I. PURPOSE
This policy and related procedures govern the University Purchasing Card (UPC) Program, a tool to be utilized by employees to provide authorized University personnel with the ability to make purchases using a VISA type credit card when necessary to benefit and support the University’s mission of education, research, and public service.

II. ACCOUNTABILITY
The Senior Director of the Office of Contracting & Procurement (OCP) and the Purchasing Card Program Administrator are responsible for managing this program. Deans, Department Chairs and Department directors shall implement this policy and all University users of the UPC shall ensure compliance with the policy.

III. APPLICABILITY
This policy applies to all authorized University departments and personnel who accept responsibility for use of a University issued UPC which may only be used in accordance with the policy and procedures described below.

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

IV. DEFINITIONS
A. Personnel
1. Purchasing Cardholder (Cardholder) UPC is issued in an individual’s name
2. Purchasing Card Reviewer (Card Reviewer) Designated party responsible for paperwork/follow-up for UPCs issued in the name of a department
3. Purchasing Card Administrator OCP personnel responsible for issuance/disbursement of UPCs and managing internal controls for the program.

V. REFERENCES
All purchases made with a UPC are subject to all appropriate procurement statutes, regulations and policies as noted on the pages of the Office of Contracting & Procurement website.

VI. POLICY
A. UPCs are the property of Rowan University, and are to be used for University business purchases only. The University is responsible for the purchases made with the UPCs. Neglect or abuse of UPCs will result in cancellation of the card.
B. Fraudulent use of the card will result in disciplinary action up to and including termination of employment.

C. Completed applications for a UPC must be forwarded to the Office of Contracting & Procurement Department office for approval. Cards can be issued in an individual employee’s name or in the name of the department according to the specific needs of the department. If the card is issued in a department’s name, the department must designate an individual in the department as an “owner” who will be responsible for ensuring the cards are kept secure, all purchases are acceptable and accounted for, and the necessary monthly logs are completed.

In no event will University “GRANTS)” be eligible for UPC program participation.

D. General UPC Controls
   1. Blocking Systems
      a. Blocking schemes have been developed utilizing Merchant Commodity Codes (MCC). These codes are set by the individual vendors based on their goods or services.
      b. UPC cards are currently managed under two different MCC blocking schemes.
         • The Standard scheme allows for specific commodity codes, but does not include travel or entertainment purchases.
         • The Executive scheme allows for an expanded list of allowable codes that includes Travel and Entertainment purchases.
   2. Spend Limits
      UPCs are issued with one of three basic spend limits:
      • Standard $500.00/transaction $2,000.00/month
      • Executive no transaction limit $5,000.00/month
      • Modified Executive no transaction limit $3,000.00/month
      NOTE: The OCP reserves the right to adjust the limits (transaction and monthly) based on the intended use of the UPCs.
   3. Purchase transactions may not be split into multiples to avoid the single transaction limit. Such activity is illegal and constitutes improper use of the card and will be subject to UPC suspension and/or termination.
   4. All departmental budgets must be taken into consideration while using the purchasing card. State and University procurement and budget procedures must also be followed.

E. Specific Purchase Requirements
   Certain purchases require additional approvals including but not limited to receptions and entertainment and travel. See policies regarding these two items at Accounts Payable policies.

F. Prohibited Uses of the UPC
   1. Information Technology (Hardware or Software)
   2. Furniture
   3. Hazardous/Radioactive materials
   4. Personal Charges – even with the intent of reimbursing the University
   5. Payment of Stipends, Honorariums or any contracted professional service
   6. Traveler’s Checks or cash withdrawals from ATM machines
   7. 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.
   8. Any purchases prohibited by University Policies or not related to University business.
      (Review the MCC Blocking Scheme lists on the OCP website for additional prohibited uses)

G. The cardholder or owner (department cards) will secure and retain receipts that provide complete detail to support each purchase charged to the UPC and make an appropriate entry on the UPC transaction log.

H. Each cardholder will receive a monthly billing statement. Upon receipt of the billing statement, the cardholder will compare the billing statement to the receipts and will reconcile the billing statement as evidenced on the log noted above. The Cardholder/owner submits monthly log with the statement and receipts to the OCP.
I. Errors regarding incorrect billing may occasionally occur with the UPC. When errors are found on a statement, it is imperative that the problem be resolved in a timely manner. The University has limited time from the date of the statement to notify the bank of a disputed transaction. Cardholders or owners should try to resolve the issue with the specific vendor as noted on the statement or other documentation available. If the issue cannot be fully resolved, the card administrator in the OCP should be contacted as soon as possible.

VII. RESPONSIBILITIES
   A. Office of Contracting & Procurement
      1. Providing central administration for the UPC Program.
      2. Receiving applications from the departments for new purchasing cards.
      3. Creating and maintaining account information for each card issued.
      4. Closing cards which are lost, stolen, or no longer needed by departments.
      5. Maintaining card inventory.
      6. Maintaining a list of cardholders and card reviewers.
      7. Receiving and reviewing monthly logs.
      8. Review purchases for compliance of University policies and procedures.

   B. Department Card Reviewer
      1. Maintaining control of the UPC issued to the department.
      2. Collecting and reconciling charge receipts with charges on statements.
      3. Reviewing purchases for compliance with University policies.
      4. Documenting and reporting policy violations to the approving officials and the OCP.
      5. Reporting lost or stolen cards to the OCP.
      6. Notifying the OCP and Accounts Payable Department (AP) if leaving the departmental position or if the department transfers the responsibilities of the card reviewer to another employee.

   NOTE: The department is responsible for ensuring that the OCP and AP are notified of any changes to the departmental card reviewer.

   C. Cardholder and Card Reviewer
      1. Understanding and complying with rules for use of the UPC.
      2. Reporting lost or stolen UPCs to the customer service number listed on the card and the Purchasing Card Administrator.

   D. Department Card Approving Official/ Department Director
      1. Reviewing UPC charges monthly.
      2. Providing expenditure authority for card charges by signing the monthly transaction log.
      3. The Dean or Vice President in the Division is responsible for approving applications for departmental UPCs.

   F. Purchasing Card Company
      1. Issuing UPCs.
      2. Receiving reports of lost and stolen cards.
      3. Receiving reports regarding disputed invoices.
      4. Technical assistance.