

January 4, 2007

UNIVERSITY PURCHASING CARDHOLDER:

Rowan University receives various discounts from numerous vendors for products and services. The use of the University Purchasing Card, in most cases, voids discounts and tax exempt status. All University Purchasing Card holders should use the SCT Banner Purchasing Systems as your first choice. The University Purchasing Card should only be used as a supplement to the purchase order process or in emergency situations.

Rowan University is exempt from New Jersey Sales Tax. It is important that at the time of your purchase you inform the vendor that Rowan University is tax exempt. We are including a copy of our tax-exempt certification letter in your purchasing card package. It is the policy of the University not to pay sales tax. Non-compliance of the sales tax policy will result in the suspension of your University Purchasing Card privileges and the individual will be responsible for repayment of any sales tax charged. The tax-exempt certification letter may be reproduced.

If you are processing a telephone order with the purchase card, you should obtain the fax number so that, if necessary, you can fax the sales tax exempt certification to the vendor.

The individual University Purchasing Cardholder and/or Department are responsible and liable to ensure that the University is not charged sales tax.

The following documents are included in this Visa Purchase Card package:

- Purchase Card Policy and Procedures
- Tax Exempt Certification Letter
- Visa Purchase Card Application (for new applicants)
- Merchant Category Code Blocking Information
- Sample Copy of Purchasing Card Transaction Log
- Sample Copy of Commerce UPC Statement
- Missing receipts affidavits
- UPC Cardholder Agreement

If you have any questions concerning the purchasing card or any of the related documents, please feel free to contact the Purchasing Department at extension 4504.

UNIVERSITY PURCHASE CARD Policy and Procedures

Purpose:

The purpose of the Rowan University, University Purchase Card (UPC), is to provide authorized University personnel with the ability to make purchases using a VISA type credit card. This card would provide immediate payment to the vendor and reduce the need to prepare a Miscellaneous Disbursement Voucher (MDV) or requisition for each purchase.

Policy Statement:

The University, in its sole discretion, reserves the right to terminate the Rowan University, University Purchase Card at any time. Misuse of the Card (use not in accordance with University policies and procedures) could subject the cardholder to disciplinary action under the standard University policy to include supervision and or termination of UPC privileges.

All cards are issued through the Purchasing Department. Any card may be rescinded at any time by the Purchasing Department. Purchasing is responsible for maintaining a file of the individuals authorized to conduct charge card transactions, assisting in resolution of problems and administering the overall program.

No one other than the cardholder whose name is on the Card is authorized to use the Card. Department heads are responsible to ensure the proper use of the UPC by their designated cardholder.

In no event will University "GRANT(S)" be eligible for UPC participation.

Request for University Purchase Card:

UPC cards can be requested by using the Rowan University Purchasing Card Authorization Form which is available from the Purchasing Department.

Individuals must request and receive approval from your Department Head or next reporting level.

Requestor and Department Head must complete and send to the Purchasing Department the University Purchasing Card (UPC) Department authorization form.

The Purchasing Department will make the final determination on the issuance of the UPC.

The Purchasing Department will order a UPC for the requestor upon receipt of a completed UPC Authorization Form.

The Purchasing Department will notify the requestor once the UPC card is received from Commerce Bank.

Once notified, the requestor is required to sign for and pick up the UPC from the Purchasing Department.

Once signed for, the Purchasing Department will issue the UPC and the policies and procedures which govern the use of the UPC.

Using the University Purchase Card:

Present the UPC to a vendor in person, by telephone, by FAX, or by authorizing its use on a mail order form.

University Purchase Card Limits:

The UPC card(s) have a \$500 per transaction, two transactions per day, and \$2,000 per month, limit.

Purchase transactions may not be split into multiples to avoid the single transaction limit. Such activity constitutes improper use of the card and will be subject to UPC suspension and/or termination. All departmental budgets must be taken into consideration while using the purchasing card. State and University procurement and budget procedures must also be followed.

Due to new compliance statutes issued by The State of New Jersey, The University will not entertain or approve any requests for changes in the transaction or monthly limits.

UPC Purchase Log:

Every purchase **must** be recorded on a UPC log, listing date of purchase, vendor, description of item(s), date goods received and total cost. Receipts, packing slips, etc. must accompany the log. Returns must also be recorded on the log, listing date of return, vendor, and total credit received.

When the purchase is made over the counter, the Cardholder shall retain the invoice and "customer copy" of the charge receipt. Prior to signing this slip, the Cardholder is responsible for making sure that the vendor lists the quantity, fully describes the item(s), and omits sales tax on the charge slip. **The tax-exempt number has been embossed on the card for convenience.** A copy of the University's tax exemption letter can be obtained from the Purchasing Department or on line @downloadable documents.

Examples of Items that Can/Should be charged to the University Purchase Card:

The UPC can be used for the following:

- Small dollar purchases in accordance with UPC blocking provisions
- Memberships in professional organizations
- Prepayment when required

Items Which Cannot be Charged to the University Purchase Card:

- **Hazardous/Radioactive materials**
- **Personal Charges – even with the intent of reimbursing the University**
- **Payment of Stipends, Honorariums or any contracted professional service**
- **Traveler's Checks or cash withdrawals from ATM machines**
- **On-campus purchases of any sort**

- Cell Phones
- Gasoline and oil
- Travel and entertainment items (airfare, car rentals, hotel bills, restaurant bills, etc.)
- Purchases presenting significant potential risk or exposure to liability for the university. For example: items or services that represent special health, safety, occupational or environmental risks or arrangement whereby the University is required to sign any type of agreement or contract.
- Florist
- Entertainment
- Recreation
- Hardware/Software
- Any purchases prohibited by University Policy or not related to University business.
- Any item that exceeds the cardholder's transaction limit (of \$500 per transaction) or would cause the cardholder's monthly limit to be exceeded.
- Review your merchant blocking code list(s) for additional prohibited uses.

NOTE: IN NO EVENT WILL THE ROWAN UNIVERSITY PURCHASING DEPARTMENT LIFT ANY APPROVED MERCHANT BLOCKS. IF AN EMERGENCY ARISES WHERE YOU HAVE A SHORT SUSPENSE TIME AND/OR ONLY A CREDIT CARD WILL BE ACCEPTED. THE PURCHASING DEPARTMENT WILL PLACE THE ORDER FOR THE REQUESTING DEPARTMENT. THE REQUESTING DEPARTMENT WILL BE REQUIRED TO COMPLETE A UPC CHARGE BACK FORM FOR DOCUMENTATION AND ACCOUNTING PURPOSES.

The cardholder log and UPC statement must agree; this may require transferring some late month purchases, non-billed items or pending credits to your next month's log. Attach the UPC statement to the cardholder log, enclose appropriate receipts, packing slips, etc in an envelope, sign your log, obtain your Department Head's approval and forward to Purchasing.

All logs are due in the Purchasing Department by the 10th of the month following the month of the purchases. **LOGS AND RECEIPTS WHICH ARE NOT RECEIVED BY THE 10th OF THE MONTH MAY RESULT IN THE SUSPENSION IN OR TERMINATION OF THE INDIVIDUAL'S PURCHASE CARD.**

Billing Discrepancies:

Resolve any discrepancies directly with the vendor and request credits or additional charges generated for the next billing cycle. If unable to resolve, the cardholder must fully document the situation, sign and fax the statement and dispute form to the Rowan University Purchasing Department at 256-5623.

Dispute forms may be requested from Purchasing as needed. Claims must be filed in writing within 60 days, acknowledged by Commerce Bank with 30 days and resolved within 90 days.

Budget/Accounting Charges:

The UPC is assigned to a department account number (FOAPAL). Charges will appear in account 7020. It is the Department's responsibility to provide adequate funding in this account. Deficits not cleared in a timely manner may cause the suspension and/or termination of the Purchasing Card.

Cardholder's Responsibilities:

LOST OR STOLEN CARDS: notify Commerce Bank immediately at 888-751-9000, extension 7300 (9 a.m. to 5 p.m. weekdays) or 800-847-2911 (non-business hours, evenings and weekends) to limit the University's liability for fraudulent purchases. Also notify the Controller's Office and Purchasing (extension 4504) to report lost or stolen cards.

If the cardholder transfers to another department or leaves the University, the UPC should be cut in half and returned to the Department Head or the Controller's Office. Also, notify the Purchasing Department at extension 4504.