Corporate Card Program

Procedures Manual

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Welcome to Austin Peay State University's Corporate Card Program

The Corporate Card Procedures Manual (Manual) provides guidance and detailed procedures concerning using the Corporate Card (Card). It supplements the requirements of State of Tennessee purchasing and travel statutes, rules and regulations, and Austin Peay State University (APSU or University) Policies and Rules. This Manual applies to APSU employees when purchasing goods and services or traveling, ensuring fairness and transparency for University purchases.

APSU is pleased to offer the faculty and staff a Corporate Card Program (Program). This Program allows the Cardholder to make purchases of goods and travel services as outlined in these procedures.

The Card is a credit card issued through US Bank. It is available to APSU full-time faculty and staff (temporary employees approved on a case-by-case basis) as approved by their supervisor and fiscal approver. Students and non-employees of the University are not eligible to hold Cards. The Card works like your personal credit card, except the bill is sent to and paid for by the University.

The Card represents the University's trust in you and should be considered a privilege. As a Cardholder, you accept responsibility for protecting and adequately using the Card. You are also responsible for ensuring all your purchasing transactions follow State of Tennessee and Federal laws, including conflict of interest laws and any potential impact your purchase may have on personal financial interests. Determining whether a substantial economic interest exists shall be based upon the criteria identified in the University's Policy 1:001 Conflict of Interest.

Procurement Services is responsible for monitoring the effectiveness of the Program and for user compliance with the procedures for the Program and University Policies and Rules.

The Program allows the Cardholder to place orders up to **$4,999 per single transaction** without the delays or paperwork typically faced when placing orders for these items through the normal University channels. The Card, issued in the Cardholder's name, allows that individual to purchase commodities by telephone, internet, or in-person directly from vendors.

Each time a vendor enters the Cardholder's card number for a purchase, an electronic process verifies that the purchase is within these limits. The vendor approves or declines all transactions based on the verification results—exceptions to the limits granted on a case-by-case basis.

Purchases are charged to the Cardholder's department, and each Cardholder is responsible for reviewing, reconciling, and submitting charges on expense reports in Govs Suite. The Cardholder's approver(s) must review and approve all transactions in Govs Suite. As changes or support are needed, please get in touch with Procurement Services appurchasing@apsu.edu or the Program Administrator Lois Culwell, culwelll@apsu.edu directly.

1. Card Set-up and Maintenance Procedures

1.1 Obtaining a Card

Individual departments designate who is eligible to possess a Card by completing the "Corporate Card Request Form." This form should be completed by the individual requesting a Card and approved by the Cardholder's Approver and/or Supervisor. All prospective Cardholders and Approvers must also complete a mandatory training session before the Card will be released to the Cardholder. The Cardholder then makes an appointment with Procurement Services to pick up the Card. Upon receiving the Card, the Cardholder will sign a "Cardholder Agreement Form" verifying they have read, understand, and accept their responsibility as outlined in APSU Policy 4:023, this Manual, and the training materials.

1.2 Cardholder Account Maintenance

Whenever any of the information contained on a Cardholder's Request Form changes, a "Change in Cardholder Status request must be completed. After the appropriate designee in the department has approved the request, Procurement Services will process the change. For transactions, cycle limits, and other changes, the Program Administrator will notify the Cardholder when modifications have been made.

1.3 Card Security

It is the Cardholder's responsibility to safeguard the Card at all times. The Card must be kept in a secure location and should only be used to process transactions by the respective Cardholder. To prevent exposure to fraud, the full Corporate Card account number should not be recorded electronically or on paper. If the number must be recorded, it should be truncated to the last four digits. Do not save credit card statements or information on equipment not belonging to Austin Peay State University, including personal mobile phones and laptops.

1.4 Card Expiration

The Card will expire at the end of the month shown on the Card. For example, a Card with an expiration date of 06/19 will expire at the end of June 2019. The Cardholder will receive a replacement Card during the first or second week of the month the Card is due to expire. If a replacement Card is not received by the end of the second week, the Cardholder should contact the Program Administrator for assistance. The expired or expiring Card should be turned into Procurement Services before the replacement Card can be picked up by the Cardholder. Only the Cardholder can pick up the Card. The Cardholder must sign when picking up the replacement Card. The Cardholder will be given instructions for activating the new Card.

1.5 Lost or Stolen Card

If a 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 Card is lost, stolen, or damaged ***after*** normal business hours, the Cardholder must notify the bank immediately at 800-344-5696. Fraudulent transactions must be reported to the bank within 30 days of the date of occurrence in order for the University to recover losses. Additional information may be requested directly from the cardholder. Failure to report fraudulent transactions or responding to information requests will result in the loss of University funds, and the Cardholder may be liable to the University for reimbursement of unrecoverable losses. Replacement Cards should not be requested directly from the bank. If an account is closed through direct contact with the bank, the Cardholder should follow up with the Program Administrator on the next business day to request a replacement.

After completing the above notification procedures, the Program Administrator will issue a new Card to the Cardholder. A Card found after it has been reported lost or stolen must be turned into Procurement Services.

1.6 Transfer within the University

Cardholders who transfer from the University to another department must surrender their Card to the Program Administrator and all supporting documentation to their immediate Supervisor and/or Cardholder Approver before leaving the department. A Change in Cardholder Status Form must be completed by the Cardholder and approved by the Cardholder's Approver and/or immediate Supervisor in the new department.

1.7 Separation from the University

Prior to separation from the University, Cardholders must surrender their Card to the Program Administrator before the Cardholder receives clearance from Procurement Services. The Program Administrator will immediately cancel and destroy the Card. If the Card is not surrendered to the Program Administrator and/or there are unreconciled transactions, the responsibility for those transactions falls to the Cardholder's Approver. The Cardholder's Approver should work with the Program Administrator to resolve any outstanding transactions. Any unreconciled or non-reimbursed transactions that may be deemed personal purchases on the Card may be withheld from the final paycheck of the Cardholder.

2. How to Make a Purchase

The Cardholder must ensure they have the appropriate purchase approval before making a purchase with the Card.

2.1 Making the Purchase—Over the Counter

Ensure the supplier accepts the Card type (e.g., Visa, MasterCard, American Express, etc.). Provide the Card for payment. Verify the dollar amount is correct and sign the sales draft. Retain your copy of the sales draft and receipt. If the copy does not provide a description of the item(s) being purchased, this should be written on the sales draft or receipt.

The University is exempt from Tennessee State sales tax. It is the Cardholder's responsibility to ensure that this tax is not charged.

2.2 Making the Purchase—Mail, Telephone, or Internet Orders

If a copy of the exemption certificate is required, please contact the Program Administrator or request a copy via the "Procurement Services GovsTech" ticket system. For online purchases, cardholders may find it impossible to pass sales tax exemption information to the supplier. In this case, Cardholders must follow up immediately with the supplier to ensure that the University receives a tax waiver.

Cardholders should purchase only from websites that start with "https", rather than "http". This is entered on the web "Address" line. When "https" is used, a padlock appears at the bottom of the browser window. This indicates that the website and the user information provided therein are protected by SSL (Secured Sockets Layer).

All goods must be shipped to APSU Shipping and Receiving's address, "681 Summer Street, Clarksville, TN 37040," with an "Attention To…" line noting to whom APSU's Shipping and Receiving Department is to deliver the package.

Cardholders must notify APSU Shipping and Receiving millerm@apsu.edu or phone 931-221-7425 within 1 business day of ordering to expect the shipment and the contents. Remind the supplier that this is a Card purchase and to send a receipt for the purchase to you at your department mailing address or your APSU email. Do not give the physical address or email address of Accounts Payable or Procurement Services.

Regardless of who receives the shipment, the Cardholder is responsible for verifying all documentation (packing slips, mail order form copies, etc.) related to the purchase to ensure that all items were received by the recipient.

2.3 Resolving Disputes with Suppliers

If the Cardholder is charged for an item incorrectly, they should contact the supplier and attempt to resolve the problem. The Cardholder should document all communications on the statement and include dates, the persons involved, and a brief description of the problem. If the Cardholder is unable to resolve the dispute with the supplier, US Bank should be contacted to dispute the charge on the account and engage the Bank's mediation process. The supervisor and Program Administrator must be notified of all disputes filed with the bank. For additional assistance, the Program Administrator should be contacted for guidance.

2.4 Declines

In the event of a transaction decline, the Cardholder may call the Program Administrator directly at 931-221-7032 to obtain the reason for the declination. If the Program Administrator is unavailable, the Cardholder may contact the bank. The bank's customer service number is printed on the back of the Card. Some common reasons for the decline:

- The Vendor or Cardholder has entered the wrong zip code and/or billing or shipping address.
- The Vendor or Cardholder has entered an incorrect expiration date or three (3) digit security code.
- The Card has expired or terminated.
- The Cardholder still needs to activate a newly assigned or renewed Card.
- Purchase is over standard limits encoded on your Card (single or monthly).
- Purchase type is blocked depending on transaction type & policy (i.e., ATMs, Financial Institutions, etc.).
- Out-of-state purchases may automatically decline, or the bank will automatically decline International purchases unless the Cardholder notifies the bank prior to making the purchase.
- The Card is suspected of fraudulent activity.

2.5 Request for Limit Increases

For temporary increases in the Card limits, the Cardholder should submit an email request to their Cardholder Approver for authorization and forward the email to the Program Administrator. This request should include the vendor's name, the transaction amount, the transaction date, and a description of the items ordered. The Cardholder should not request or allow the vendor to split the transaction into

separate transactions to avoid the single transaction limit. The only exception to this rule would be for hotel transactions placed after regular business hours.

For permanent increases, the Cardholder emails the Program Administrator, including a detailed justification for the permanent increase request on the Card limits, and copies the Cardholder's Approver. The Cardholder's Approver should "Reply All" to the email noting their approval or non-approval.

3. Responsibilities

3.1 Cardholder

Using a Card is a privilege granted to the Cardholder by the University, and the University expects the Cardholder to use it responsibly. The University will seek restitution for any inappropriate charges made to the Card. Fraudulent or intentional misuse of the Card will result in revocation, disciplinary action from Human Resources, termination of employment, and/or criminal charges. Your Card must be used responsibly for purchases in the University's best interest.

When utilizing the Card, the Cardholder becomes an authorized purchaser for the University with specific responsibilities for expending University funds as follows:

3.1.1 Protection of Card

Cardholder must protect the security of their card and card number.

Only the authorized cardholder is allowed to use the card. Sharing the card with other employees is prohibited.

Store the Card in a secure location accessible only to the Cardholder (i.e. not posted at a public desk or any other location; personal wallets or purses are not recommended.

Cardholder must notify Program Administrator and Card Issuer immediately by calling 931-221-7032 and 800-344-5696 when card is lost or stolen. Cardholder must confirm notification in writing to their approver.

3.1.2 Limitations on Suppliers

Cardholder must NEVER make purchases where Cardholder or Cardholder's relatives have a financial interest. See University Policy 1:001 Conflict of Interest for more information.

Cardholder must not accept any gift or gratuity from any source when it is offered, or appears to be offered, to influence your decision-making regarding Card purchases.

3.1.3 Limitations on What Can Be Purchased

Cardholder accepts responsibility to ensure that only items allowed for purchase with the Card are procured. Refer to section "4. Allowable Purchases & Restrictions" of this Manual.

3.1.4 Receipts/Reconciling

The Cardholder is responsible for obtaining receipts, packing slips, or other documentation to upload to Govs Suite. The original receipts or legible, complete electronic records must be kept for permanent audit documentation of purchase by the Cardholder. Documentation would be the actual **itemized** sales receipt for purchases made over the counter and for meals (see Business Meal Policy). For other purchases, the Cardholder should request that a receipt be included in the delivery package and/or copy the catalog page or computer screen information indicating items purchased and price. received upon delivery.

The Cardholder must submit transactions with the appropriate cost redistributions and ensure the appropriate charge accounts are applied to each transaction in accordance with department procedures.

3.1.4.1 Govs Suite

Cardholders must upload original itemized receipts to Govs Suite for each transaction **within ten (10) business days of the transaction posting to the cardholder's "My Expenses" in Govs Suite**. Failure to comply with this policy will result in suspension of card privileges until that is completed. Repeated occurrences of card suspension may be cause for permanent card cancellation. Please feel free to contact your Program Administrator at 931-221-7032 with any questions about what constitutes an allowable charge or acceptable support documentation. It is the cardholder's responsibility to obtain purchase documentation from the merchant (sales receipts, invoices, etc.) to support all purchases made with the Card and document the business purpose for the expenditures in Govs Suite.

Transactions must be verified by the Cardholder and then submitted on an expense report for approval within ten (10) business days. The Approver could be the fiscal authority, principal investigator, and appropriate supervisory individual. If the Cardholder is the fiscal approval, the next level of authority must approve the transactions. Approval by supervisors is needed as assurance to the University that all charges of the Cardholder are appropriate and correct. Failure to obtain proper approval may result in losing the Cardholder's Card privileges. **Expense transactions must be reviewed and approved within three (3) business days of notification in the expense management system.**

Electronic/Original Receipts must be kept in the department for five (5) fiscal years by the Cardholder and/or Department Head. The electronic copies must be legible, and all items purchased must be viewable. These are official APSU records, which may only be disposed of in accordance with APSU Policies and Procedures.

3.1.4.2 Record Retention

Departments/Divisions must comply with the record retention requirements for support documentation as set forth in APSU Policy 4:017 Records Retention and Disposal of Records. All Departments/Divisions will maintain records of each Card transaction and the supporting documentation in an auditable state as outlined in the policy. The length of this retention period is attributable to the fact that Departments/Divisions are the sole source of support, meaning they hold the only copy on campus. All records pertinent to a federal grant or award must be retained until three years (3) after the date required by the grant or award.

3.1.5 Tax Exemption & Liability

APSU is a State of Tennessee tax-exempt organization. Cardholders must provide the tax-exempt number to all vendors at the time of any transaction to exempt state sales tax. Purchases made by the University outside of Tennessee may not be exempt from another state's sales and use tax.

Procurement Services can supply additional copies of the tax exemption form. Requests can be made by calling the Program Administrator or submitting a Procurement Services GovsTech ticket.

3.1.6 Merchandise Credit/Exchange

The Cardholder is responsible for contacting the merchant when merchandise purchased with the 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 the Card 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.

3.2 Approver Responsibilities

All Cardholders must have a designated Approver. The Approver is the individual who supervises the Cardholder or has been delegated the fiscal authority to certify that the cardholder's purchases are appropriate. Expense transactions must be reviewed and approved within three (3) business days of notification in the expense management system. The Card Approver is responsible for the review and approval of all designated Cardholder transactions. Note: If the transaction has more than one (1) approver, each approver will have three (3) business days to approve the transaction.

The Approver:

a. must attend training for Cardholder and Approver training;
b. may have fiscal authority for the default charge account being used;
c. is responsible for facilitating the reconciliation and approval process;
d. **must ensure that there is supporting documentation for each transaction (including original documentation for evidence of receipt of goods, credits, and records of disputed transactions). The documentation should adequately support the charges;**
e. must ensure if personal charges appear in Govs Suite, that the cardholder immediately reimburses the University and a copy of the approved memo explaining how/why the transaction occurred and how it will be prevented in the future is attached to the transaction in Govs Suite along with the receipt where transaction was reimbursed to the University;
f. ensure the business nature of the transaction is documented and appropriate;
g. is ultimately responsible for tracking Cardholder purchases and providing supporting backup documentation to auditors upon request; and
h. will advise Program Administrator to cancel a Card if the Cardholder leaves the department or University.

4. Allowable Purchases & Restrictions

4.1 Allowable Purchases

This list may not be all-inclusive. When in doubt, contact the Program Administrator.

- Advance registration fees for a workshop, seminar, training, convention, or conference an employee is authorized to attend.
- Ads services (with appropriate approval)
- Travel Related Purchases
- Entrance Fees (for Sporting Events/Tournaments)
- Food and Beverage in accordance with APSU Policy 4:010 Business Meals and Recognition Events
- Customized items with or without logo (with appropriate approvals)
- Gifts in accordance with the APSU Policy 4:010 Business Meals and Recognition Events
- Items from the Ann Ross Book Store
- Lab supplies
- University Memberships
- Individual Memberships (with appropriate approval)
- Postage
- Reprints and Submission Fees
- Supplies
- Services (Limited. Dependent upon a valid and documented business need. Transactions should be discussed with Procurement Services prior to purchasing. Appropriate business need examples include dry cleaning for costumes, tablecloths, oil changes for university vehicles, etc.).
- Shipping

4.2 Card Restrictions

4.2.1 Red Flag Items

Entertainment tickets (i.e., concerts, baseball, hockey, bowling, football, movies, etc.) should only be purchased with a Card when a valid business reason can be documented.

4.2.2 Excluded Items

The following ***may not*** be purchased with the Card.

This list may not be all-inclusive. When in doubt, contact the Program Administrator.

- Alcoholic Beverages
- Animals, Live
- Capital Equipment

- Cash Advances
- Cell Phones & Pagers
- Computers
- Software/Hardware – additional approvals are required
- Contracting
- Construction/Renovation services/labor
- Controlled Substances
- Software Subscriptions
- Gift Cards/Certificates
- eBay Purchases
- Fans, heaters, air conditioners
- Firearms or ammunition
- Furniture (exceptions with additional approval)
- Hazardous Substances/Materials (i.e., Gasoline, fuel, explosives, etc.)
- Lease, Rental or Demonstration of Equipment
- Medical Supplies
- Medications
- Moving, Storage, Rigging or Transportation Service
- Prepaid Gas Purchase
- Printing or Other Related Services – Pursuant to APSU Policy 7:001, Publications and Promotional Materials, all publications must be printed through APSU Printing Services unless an approved exception is granted. See the policy for additional requirements and exception procedures.
    - Logo Items and Branded Merchandise – Any item displaying the APSU name, logo, seal, trademarks, or other institutional branding must receive prior approval from the Office of Public Relations and Marketing. Purchases of logo-bearing merchandise, apparel, promotional products, and similar items must be made through an APSU-approved licensed vendor.
- Purchases from individuals
- Office Supplies
- Radioactive Isotopes
- Services (i.e. phone, television, utilities, employment, and other professional services)
- ***Split orders to avoid bid thresholds***
- Textbooks that are available with our contracted bookstore

4.3 Additional Restrictions and Notes

4.3.1 **Authorized Use**

4.3.2 **Only the Cardholder whose name is printed on the Card is authorized to use the card and is responsible for ensuring that all charges made with the Card are following this Manual and APSU Policies and Guidelines.**

4.3.3 Terms and Conditions

Goods and services with electronic terms and conditions may not be purchased with the Card. Exceptions are goods and services for which the University has an agreement in place, and as described in the following paragraphs regarding online, low-risk purchases. Questions may be directed to Procurement Services and/or Contract Services.

4.3.3.1 Goods and Services may be purchased online with terms and conditions (example: "I agree", "Click to Agree" etc.) with Cards under the following low-risk circumstances. ***(Note that all criteria must be met.)***

- The total cost of the good or service is $4,999.99 or less.
- The purchaser is not aware of any claims for intellectual property infringement against the seller.
- There is no risk to human life or safety by using the good or service.
- There is no risk of property damage by using the good or service.
- The use of the good or service does not involve processing, storing, or compiling confidential information (defined as information proprietary to the university or a third party or information that is held confidential for one of many reasons including contract provisions, federal regulations such as PPI, HIPAA or FERPA, Social Security Numbers, trade secrets, or research data, etc.).
- To the best of the purchaser's knowledge and belief, the use of the good or service is not covered by US Export Control regulations.

For software purchase, no matter the cost, even if zero, will need to be approved via Govs Suite by using the "Software/Subscription/Hardware Form" found in "Self-Service Procurement" "Requisition Forms" Please contact Contract Services for further information 7022.

- For purchases involving Software or Software as a Service (SaaS), the instructions on the "Software/Hardware Purchase and Renewal Form" must be followed and submitted for approval before the purchase can be placed on the card. Please use 74481 account code. For downloaded software to a computer, please use 74430.
- For services, use of off-campus facilities, professional services, or any instance where a signed contract is required, please use the "Contract Request Form."

If any of these criteria are not met, the good or service may not be procured via the Card. In such circumstances, the contract must be routed through the University's contract management system and procured by use of a Purchase Order/Agreement.

4.3.4 Reimbursement Avoidance

A benefit to the University and its employees of having the Card Program is eliminating the burden of employees requiring reimbursements and processing those reimbursements by the University. Should a Cardholder habitually, or in excess of normal need, incur expenses on behalf of the University that require reimbursement, the Card may be revoked or suspended by the University. Additionally, advance approval of all potential reimbursement expenses will be required for this employee for all purchases in excess of $100. Greater than $100 will require immediate supervisor approval, up to

$1,000. The respective Vice President of the area must approve purchases greater than $1,000 and up to $5,000. The Vice President of Finance & Administration must approve purchases greater than $5,000 and up to $25,000. The President must approve purchases greater than $25,000. The University may designate an employee ineligible for reimbursement at any time for any reason. Violations or the preapproval of reimbursement requests before purchasing may result in disciplinary action, up to termination, for the employee.

4.3.4 Tennessee State Sales Tax

TN Sales tax paid for any transaction will require reimbursement by 1 of the following:

1. By retailer.
2. Cardholder pays the tax amount at cashier's window (must provide the FOAP).
3. Approval by FOAP organization ownership to pay the tax.

5. Misuse of the Card

Misuse of the Card may result in card suspension/termination, progressive disciplinary action, termination of employment, and/or criminal charges.

5.1 Abuse/Negligence Violations

Examples of abuse, misuse, and negligence include:

- Buying products from a source other than the University's contracted vendor(s) such as Staples (unless a lower price is documented) in Govs e-Shop.
- Intentionally splitting a purchase to circumvent transaction limits.
- Lack of proper and timely reconciliation of the individual cardholder's account.
- Failing to maintain receipts and other documentation or obtain approvals.
- Failure to respond to requests for more information on transactions from supervisors, any University official, Human Resources, Procurement Services, and/or Internal Audit.
- Excessive use of the Lost Receipt/Invoice Affidavit.
- Other breaches of APSU Policy, Rules, and Procedures as specified in this Manual.
- Approvers not adequately verifying information and approving inaccurate or falsified reconciliation statements and transactions.

5.2 Fraudulent Use of the Purchasing Card

- Use of the card for personal or non-university purchases for the sole personal benefit of the employee.
- Assignment or transfer of an individual's card to another person.
- Creating a copy of the Card for another person to use
- Purchase of restricted goods/services.
- Travel expenses on the card that are requested to be reimbursed on a travel claim.

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

Personal purchases may not be made with the Card, even if the Cardholder's intent is to reimburse the University. Personal purchases with the Card may subject the Cardholder to

disciplinary action up to and including possible card cancellation, progressive discipline, termination of employment at the University, and filing of criminal charges.

6. Review of Cardholder Transactions

6.1 Audit of Transactions

Transactions incurred by the cardholder are reviewed by Procurement Services and Accounts Payables as they are processed through the approval workflow. Questionable transactions are especially scrutinized for compliance with APSU Policies, Rules, and Procedures. Transactions and corresponding expense reports may be returned to the employee for further action and correction. ***Compliance issues may be subject to review by Internal Audit.***

6.2 Questionable Transactions

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

The Cardholder will be given an amount of time determined by the Program Administrator, provided in the notes in the expense report ,to resolve any areas of non-compliance and send Procurement Services copies of any corrections.

Depending on the results of the audit, there are several possible actions that may result.

7. Program Violations and Consequences

Individual Cardholder and/or Department Card privileges may be revoked and/or face other disciplinary actions for violations. The list of consequences below is subject to the severity of occurrence and may skip levels at the discretion of Procurement Services.

These consequences are only for Procurement Services, and violations may result in simultaneous disciplinary review from Human Resources and Cardholder's supervisors.

a. Cardholder Violation and Consequences

i. Violation

- Failure to properly review and submit transactions within Govs Suite.
- Failure to properly upload supporting documentation to Govs Suite (i.e. itemized receipts, order confirmations, packing slips, etc.).
- Failure to comply with Card program procedures defined in this manual.
- Excessive instances of lost receipts/invoices.
- Purchasing of restricted/excluded items.
- Failure to properly document transaction business purpose.

Consequences

- **1st Occurrence**: A written warning to the Cardholder and their Approver detailing what program policy has been violated and the corrective steps needed to remain compliant with the program.

- **2nd Occurrence**: Same as 1st occurrence along with mandatory training, also receiving written notification of continued program infractions. Card limit will be reduced to $1.00 until training is completed by Cardholder and Approver. Cardholder's Approver must also approve the pending corrected infractions before the Cardholder's purchase power will be reinstated. All parties will receive a reminder that a 3rd violation will result in the immediate suspension of cardholder rights. Card Approver, Department Head/Chair, Dean/Director, and Vice President will be notified.
- **3rd Occurrence**: The cardholder will be immediately notified that their card privileges have been revoked. The Card Approver, Department Head/Chair, Dean/Director, and Vice President will be notified to begin reviewing the need for progressive discipline. A subsequent Card will only be issued to the Cardholder with the preapproval of the Vice President of Finance and Administration.

ii. Violation

- Cardholder receiving cash or check issued to Cardholder to resolve a credit or return.
- Using the card for personal use.
- Fraudulent use of card.
- Splitting of orders to circumvent transaction limits.
- ***Use of a procurement card by anyone other than the authorized cardholder is prohibited. However, in rare emergency, unforeseen, or other extenuating circumstances where the cardholder is unavailable, an immediate business need exists, and no reasonable alternative payment method is available, a supervisor may authorize an administrative assistant to make a purchase on the supervisor's behalf. The reason for the exception must be documented and retained with the transaction records***

Consequences

1st Occurrence: Immediate written notification of suspension of Cardholder privileges. Card Approver, Department Head/Chair, Dean/Director, Internal Audit, respective Vice President, and Vice President of Finance and Administration will be notified. Referral to Human Resources for possible disciplinary action up to termination and/or possible criminal prosecution.

Cardholder will be held personally liable for any personal or fraudulent charges and shall be required to reimburse the University.

b. Card Approver Violation and Consequences

i. Violations

- Failure to review and approve Cardholder's transactions in Govs Suite
- Failure to properly report transactions with employee tax reporting liability

- Failure to properly retain transaction documentation (i.e. receipts, order confirmations, packing slips, statements, etc.) of all cardholders including those changing departments, leaving the University or being terminated.
- Not adequately verifying information and approving inaccurate or falsified reconciliation statements and transactions.
- Failure to timely approve transactions may result in escalating administrative action as outlined below.

Consequences

1st Occurrence: Written warning to Card Approver detailing what program policy has been violated.

2nd Occurrence: Written warning to Card Approver and Card Approver's Department Head/Chair detailing what program policy has been violated and the corrective steps needed to remain compliant with the program. All parties will receive a reminder that a 3rd violation will result in the immediate suspension of Cardholder and Approver privileges. Other appropriate University officials will be copied on 2nd written warning.

3rd Occurrence: Card Approver will immediately be notified that their approval rights have been revoked and all Cards under the Approver will be suspended until transferred to a new Approver. Human resources will be notified of the need for consideration of progressive discipline. Card Approver/Department Head/Chair, Dean/Director, respective Vice President, and Vice President of Finance and Administration will be notified. Future approval authority of any Card will only be issued to the Approver with the preapproval of the Vice President of Finance and Administration.

8. Additional Resources

Program Contract

Program Administrator 931-221-7032 email culwelll@apsu.edu
US Bank Cardmember Service 800-344-5696
Program Website and Forms located at
https://www.apsu.edu/procurement/employees/corporate-cards.php
Procurement Services GovsTech

Policies, Rules, and Procedures

APSU Policies and Rules