

# **PURCHASING CARD POLICIES AND PROCEDURES MANUAL**

## **Index**

- SECTION I - INTRODUCTION
  - SECTION II - AUDITS
  - SECTION III - CARD CANCELLATION
  - SECTION IV - CARD EXPIRATION
  - SECTION V - CARD SECURITY
  - SECTION VI - CARDHOLDER ACCOUNT MAINTENANCE
  - SECTION VII - CARDHOLDER VERIFICATION OF CHARGES
  - SECTION VIII - CHARGE ALLOCATION TO NON-DEFAULT ACCOUNT
  - SECTION IX - CHARGE ALLOCATION TO NON-DEFAULT ACCOUNT - SPONSORED ACCOUNTS
  - SECTION X - CHARGE DISPUTE RESOLUTION
  - SECTION XI - DEFINITIONS
  - SECTION XII - FORMS
  - SECTION XIII – GENERAL TYPES OF PURCHASING CARD VIOLATIONS
  - SECTION XIV - INDEPENDENT REVIEW OF CARDHOLDER TRANSACTIONS
  - SECTION XV - LOST, STOLEN OR DAMAGED PURCHASING CARD
  - SECTION XVI - MAKING A PURCHASE WITH THE PURCHASING CARD
  - SECTION XVII - MERCHANDISE CREDIT/EXCHANGE
  - SECTION XVIII - OBTAINING A PURCHASING CARD
  - SECTION XIX – PREAUTHORIZED CHARGES
  - SECTION XX – RECEIPTS
  - SECTION XXI- RECOMMENDED USES FOR THE PURCHASING CARD
  - SECTION XXII - RECORD RETENTION
  - SECTION XXIII - SEPARATION FROM THE UNIVERSITY
  - SECTION XXIV - SPONSORED ACCOUNTS AND THE PURCHASING CARD
  - SECTION XXV - SUGGESTED USES FOR THE PURCHASING CARD
  - SECTION XXVI - TAX
  - SECTION XXVII - TRAINING
  - SECTION XXVIII - TRANSFER WITHIN THE SAME DEPARTMENT
  - SECTION XXIX - TRANSFER WITHIN THE UNIVERSITY
  - SECTION XXX - TRAVEL
  - SECTION XXXI - UNAUTHORIZED CARD USE
  - SECTION XXXII – VENDOR REBATE
  - SECTION XXXIII VERIFIER, VERIFICATION OF CARDHOLDER CHARGES
- EXHIBIT “A” (REVISED) CARDHOLDER SET-UP FORM  
EXHIBIT “B” (REVISED) CARDHOLDER AGREEMENT FORM  
EXHIBIT “C” (REVISED) CARDHOLDER ACCOUNT MAINTENANCE REQUEST FORM

## Section I

### Introduction

The University of Cincinnati Purchasing Card (P-Card) Program has been established to provide a convenient means with which to make small dollar purchases and, at the same time, reduce the costs associated with initiating and paying for those purchases. The P-Card allows the cardholder to charge work-related expenses directly to the appropriate University Account. University employees must be at least 80% FTE before a P-Card can be issued.

The University Purchasing Department is responsible for managing the program and each Academic or Administrative organizational unit is responsible for managing its Cardholder accounts. Three areas of responsibility have been defined within each organizational unit to assist in this management effort. They are the Cardholder, Card Verifier and Independent Reviewer. It is important to understand that these three areas of responsibility do not necessarily equate to three separate individuals within the organizational unit but **one individual cannot perform all functions**. It is permissible for one individual to be assigned one or more of these responsibilities as defined in these Policies and Procedures. The ultimate decision as to how each of these responsibilities is assigned will be made within each organizational unit.

## **Section II**

### **Audits**

Internal/External Auditors will conduct periodic audits of each Cardholder's transaction file and monthly summaries. In addition, organizational units may conduct their own cardholder audits. Some of the areas an organizational unit should look at are:

- Monthly bank statement reconciled, approved and original detailed receipts attached.
- Multiple charges to the same vendor to circumvent P-Card per transaction limit.
- Travel related purchases should only occur if the cardholder has travel privileges.
- Personal purchases.
- Unauthorized purchases.

## **Section III**

### **Card Cancellation**

An email should be sent to the Program Administrator requesting the cardholders account be closed if they are leaving the University. The organizational unit must then follow up by sending exhibit "C" along with the card to the Program Administrator.

If a card is to be cancelled due to theft or fraud, an email should be sent immediately to the Program Administrator. If the card is to be replaced, an email from the Department Head or their designee is required before the Program Administrator will request a replacement card.

## **Section IV**

### **Card Expiration**

Your card will expire at the end of the month shown on the card. For example a card with an expiration date of 06/07 will expire at the end of June. The cardholder will receive a replacement card during the second or third week of the month the card is due to expire. When the replacement card is received and the new card goes into effect, the cardholder should destroy the old card.

## **Section V**

### **Card Security**

It is the Cardholder's responsibility to safeguard the Purchasing Card and Purchasing Card Account number at all times.

- Cardholders must keep their Purchasing Cards in a secure location at all times.
- Cardholders must not allow anyone else to use their Purchasing Cards and/or Purchasing Card account numbers
- Cardholders must not write their Purchasing Card account numbers(s) where others can easily see them.

## **Section VI**

### **Cardholder Account Maintenance**

Whenever any of the information contained on a Cardholder's Enrollment Form changes, a Cardholder **Account Maintenance Form** (exhibit "C") must be completed. After the appropriate designee in your area has signed the form, the form is then forwarded to the Program Administrator. For per transaction, cycle limit and travel authorization changes, the Program Administrator will notify the cardholder when modifications have been made.

## **Section VII**

### **Cardholder Verification of Charges**

Cardholders are accountable for all charges made with their Purchasing Cards and are responsible for checking all transactions against the corresponding supporting documentation to verify their accuracy and propriety. This check should be done at least weekly in UC Flex.

If the Cardholder disputes a charge, the nature of the dispute and the final resolution must be documented. This documentation must be retained with the Statement of Account on which the disputed charge appears.

After all transactions have been checked, the Cardholder must sign his or her Statement of Account. The signed statement and all supporting documentation must then be forwarded to both the Card Verifier and the Independent Reviewer.

## Section VIII

### Charge Allocation to Non-default Accounts

For any given charge, the Card Verifier has the option to perform an on-line allocation from the default account. In order to make these changes, the card verifier must have completed the UC Flex P-Card training and been given the security to access this transaction. If the allocation option is not exercised the total amount of the charge will be posted into the default account.

A sponsored program account should never be the default account when more than one sponsored program needs to be charged. Separate Purchasing Cards should be utilized in this case.

**Note: Reallocation to Revenue or Salary accounts is not permitted.**

## **Section IX**

### **Charge Allocation to Non-default Accounts - Sponsored Accounts**

If a particular charge allocation involves one or more sponsored accounts care should be taken to ensure the charge is allowable. If in doubt, prior to purchase consult award documentation, the Cost Accounting Standards (CAS) manual or contact your Sponsored Research Services Grant Administrator.

## **Section X**

### **Charge Dispute Resolution**

In the case of a disputed charge, the Cardholder should try to resolve the dispute directly with the merchant. If the dispute cannot be resolved follow the instructions located on the back of the memo statement and return the completed form to the bank.

## Section XI

### Definitions

**Account Allocator:** Account Allocators have the ability to allocate individual charges to various non-default departmental accounts in UC Flex. The Account Allocator role can be used in conjunction with the Cardholder, Card Verifier, or Independent Reviewer roles.

**Cardholder:** University employee whose name appears on the Purchasing Card and is accountable for all charges made with that card. A cardholder may have more than one card, with each card defaulting to a different UC Flex account number. If a cardholder has more than one card, it is recommend that something be placed on the third line embossing to distinguish one card from another. A cardholder should not give their Purchasing Card, or card number to others to use. If another individual in the organizational unit needs a Purchasing Card, the Business Manager should request one for him or her.

**Cardholder Verification Code (CVV):** This is the three-digit number on the back of the Purchasing Card. This number appears after the last four digits of your card, as part of the signature line. This number is a fraud prevention strategy that was set up by Visa and MasterCard. The only person that has access to this number is the cardholder. If you place mail orders, phone orders, or Internet orders, there is a good chance you will need to provide this number to the vendor.

**Card Verifier:** University employee(s) within each organizational unit responsible for verifying that all charges against the Cardholder's account are backed up by supporting documentation and that the documentation is retained within the organizational unit. The Card Verifier signs the memo statement from the bank each month indicating they have completed the verification process and that the transactions are appropriate to the operations of their department. Once the Card Verifier signs the memo statement of a Cardholder, they are attesting to the validity of the Cardholder's purchases.

**Default Account:** The University UC Flex account code assigned to an individual Cardholder's Purchasing Card. Only one Default Account can be assigned to any one Purchasing Card and all charges made with the Purchasing Card will be posted into the Default Account unless those charges are reallocated in UC Flex. Make certain the entire account budget line is valid and active in UC Flex. A sponsored program account should never be the default account when more than one sponsored program needs to be charged. Separate Purchasing Cards should be utilized in this case.

**The University will not do JVA's for organizational units.**

**Independent Reviewer:** University employee(s) within each organizational unit responsible for sampling and testing Purchasing Card transactions to verify that they are appropriate and supported by adequate documentation. To be effective, the Independent Reviewer must be in a position to objectively question any and all Cardholder purchases. Cardholders may not be their own Independent Reviewers and whenever possible, the Independent Reviewer should not be a subordinate with a reporting line to the Cardholder.

**Cycle Spending Limit:** A dollar limitation of purchasing authority assigned to the Cardholder for the total of all charges made during each billing cycle. This amount may not exceed \$10,000 unless the Associate Vice President, Purchasing and Materiel Management Services has granted approval to the cardholder. Organizational units may establish lower limits on a per Cardholder basis. If the cardholder needs a monthly limit greater than \$10,000 it is necessary for the Department Head, or their designee, to send a letter explaining why such a large monthly amount is necessary.

**Program Administrator:** University Purchasing Department employee responsible for administering the Purchasing Card Program for the University and acting as the main contact between the University and the bank.

**Purchasing Card (P-Card):** A credit card issued to an employee of the University of Cincinnati for the purpose of making authorized purchases on the University's behalf. The University will issue payment for charges with the Purchasing Card.

**Pyramiding Charges:** Using multiple transactions to circumvent per transaction limits. For example, if someone with a \$500 per transaction limit made a purchase of \$900 by requesting the vendor process one transaction for \$500 and another transaction for \$400 to circumvent the \$500 per transaction limit. Note that this is pyramiding whether the transaction is for several items or for one item. **PYRAMIDING IS NOT PERMITTED WITH THE PURCHASING CARD.**

**Statement of Account:** A listing of all transactions charged to the Cardholder's card account up to the end of the monthly billing cycle. The Bank sends this statement directly to the Cardholder, on a monthly basis. Cardholders **should not** wait until they receive the statement to allocate their transactions. The cardholder should attach all documentation (i.e. receipts) to the statement each month. The cardholder should sign the statement to indicate that the transactions have been reviewed and are legitimate business expenses. The statement should then be forwarded with your receipts, to both the Card Verifier and Independent Reviewer. The Card Verifier and Independent Reviewer should also sign the statement indicating they have verified and reviewed the transactions.

**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 (i.e. sales receipt, original invoice, packing slip, credit receipt etc.) A packing slip alone is not acceptable support documentation unless it meets the criteria above.

**Transaction/Charge Limit:** A dollar limitation of purchasing authority assigned to the Cardholder for each total charge made with the Purchasing Card. The default amount is \$500 unless the Associate Vice President, Purchasing and Materiel Management Services has granted approval to the Cardholder. Organizational units may establish lower limits on a per Cardholder basis. A single transaction/charge may include multiple items but cannot exceed the Cardholders per transaction limit. If a Cardholder needs a per transaction amount greater than \$2,000, it is necessary for the Department Head, or their designee, to send a letter explaining why such a large per transaction amount is needed.

## Section XII

### Forms

EXHIBIT “A” (REVISED) CARDHOLDER SET-UP FORM

EXHIBIT “B” (REVISED) CARDHOLDER AGREEMENT FORM

EXHIBIT “C” (REVISED) CARDHOLDER ACCOUNT MAINTENANCE REQUEST FORM

The revised Purchasing Card forms allow the user to type data directly on the form before printing. The form must then be given to the Cardholder’s Supervisor for signature. After the forms have been approved, send them to the Purchasing Card Program Administrator:

Chad A. Anton  
Purchasing Department  
Mail Location 0089

The forms can be found on the Central Purchasing website at [http://www.uc.edu/af/purch\\_dept/forms.html](http://www.uc.edu/af/purch_dept/forms.html)

## **Section XIII**

### **General Types of Purchasing Card Violations**

The general types of Purchasing Card violations include abuse, misuse, negligence and fraud. Abuse, misuse and negligence are violations for which no personal gain results. Fraudulent violations are those in which deception was deliberately practiced for unfair or unlawful gain.

#### **Abuse/Misuse/Negligence Violations**

Examples of abuse, misuse, and negligence include:

- Buying products from a source other than the university's contracted vendor(s)
- Intentionally splitting a purchase to circumvent delegated authority or transaction limits
- Failing to maintain receipts and other documentation, or obtain approvals

Other breaches of policies and procedures are specified in the Purchasing Card Policies and Procedures Manual.

#### **Fraudulent Use of the Purchasing Card**

Use of the card for personal or non-university purchases will result in card termination and the cardholder may be subject to potential disciplinary action up to and including termination of employment and criminal prosecution. All reports of personal use of the Purchasing Card will be referred to Internal Audit to determine which circumstances warrant discussion with Human Resources, Public Safety and General Counsel. Public Safety and General Counsel will determine which cases warrant criminal prosecution.

In addition, a Cardholder found to have fraudulently used a Purchasing Card is personally liable for any fraudulent charges and shall be required to reimburse the University for such charges.

## **Section XIV**

### **Independent Review of Cardholder Transactions**

The transactions on the Cardholder's Statement of Account must be reviewed monthly, preferable by an independent non-subordinate, to ensure compliance with these policies and procedures. The Independent Reviewer should test a sample of transactions from each statement to verify that each of those transactions is supported by adequate documentation and meets all the criteria for authorized card use. Questionable transactions should be especially scrutinized for purchases of items for personal use, or for non-university purposes. The number of transactions reviewed should be sufficient to ensure that the review is effective. Review results must be documented by the Independent Reviewer and retained with the supporting documentation and corresponding statement.

For questionable transactions or transactions that lack adequate supporting documentation, the Independent Reviewer must contact the Cardholder to obtain an explanation, supporting documentation and/or reimbursement. Questionable charges for which satisfactory explanations or documentation cannot be obtained will be deemed unauthorized and/or inappropriate.

If during the review process, serious irregularities are detected; the Independent Reviewer must notify the organizational unit head that in turn must notify the Program Administrator.

After the independent review process has been completed, the Independent Reviewer must sign the Cardholder Statement of Account. The cardholder statement of account and corresponding supporting documentation are retained by the organizational unit per the record retention requirements.

## **Section XV**

### **Lost, Stolen or Damaged Purchasing Card**

If a Purchasing Card is lost, stolen or damaged, during normal University business hours, the Cardholder must notify the Program Administrator immediately so it can be reported to the bank. If the Purchasing Card is lost, stolen or damaged after normal business hours, the Cardholder must notify the bank immediately at 1-888-449-2273. The Cardholder should not request a replacement card. The Cardholder still must notify the Program Administrator the next business day.

After the above notification procedures have been completed, the Program Administrator if requested by the Department Head or their designee will issue a new Purchasing Card to the Cardholder.

A Purchasing Card that is found after it has been reported lost or stolen must be destroyed by cutting it in half. The same procedure applies if a card is damaged.

## Section XVI

### Making a Purchase with the Purchasing Card

Make sure you have appropriate department purchase approval (if required) before making a purchase with the Purchasing Card.

The Cardholder should purchase from our term contract vendors whenever possible, to take advantage of pricing and terms negotiated on a University wide contract basis.

Confirm that the selected merchant accepts VISA. If not, choose another vendor or if the cost is less than \$300, use the Small Dollar Invoice transaction in UC Flex. If you cannot use either of these methods, submit a requisition to Purchasing so that the purchase can be made via a Purchase Order.

When making purchases in person, the Cardholder must sign the charge receipt and retain the customer copy. The cardholder must have itemized original receipts to back up their purchases. The Cardholder should verify that either the charge receipt or sales receipt complies with the requirements for supporting documentation.

The University of Cincinnati is sales tax exempt in Ohio. It is the Cardholder's responsibility to ensure that sales tax is not charged. The University tax identification number is printed on the front of the card directly underneath "University of Cincinnati". The only valid sales tax would be an in person transaction outside of the State of Ohio.

When making purchases via telephone, the Internet, and mail order, Cardholders should give the merchant the account number embossed on their card and direct the merchant to include the following on the shipping label and/or packing slip:

- a. Cardholder name and phone number.
- b. Department
- c. Complete campus delivery address including building name and room number.
- d. The words "VISA Purchase".

**VENDOR SHOULD NOT INCLUDE THE CARD NUMBER AND EXPIRATION DATE ON THE SHIPMENT OR PACKING SLIP.**

Regardless of who receives the shipment, the Cardholder is responsible for obtaining all documentation (Packing slips, mail order form copies, etc.) related to the purchase and verifying that the documentation complies with the requirements for supporting documentation.

## Section XVII

### Merchandise Credit/Exchange

The Cardholder is responsible for contacting the merchant when merchandise purchased with the Purchasing Card is not acceptable (incorrect, damaged, defective, etc.) and for arranging a return for credit or an exchange.

If merchandise is returned for credit, the Cardholder is responsible for obtaining a credit receipt from the merchant and retaining that receipt with the supporting documentation for that purchase. **RECEIVING CASH OR CHECKS TO RESOLVE A CREDIT IS PROHIBITED. THE VENDOR MUST CREDIT YOUR ACCOUNT.**

If merchandise is to be exchanged, the Cardholder is responsible for returning the merchandise to the merchant and obtaining a replacement as soon as possible. Documentation showing the proper resolution of the exchange is to be retained with the supporting documentation for that purchase.

## **Section XVIII**

### **Obtaining a Purchasing Card**

All prospective Cardholders must sign a **Cardholder Set-Up Form (exhibit “A”)**, **Cardholder Agreement Form (Exhibit “B”)**, obtain the necessary department approvals and then forward the forms to the Program Administrator. All prospective Cardholders must complete an on-line P-Card training session before the Purchasing Card will be released to the Cardholder. If the cardholder will also be a card verifier, they must complete the UC Flex P-Card Training.

## **Section XIX**

### **Preauthorized Charges**

If arrangements have been made for preauthorized charges such as magazine subscriptions, weekly shipment of an item and the cardholder leaves the University, the vendor must be notified that the account has been closed and all preauthorized charges should stop.

If a cardholder reports a card lost/stolen and has preauthorized charges, the cardholder can contact the merchant and provide them with the new replacement card information so there is no interruption in service.

## **Section XX**

### **Receipts**

All receipts for P-Card purchases must be detailed receipts. Receipts should show all items purchased not just a total amount. The same would apply for restaurant receipts. Payment alone signature receipts will not be considered by the auditor, as proof of the purchase if it is not accompanied by the vendor's itemized receipt. Also as reminder, alcohol cannot be purchased with the P-Card.

If you purchase something online, make a copy of the screen that indicates the purchase was paid with a credit card. The screen print should also show the types of items purchased and the dollar amount. Even if the purchase is an on-line purchase, the receipt needs to be detailed.

## Section XXI

### Recommended Uses for the Purchasing Card

Cardholders are authorized to use the Purchasing Card to purchase any merchandise or services required as a function of their duties at the University of Cincinnati, except as noted in the unauthorized card use section. Cardholders should use term contract vendors whenever possible to take advantage of pricing.

**Personal purchases may not be made with the card, even if your intent is to reimburse the University. Personal purchases made with the card subject the Cardholder to disciplinary action up to and including possible card cancellation, termination of employment at the University of Cincinnati and criminal prosecution.**

## **Section XXII**

### **Record Retention**

**Cardholder Responsibility:** The Cardholder is responsible for obtaining purchase documentation from the merchant (sales receipt, packing slip, etc.) to support all purchases made with the Purchasing Card and verifying that the documentation complies with the requirements for supporting documentation.

**Note:** In addition to obtaining the documentation, it is recommended that the Cardholder also record the details of each purchase in a transaction log.

**Card Verifier Responsibility:** It is the Card Verifier's responsibility to assure that all supporting documentation and the corresponding Cardholder Statement of Account are retained within the department per the University of Cincinnati retention schedule.

## **Section XXIII**

### **Separation from the University**

Prior to separation from the University, Cardholders must surrender their Purchasing Card(s) and corresponding support documentation to their immediate supervisor. It is the department's responsibility to assure the return of the Purchasing Card(s) during the exit interview process and notify the Program Administrator to immediately cancel the card(s).

## **Section XXIV**

### **Sponsored Accounts and the Purchasing Card**

Extra measures need to be taken when using Purchasing Cards to purchase items charged to a sponsored account. These include but are not limited to:

**RECORD RETENTION:** All sponsors and agencies require the University to retain records relating to expenditure on sponsored awards. It is not uncommon for some retention periods to be 5 - 7 years. As a result, organizational units may wish to keep records relating to sponsored purchases separate to help reduce storage needs.

**EXPENSE SUPPORT:** Receipts or packing slips that detail the purchase are required. Charge slips or receipts with only the dollar amount are not acceptable and will result in an audit finding.

**CODING:** Proper coding is required.

**NOTE:** All Cost Accounting Standards (CAS) must be followed. Audit disallowances as a result of a Purchasing Card purchase are the responsibility of the organizational unit.

## **Section XXV**

### **Suggested Uses for the Purchasing Card**

- Supplies and equipment
- Tools and hardware
- Dues and subscriptions
- Books
- Catering services
- Equipment service (only those not requiring a signed service agreement) Cardholders cannot use the Purchasing Card for any purchase that requires the University to sign an agreement.
- Memberships (professional organizations only)
- Employee recognition
- Shipping charges (i.e. UPS, Federal Express, etc.)
- Meeting rooms, meals, rooms for personnel recruiting at the Vernon Manor and Kingsgate Conference Center
- Travel and travel related expenses, if cardholder has travel privileges
- \*Computer software and hardware

\*Do not purchase software with your Purchasing Card that has electronic terms and conditions. The exception would be software for which the University has a licensing agreement. If you have any questions, email Carla Crabtree in the Office of General Counsel.

## **Section XXVI**

### **Tax**

The University is tax exempt. The University tax exemption number appears on the Purchasing Card. If you have an individual question about tax, contact Barry Holland at 556-5899 or email him at: [Barry.Holland@uc.edu](mailto:Barry.Holland@uc.edu)

## **Section XXVII**

### **Training**

In order to obtain a Purchasing Card, all Cardholders must complete the on-line training at:

[http://www.uc.edu/af/purch\\_dept/pcard\\_training.html](http://www.uc.edu/af/purch_dept/pcard_training.html)

If you are to be a card verifier for a Cardholder, you will need to complete the Card Verifier on-line training at:

[http://www.uc.edu/af/purch\\_dept/pcard\\_verifier\\_training.html](http://www.uc.edu/af/purch_dept/pcard_verifier_training.html)

If you are to be an account allocator of a P-Card in UC Flex you must complete UC Flex P-Card training. You may view the training schedule at: <http://secure-server.uc.edu/UCFlex/TrainingOpp/>

## **Section XXVIII**

### **Transfer within the same Department**

Cardholders who transfer to a new position within the same department and require the use of a Purchasing Card as part of their new duties may continue to use the same card if the default account remains the same. Cardholders, who will no longer require a Purchasing Card in their new position, must surrender their Purchasing Card(s) and corresponding supporting documentation to their immediate supervisor so the account can be closed.

## **Section XXIX**

### **Transfer within the University**

Cardholders, who transfer within the University to another department, must surrender their Purchasing Card and all supporting documentation to their immediate supervisor before leaving to close the account. If the Cardholder will require the use of a Purchasing Card in their new position, they must submit exhibits “A” and “B” signed by the department head or designee authorized to sign for Purchasing Cards and then forward them to the Program Administrator.

## Section XXX

### Travel

If you want to request travel as part of your Purchasing Card privileges, you will need to submit exhibits “A” and “B” along with the Dean, AVP, or their designee’s signature, from your area requesting you have travel privileges. College of Medicine travel information is available at: <http://www.mcmfss.uc.edu/genaccount/travelcard.cfm>.

If you currently have a Purchasing Card and want to add travel, your Dean, AVP, or their designee must sign an **Exhibit C** form requesting travel be added. Below are a few Purchasing Card travel tips. These are the minimum, individual departments may establish additional requirements of the Cardholder.

Do not charge personal expenses to the Purchasing Card.

No alcohol, no excessive meal costs and all receipts must be submitted with the Statement of Account.

If you are renting a car in the U.S. do not buy rental company insurance. You are covered by university insurance.

If you are renting a car in a foreign country, it is best to buy the basic rental company insurance offered.

Original receipts should be kept with Purchasing Card statements but the amounts must be noted on the Travel Expense Report as a pre-paid expense to prevent double-reimbursement.

Purchasing Card receipts must be retained with the Purchasing Card Statement of Account within the cardholder’s department.

Typically for Purchasing Cards with travel, a per transaction limit of \$1,500 - \$2,000 is suggested. The per transaction limit and cycle limit is established by the Cardholder’s department.

Refer to the University’s travel policy for guidelines and recommendations on managing travel related Purchasing Card expenses. <http://www.uc.edu/af/documents/policies/travelexp.pdf>

## Section XXXI

### Unauthorized Card Use

- Deposits to Bearcat Campus Card
- Donations to Charitable Organizations
- PayPal
- Construction trades work
- Items for personal use and items for non-university purposes
- Cash advances
- Electronic auction houses, e.g., eBay
- Alcoholic beverages
- Travel and travel related expenses if the cardholder **does not have** travel privileges (i.e. hotels, airfare, etc.)
- Employee relocation expenses
- Payments to individuals and employees
- Radioactive materials
- Laboratory animals (order via the Laboratory Animal Facility)
- Prescription drugs and controlled substances
- Weapons & ammunition
- Hazardous chemicals
- Biological select agents (CDC guidelines)
- \*Pyramiding charges
- Any purchases prohibited by University policy or not related to University business
- \*\*Payment of tuition, student fees or to purchase books or supplies for a student
- Gift Cards except for **non-employee, non-student research subject compensation**

Exceptions may be requested by directing them to the Purchasing Card Administrator.

Only the Cardholder whose name is embossed on the Purchasing Card is authorized to use the card and is responsible for ensuring that all charges made with the card are in compliance with these Policies and Procedures.

\*Pyramiding Charges – Is using multiple transactions to circumvent per transaction limits. For example, if someone with a \$500 per transaction limit made a purchase of \$900 by requesting the vendor process one transaction for \$500 and another transaction for \$400 to circumvent the \$500 per transaction limit. Note that this is pyramiding whether the transaction is for several items or for one item.

\*\*These transactions belong on an E-160. If you have questions about an E-160, contact Student Financial Aid.

## **Section XXXII**

### **Vendor Rebate**

University of Cincinnati cardholders should take advantage of rebates when offered by vendors. Rebates must benefit the University of Cincinnati, never the individual employee. If the vendor sends a check to the individual cardholder, the check should be endorsed by the individual and deposited to the organizational unit account. The rebate should never go to the individual cardholder.

## **Section XXXIII**

### **Verifier Verification of Cardholder Charges**

The Card Verifier is responsible for reviewing each transaction on the monthly bank statement to verify charges and note any discrepancies. The Card Verifier may also allocate individual charges to various non-default organizational unit accounts in UC Flex.

For a charge to be supported there must be adequate documentation available so that the Card Verifier can ascertain that the purchase is valid.

For there to be a discrepancy associated with a charge, one or more of the following situations may exist:

- a. Insufficient supporting documentation (may or may not cause the transaction to be disputed to the merchant).
- b. One or more of the criteria for authorized card use have not been met (may or may not cause the transaction to be disputed to the merchant).

All discrepancies must be investigated and resolved. The disposition of each discrepancy must be documented and retained with the supporting documentation and/or statement of account. Cardholders are accountable for all discrepancies.

Note: If a discrepancy cannot be resolved, the Independent Reviewer must be notified.

After all transactions have been verified, the Card Verifier must forward the supporting documentation and Statement of Account to the Independent Reviewer.