for fraudulent charges. As per section 14 of the Agreement between Commercial Cardholder and US Bank Cardholder Agreement that is received with the card, the Cardholder will not be liable for unauthorized charges that occur after US Bank is notified. Based on the corporate liability program Pace University's corporate liability will not exceed \$50 or the amount of the charges whichever is less.



16. Fraudulent Use

If someone makes fraudulent purchases with a card it is the Cardholder's responsibility to report the activity by calling US Bank Customer Service at 1-800-344-5696 immediately. The Business Representative and Program Administrator should be notified to report the fraudulent activity, and follow up with a written, detailed explanation. U.S. Bank will send a replacement card for the cardholder with a new card number.

17. Erroneous Declines

If the Cardholder feels that the Purchasing Card has been erroneously declined by a supplier, The Program Administrator should be contacted for assistance. The Program Administrator will contact U.S. Bank to determine the reason for the decline and will make appropriate changes to the Cardholders profile if required.

If a purchase is being made outside of normal Pace University business hours, the employee must find an alternate payment method or terminate the purchase and contact the Program Administrator during normal business hours.

18. Credits

Suppliers should issue all credits for returned merchandise or services to the individual Purchasing Card account for any item they have agreed to accept for return. **UNDER NO CIRCUMSTANCES SHOULD A CARDHOLDER ACCEPT CASH IN LIEU OF A CREDIT TO THE PURCHASING CARD ACCOUNT.**

19. Unresolved Disputes and Billing Errors

The Cardholder is responsible for contacting the supplier to resolve any disputed charges or billing errors within 30 days of receiving a Transaction Detail Report. If the matter is not resolved with the supplier, the Cardholder should:

1. Use Access Online to dispute the transaction; click here for steps showing how to dispute a transaction(s) or contact U.S. Bank Customer Service at 800-344-5696.
2. All remaining charges must be approved and allocated including the disputed charge during the billing cycle.
3. Include a copy of the disputed transaction form with your completed reconciliation package.
4. If the dispute is resolved in the Cardholder's favor, a credit in the amount of the disputed transaction will appear on a subsequent Cardholder Transaction Detail Report.
5. Contact the Program Administrator for assistance if an acceptable resolution is not obtained.

20. Missing Receipts

When a receipt or packing slip is not available, the Cardholder should prepare and sign a Missing Receipt Form /Affidavit that the Cardholder and Business Representative must sign. The **form can only be used two times in any Fiscal Year. If the Missing Receipt Form/Affidavit has to be used a third time then it constitutes as a violation against the Cardholder and is**



deemed as potential misuse/abuse and the card will be suspended pending a full investigation.

21. Compliance Policy

In order to ensure compliance with the policies and procedures of the U.S. Bank Purchasing Card, the following actions will be taken by Purchasing and Contracts when infractions are discovered during review/audits. Infractions are classified as Minor infractions, Major Infractions, and Criminal Activity. General Descriptions and discipline measures are listed below:

Non-Compliance in Error:

- Personal purchase-made in error

Minor Non-Compliance:

- Late reconciliation and approval
- Missing/inadequate receipt
- Other infractions deemed minor by Program Administrator

1st Violation: Card is suspended when error is discovered and remains suspended until correction is received by Program Administrator

2nd Violation: Card remains suspended for 30 days from time correction is made.

3rd Violation: Cardholder's privilege is revoked. Business representative must justify in writing reinstatement of card and a description of actions taken to prevent future infractions from occurring. Card remains suspended until justification is approved by Program Administrator.

Major Non-Compliance:

- Late reconciliation and approval-30 days or more
- Inappropriate purchase
- Other infractions deemed as major by Program Administrator

1st Violation: Card will remain suspended until mistake is resolved and documentation and repayment is received by Program Administrator.

2nd Violation: Business Representative must justify in writing how departmental function would be impaired if said Cardholder's privilege is permanently suspended. . Business representative must justify in writing reinstatement of card and a description of actions taken to prevent future infractions from occurring. Card remains suspended until justification is approved by Program Administrator.

3rd Violation: Card is revoked. Cardholder is not eligible for future Purchasing Card use.

Criminal Activity:

- Personal purchase-Intentionally made

If a personal purchase is intentionally made the card will be immediately revoked and appropriate disciplinary action will be taken.



22. Card Security

The Pace University U.S. Bank Purchasing Card is company property. Cardholders should always treat their Purchasing Card with at least the same level of care as their own personal credit cards. The card should be maintained in a secure location, and the card account number should be carefully guarded. Please keep it safe. The only person entitled to use the card is the person whose name appears on the face of the card. If the card is lost or stolen, contact U.S. Bank Customer Service immediately at 1-800-344-5696 and notify the Program Administrator.

After the call the account will be blocked. By acting, promptly, you can reduce Pace University's liability for fraudulent charges. The cardholder may also want to make this call if their statement or Transaction Detail Report is lost or stolen.

23. Cardholder Separation from University

When a cardholder leaves Pace University employment for any reason, they must turn their Purchasing Card in to their supervisor or designee. The supervisor or designee should then immediately notify the Purchasing and Contracts staff and shred the card. This action should also be taken if a cardholder is put on leave for any disciplinary action.

24. Card Cancellation

Cards can also be closed at the request of a Business Representative. Destroy the card onsite by cutting it into small pieces or shredding. It is recommended that if a cardholder goes on leave, the Program Administrator should be notified so that the card can be temporarily suspended, then reactivated upon notification of their return.

The Program Administrator is required to close an account if a Cardholder: (a) transfers to a different location, (b) moves to a new job in which a Purchasing card is not required; (c) terminates employment or (d) for any of the following reasons:

1. The Purchasing Card is used for personal or unauthorized purposes.
2. The Purchasing Card is used to purchase alcoholic beverages or any substance, material, or service which violates Pace University policy, law or regulation pertaining to Pace University.
3. The Cardholder allows the card to be used by another individual.
4. The Cardholder uses another Cardholder's card.
5. The Cardholder fails to provide receipts for all transactions.
6. The Cardholder fails to provide, when requested, information about any specific purchase.
7. The Cardholder accepts a cash refund in lieu of credit to the Purchasing Card account.
8. The Cardholder does not adhere to the Pace University Policies and Procedure Manual.

25. Records Retention

US Bank Access Online retains six months of data online. Requests may be made for data outside the 6 months by emailing the request to businesscard@pace.edu.

All ORIGINAL receipts, cardholder Transaction Detail Report and the reconciliation form received from each cardholder. Receipts for purchases must be maintained for 7 years.



Complete record retention schedules can be found by following the link - [Record Retention and Destruction Policy](#).