

Corporate Card Program Policy and Procedure Manual

Table of Contents

1. Introduction	3
2. The Purchasing Card Type	3
3. The Travel Card Type	5
4. One Card: Purchasing & Travel	6
5. The Executive Card	6
6. Who Needs To Know the Policies and Procedure	6
7. Definitions	6
8. Contact Information	7
9. Cardholder Eligibility	7
10. Cardholder Liability	8
11. Application Process	8
12. Security/Storage of the Card	8
13. Corporate Card Guidelines	9
14. Supplier Blocking/Merchant Category Codes	9
15. Responsibilities	10
16. Sales Tax	10
17. Lost, Stolen or Damaged Cards	11
18. Fraudulent Use	11
19. Erroneous Declines	11
20. Credits	12
21. Unresolved Disputes and Billing Errors	12
22. Missing Receipts	12
23. Compliance Policy	12

24. Card Cancellation	13
25. Card Renewal	13
26. Records Retention	13
27. Important Links	13
28. Revision History	13

1. Introduction

Pace University employees incur various expenses using Corporate Cards as they perform tasks and duties that support the operations of the institution and further its missions. The Corporate Card Policy and Procedure manual serves to ensure the appropriate use of the Bank of America MasterCard throughout the University.

The Pace University Corporate Card program has been established to manage the procurement of low dollar purchases and recurring monthly charges with which to make purchases and travel a convenient method for paying for those expenses. The Purchasing and Contracts Department is responsible for managing the program and each Academic or Administrative department supports management for ensuring compliance of the policies and procedures.

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 a Card is used and **are responsible for all purchases made with the Corporate Card. UNIVERSITY CARDS ARE NOT TO BE USED FOR PERSONAL BUSINESS.**

The Pace University Corporate Card is an actual **MASTERCARD Credit Card, issued by the University's financial institution (Bank of America)** used for business purposes and billed directly to Pace University for payment.

The Bank of America MasterCard program is a single card solution. Each Bank of America card can act as the following card types:

- Purchasing Card
- Travel Card
- Purchasing & Travel
- Executive Card

2. Purchasing Card Type

Purchases made on a Purchasing Card:

- Provide efficient means for making University purchases
- 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 Card Usage

Purchasing Card usage is allowable for the following:

- Small dollar supply purchases that cannot be made through Eprocurement
- Office Supplies

- Florist
- Library Periodicals and Books
- Postage/Shipping/Courier
- Memberships
- Registration Fees
- Subscriptions
- Reprints
- Computer Supplies and peripherals (see IT Purchases below)

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

- Alcoholic Beverages
- Meals & Entertainment
- Fire Arms
- Drugs
- 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**
- Jewelry
- Gambling
- Pace University recommends you do not purchase from high-risk areas of purchase-convenience stores, grocery stores, pharmacies, jewelry stores, health & beauty spas, stamp & coin stores, wire transfer-money order, antiques and misc. personal services
- Travel-air, hotel, taxi, limo, meals should be purchased with the Travel Card.
- Gasoline

IT Purchases

IT purchases must follow the Technology Purchasing Policy. Cardholders are not to use the purchasing card to purchase IT equipment. This equipment includes but is not limited to large IT purchases over \$200 or hardware purchases such as laptops, desktops, servers, large volume printers, etc. Cardholders purchasing hardware or software items under \$200 must get a written IT quote from ITS and maintain the quote documentation for their reconciliation if that below \$200 purchase is made on their card.

Although this is not a comprehensive list it may extend to other unauthorized purchases which may require contacting the Purchasing and Contracts department.

3. Travel Card Type

Purchases made on the Travel Corporate Card:

- Are provisioned by Corporate Card Policy and Procedure Manual
- Are provisioned by the Travel and Expense Policy and Procedure Manual
- Governed by the University
- Consolidates Business Travel related expense convenience
- Eliminates University Travel Advance requests for out of pocket expenses
- Corporate Travel Program

Travel Card Usage

The Travel Card can be used for domestic travel as well as international travel. The following list provides examples of travel-related business transactions proper for the Travel Card:

- Air, rail, bus, train, taxi and shuttle transportation
- Parking
- Car rentals and gasoline for the rental vehicles
- Meals
- Hotel including phone calls, parking and internet services

Do not use the Travel Card to purchase the following items Examples include and are not limited to:

- Capital items (fixed asset such as equipment, building and land with a cost value equal to or greater than \$2000)
- Personal Transactions
- Gifts, Gift Certificates, Gift Cards
- Cash Advances
- Jewelry
- Gambling
- Membership dues
- Subscriptions
- Computer related supplies and hardware
- Books
- Office Supplies
- Repairs
- Utilities
- Lab Supplies

Cardholders who misuse their Corporate Card may receive a warning memo from the Program Administrator which identifies the misuse. Additional misuse can result in termination of the card and may result in disciplinary action up to and including termination of employment.

4. Purchasing and Travel

This single card contains both card types and follows the same policies and procedures as the above individual card types.

5. Executive Card

The Executive card is designed to streamline the travel and purchasing card process for Executives identified and approved by Pace University. Executives who qualify and who can acquire an Executive card are the President, Vice Presidents and Deans who have been identified and approved. An Executive Card allows for payment of all spending categories. Executive cards are therefore for Travel and Entertainment and for all other procurement. The card's reconciliation process operates similarly to the travel card reconciliation process.

6. Who Needs To Know the Policies and Procedures

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

7. Definitions

- **Purchasing Corporate Card Profile:** A Bank of America *MasterCard* 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.
- **Travel Corporate Card:** A Bank of America *MasterCard* issued to a permanent employee of Pace University for the purpose of conducting authorized business travel on the University's behalf. The University will issue payment for the charges made with the Travel Card.
- **Executive Card:** An Executive Card allows for payment of all spending categories. Executives who qualify are the President, Vice Presidents and Deans who have been identified and approved.
- **Cardholder:** University employee whose name appears on the 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 retaining documentation. Is an extension of the Purchasing & Contracts Department and Accounts Payable for ensuring card compliance with policies.
- **Program Administrator:** Purchasing and Contracts employee responsible for managing and administrating the Corporate Card Program for the University and acting as the main contact between the University and the bank.
- **Card Issuer:** The card issuer is the preferred financial institution that, issues the Corporate Cards to approved Pace University Employees, provides electronic transaction

authorization, and bills Pace University for all purchases made on the Bank of America MasterCard.

- **Supplier:** The vendor from whom a Cardholder is making a purchase. When accepting the card for business purchases, suppliers need not send invoices since they will receive payment directly from the card issuing bank.
- **Independent Review/Audit:** An independent review/audit which includes sampling and testing of card transactions to verify that they are appropriate and supported by adequate documentation. The Independent Review will objectively question any and all Cardholder transactions.
- **Transaction/Charge Limit:** A dollar limitation of purchasing authority assigned to the Cardholder for total of all charges made with the Corporate 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.
- **Chrome River:** The application used to reconcile and approve card transactions. Supporting documentation is uploaded into this application and added to the reconciliation of charges.
- **Supporting 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, invoice, packaging slip, credit receipt, airline receipt, train receipt, etc.).
- **Merchant Category Code (MCC):** MCC codes provide an automated approach to controlling purchases and supporting card use for targeted transactions. MCC stands for Merchant Category Code which is a four digit code maintained by networks and assigned to identify a supplier's principal trade, profession or line of business. The MCC code prevents card use with suppliers in prohibited industries for example jewelry stores, casinos, airlines, etc. based on procurement policies that have been established.

8. Contact Information

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

Email: businesscard@pace.edu

Phone: (914) 923-2642

Bank Customer Service and to report lost/stolen cards: 1-888-449-2273

9. Cardholder Eligibility

Who Can Obtain a Corporate Card (Cardholder Eligibility)

Pace University employees who have been requested and been approved by their Business Representative to obtain a Corporate Card. The Business Representative should consider individuals who are responsible and organized and who are also:

- Permanent employees of Pace University.
- Pace University employees who actually procure goods or travel on behalf of Pace University.
- Currently spending Pace University funds on a regular basis via other methods.
- Submitting reimbursement requests on a regular basis for business spending.
- Determine which card type is appropriate for the cardholder.

10. Cardholder Liability

The Corporate Card **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 Corporate Card Policies and Procedures manual.

No personal credit is checked since the bill is paid directly by Pace University every month. The Corporate Card is a Pace University liability card therefore no personal credit is checked.

11. Application Process

How to Apply/Cardholder Agreement

Cards are issued to employees who are approved for a card and need to conduct business on behalf of the university. To request a Corporate Card the requestor must complete a [Bank of America Cardholder Agreement Form](#). A cardholder agreement form must be submitted for each prospective Cardholder. As part of the application process this form must be signed by the Cardholder applicant, Manager/Supervisor and Business Representative and then reviewed by the Card Program Administrator. By submitting the Cardholder Agreement the Cardholder Applicant, Manager/Supervisor and Business Representative agree to the terms and conditions of the Agreement. The Corporate Cardholder and Business Representative should maintain a copy of the Bank of America Cardholder Agreement Form for their reference.

Online Training

Upon approval, all prospective Cardholders must complete online training to be eligible to receive a Corporate Card. The online webinar training is available on the Business Card Website.

12. Security/Storage of the Card

The Pace University Corporate Card is company property. The Corporate Card has all the functionality of a credit card. Cardholders should always treat their card with at least the same level of care as their own personal credit cards. The card should be maintained in a secure location at all times preferably in their possession. The card should not be stored in a filing cabinet or desk 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 the Bank of America Customer Service immediately at 1-888-449-2273 24 hours a day 7 days a week** and notify the Program Administrator at businesscard@pace.edu.

After the call the account will be blocked. By acting, promptly, you can reduce Pace University's liability for fraudulent charges.

13. Corporate Card 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. The monthly credit limits will be \$5000 for each Purchasing and Travel card type with the exception of the university recruiters, executive cardholders and other individual cardholders as authorized by the Purchasing & Contracts department. A Credit Limit Change Request is required when requesting an increase/decrease to the cardholders credit limit.
2. The Corporate Card is to be used only for a purchase which is in accordance with the 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 Corporate Card Policies and Procedures.
3. The Corporate 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.**

Personal expenses are expressly prohibited. Personal expenses must be segregated and paid on a personal card. The Corporate 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 Corporate Card, please notify your business representative and the Program Administrator immediately.

4. A Cardholder who makes an unauthorized purchase with the Corporate Card or uses the card in an inappropriate manner will be subject to disciplinary action including possible card cancellation, termination of employment at Pace University and criminal prosecution.

14. 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 Corporate 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 declined at the point-of-sale for unauthorized suppliers. Changes to the blocking list may be requested as demonstrated by a business need from the Program Administrator to change the blocking list associated with the Cardholder's profile.

If you experience a card decline, please call the bank at **1-888-449-2273** or Purchasing and Contracts at 914-923-2642.

15. Responsibilities

Program Administrator

The Corporate 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 the bank. The Program Administrator also coordinates and monitors overall performance of the program.

The Corporate 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 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 detailed receipts and / or supporting documentation for each transaction as proof of the expense. Credit card receipts must be the detailed receipts. At the end of each billing cycle, the Cardholder is required to review, reconcile and approve their credit card expense transactions that will post to the Chrome River System. All receipts should be attached and detailed explanation provided for each expense item. If no receipts is available, detailed explanation is required to complete the reconciliation. It is the responsibility of the Cardholder to process the reconciliation within 10 days after the end of the month. Failure to provide proper documentation constitutes as a violation against the Cardholder and is deemed as potential misuse/abuse and the card may be suspended. All pertinent information for each receipt must be added to the reconciliation report in Chrome River while in the process of approving the transaction.

Accounts Payable

The Accounts Payable office will be responsible for the review/audit of **Travel and Executive** card type transactions for individuals who possess a card. This is to ensure transactions are appropriate and are supported by adequate documentation and the policy and procedures are being adhered to. If a Cardholder is not adhering to the policy and procedures of the **Travel and Executive Card**, Accounts Payable will inform the Program Administrator in writing for immediate action to be taken.

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 card charges against the auto-debit payment and will notify the Pace University Corporate Card support staff of any variations.

16. 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 at [Tax Exemption Certificate Request Form](#).

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.

17. 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 **1-888-449-2273** 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 Program Administrator at businesscard@pace.edu.

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 Bank of America Cardholder Agreement that is received with the card, the Cardholder will not be liable for unauthorized charges that occur after Bank of America is notified.

18. Fraudulent Use

If someone makes fraudulent purchases with a card it is the Cardholder's responsibility to report the activity by calling Bank of America Customer Service at **1-888-449-2273** immediately. The Business Representative and Program Administrator should be notified to report the fraudulent activity, and follow up with a written, detailed explanation. Bank of America will send a replacement card for the cardholder with a new card number.

19. Erroneous Declines

If the Cardholder feels that the Corporate Card has been erroneously declined by a supplier, the Program Administrator should be contacted for assistance. The Program Administrator will contact Bank of America 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.

20. Credits

Suppliers should issue all credits for returned merchandise or services to the individual Corporate 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 CORPORATE CARD ACCOUNT.**

21. 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 the charge. The disputed items will still need to be reconciled in Chrome River with a comment included in the description. If the matter is not resolved with the supplier, the Cardholder should follow-up with the Bank of America Customer Service at **1-888-449-2273**. Both the charge and the credit will need to be reconciled in the Chrome River system.

22. Missing Receipts

If the cardholder does not have a receipt for a card transaction at the time of the reconciliation, Chrome River will display a "Policy Compliance Issue" warning. The cardholder will be required to provide a detailed explanation why an exception should be made. Cardholder violations may receive written warning, suspension or card cancellation at any time if chronic abuse exists and any reason upon sole discretion of the Program Administrator.

23. Compliance Policy

The following items are considered violations;

- Late or no reconciliation and approval
- The Cardholder fails to provide receipts for all transactions.
- Personal purchase-intentionally made (If a personal purchase is intentionally made the card will be immediately revoked and appropriate disciplinary action will be taken)
- The Cardholder allows the card to be used by another individual.
- The Cardholder uses another Cardholder's card.
- Gift card purchase
- The 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.
- Misuse including activities deemed criminal
- Sales Tax
- The Cardholder fails to provide, when requested, information about any specific purchase.
- The Cardholder accepts a cash refund in lieu of credit to the card account.
- The Cardholder does not adhere to the Pace University Policies and Procedure Manual
- Other infractions deemed by Program Administrator

Please note if three (3) violations are incurred, then upon the discretion of the Program Administrator, cardholders may potentially receive a written warning, suspension or card cancellation.

24. Card Cancellation

Cards can also be closed at the request of a Business Representative. The Business Representative should then immediately notify the Purchasing and Contracts department and send the card to the Card Program Administrator. 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 new division, department or job within the university, (b) moves to a new job in which a card is not required; (c) terminates employment or (d) or for non-compliance.

25. Card Renewal

A renewal card will automatically be mailed to Purchasing and Contracts department during the expiration month. Cardholders will be notified and forwarded their news cards.

26. Records Retention

All reconciliations are maintained in the Chrome River application.

Complete record retention schedules can be found by following the link:

[Record Retention and Destruction Policy](#)

27. Important Links

[Business Card Website](#)

[Travel Policy & Procedure Policy](#)

[Comprehensive Buyer Guide](#)

28. Revision History

Version	Date	Change	Author
1.1	10/06/14	Modified language, multiple edits/revisions	ARS
1.2	10/08/14	Modified language, multiple edits/revisions	ARS
1.3	11/07/14	Modified language, multiple edits/revisions	ARS
1.4	1/22/16	Modified policy to reflect new card program and reconciliation process	AM