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NORTHERN ILLINOIS UNIVERSITY

PROCUREMENT CARD

POLICIES AND PROCEDURES MANUAL

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Contact Names

Northern Illinois University Procurement Card Administrators: Procurement Services
Enrollment, reporting, P-Card questions, etc.

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Al Mueller, Director
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Becky May, Manager
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Steve Cunningham
State Procurement Officer &
Associate Vice President,
Administration and Human Resources

Bank of America

Cardholder complaints, receipt of payment, disputes, and lost or stolen cards:
Customer Call Center (7x24x365) Phone: 1-888-449-2273

Cardholder Statement of Disputed Item form--fax completed form to:
Commercial Card Services Fax: 1-888-678-6046

Also, the Cardholder should click the Dispute Button online under Works Payment Manager to flag any disputes.

This manual is intended to provide guidance on the proper use of the Northern Illinois University Procurement Card.

NORTHERN ILLINOIS UNIVERSITY PROCUREMENT CARD PROGRAM

The Northern Illinois University Procurement Card (P-Card) is intended for single purchase transactions of less than \$5,000.00 and an overall monthly spend not to exceed \$10,000.00. The use of this card supplements and may replace some open purchase orders and some check requests. Total responsibility and accountability for the card resides at the department level and with the individual cardholder. The attached procedures provide assistance in the successful management of the P-Card program.

Misuse or fraudulent use of the card WILL lead to disciplinary action and may result in termination of employment and possible prosecution.

The Cardholder is responsible for and accountable to the University for all charges made with the P-Card. The Cardholder may not make personal purchases on the P-Card.

Before making any purchase on your P-Card ask yourself whether this purchase is for business purposes only, and would an outsider (auditor) consider the expenditure a reasonable and necessary expense for University business. Make sure that the purchase does not appear to, nor actually, provide any personal benefit to any employee without there being a valid business benefit to the University.

The Cardholder should protect the card at all times and should not allow others to use the card or the card number. The card should be kept separate from the Cardholder's personal credit card(s). The P-Card is a corporate charge card and will not affect your personal credit. It is your responsibility to ensure that the card is used within stated guidelines of this manual. Failure to comply with program guidelines may result in permanent revocation of the card and notification of the event to management. Use of the P-Card may be suspended at any time for any reason as determined by the P-Card administrator. The administrator's decision is considered final and is not subject to appeal. If it is in the best interest of the university, a card may have limits reduced or be suspended permanently. The use of the P-Card is considered a privilege, and department personnel are not required to make use of the program.

Examples of P-Card program violations that will result in a review of Cardholder privileges include, but are not limited to:

- Making unallowable purchases
- Submitting incomplete or unacceptable documentation
- Submitting documentation after the designated due date
- Failure to support a purchase with a valid business purpose

Definition of Roles and Other Terms

Program Administrator - The Administrator(s) located in Northern Illinois University Procurement Services who coordinates the P-Card program for the University and acts as the University's intermediary in correspondence with the card issuer (Bank of America).

Cardholder – A status employee of the University who is approved by his/her Department Head to use the P-Card to execute purchase transactions on behalf of the University. Graduate Assistants, Student Workers, Extra-Help, Affiliate Faculty and Independent Contactors are not permitted.

Department Head and Vice President/Designee - University officials who must approve employee's request for a P-Card, assign Departmental P-Card Liaison, designate default accounting code for purchases on the P-Card, and submit application to the P-Card Administrator. Department Head approval delegates transaction authority to the Cardholder.

Departmental P-Card Liaison - An employee in each department designated by the Department Head to be responsible for reviewing transactions of individual Cardholders to make sure the transactions are legitimate business expenses and are classified appropriately. This person may also be a Cardholder (but may not approve and review his/her own transactions).

Departmental P-Card Liaison Backup – A designated person who assumes the role of the Liaison. This person may also be a Cardholder (but may not sign off or review his/her own transactions) and should be trained in reconciliation procedures in the event the Liaison is unable to complete his/her duties.

Stringing – Splitting of a transaction or stringing purchases is the practice of processing multiple transactions with a vendor in order to avoid the transaction limit.

Vendor - The merchant from whom a Cardholder is making a purchase.

PROCEDURES FOR P-CARD PROGRAM

1. ISSUANCE OF CARD

- A. A Departmental P-Card Liaison and the Cardholder must be determined and both must attend a training session before a P-Card will be issued to anyone in the department. Contact a P-Card administrator to register for a training session. You may send an email to P-Card@niu.edu to request a session.
- B. A P-Card Cardholder Application Form (Attachment A) and the Northern Illinois University P-Card Authorization/Agreement (Attachment B) must be completed, signed, approved and returned to Procurement Services before the P-Card will be ordered.
- C. The Departmental P-Card Liaison and Cardholder must have on-line access to the Internet in order to review and/or approve monthly Cardholder transactions.
- D. Each P-Card is identified to a departmental "default" University cost center that will be used to charge all expenses to unless directed otherwise by the department's authorized card transaction approver in the reconciliation process.
- E. The Cardholder must be a status Northern Illinois University faculty or staff member.
- F. The P-Card is to be used only by the named Cardholder and is not to be loaned to another person or employee.
- G. The P-Card must be picked up and signed for by the Cardholder. You must be able to prove your identity when picking up your P-Card from a Card Administrator in Procurement Services, Lowden Hall Room 107.
- H. Whenever a Program Administrator gives a new or replacement card to a cardholder, it must be activated by calling Bank of America's toll-free, 24/7 Customer Call Center number and entering a pre-set activation code. This procedure ensures that only the correct cardholder is in possession of the card and reduces potential liability.

2. USE OF CARD

A. Limitations

- (1) Cardholder Account Form Established Limits:
 - a. Single Purchase Limit shall not exceed \$5,000.00 per transaction, including all shipping, handling, freight, etc.
 - b. Overall Monthly Spending Limit shall not exceed \$10,000.00, per each Cardholder, including all shipping, handling, freight, etc.
- (2) The Cardholder may NOT make personal purchases on the card regardless of whether they intend to reimburse the University.

- (3) Making successive purchases (“stringing of transactions”) to circumvent the Single Purchase Limit established on the Cardholder Account form is not permitted. An example of stringing is if a Cardholder wants to purchase items totaling \$8,000.00 at one time from a vendor. The Cardholder knows that the single dollar limit per transaction is \$5,000.00. Some items are then bought on one transaction and the other items are bought on a second transaction, thus avoiding the transaction limit.
- (4) The P-Card is not to be used by the Cardholder to modify, or pay for any Purchase Order.
- (5) Transactions with vendors or individuals where a conflict of interest may exist are strictly prohibited. Certain items may never be purchased with a P-Card. Other items may be purchased but only after receiving the appropriate internal authorization; see **Section 2-G, Prohibited Purchases and Restricted Purchases**.
- (6) Avoid accepting gratuities of any kind, whether merchandise, points/point programs, cash, or services for making purchases.
- (7) Any product rebates received are the property of NIU and the department’s cost center.
- (8) When using the card, the Cardholder agrees to a) avoid purchasing unnecessary items; b) perform a price/cost analysis; and c) avoid purchasing from parties debarred, suspended, or otherwise excluded by federal agencies from being awarded a contract.
- (9) Non-use of the card for one year may result in withdrawal of the card by Procurement Services.
- (10) The misuse or fraudulent use of the card may result in **termination of employment and possible prosecution**. Periodic reviews for proper card use may be conducted by Procurement Services and internal and external auditors.

B. Vendor Selection

Cardholders are encouraged to utilize existing contracts under the Illinois Procurement Higher Education Cooperative (IPHEC). Cardholder may buy from these sources knowing that these companies have been selected following a rigorous screening process. Typically these firms offer the some of the most competitive pricing terms and discounts may be substantial depending on the items to be purchased.

Cardholders are also encouraged to make purchases utilizing firms certified under the State of Illinois Business Enterprise Program (BEP). A purchase with a qualifying company allows NIU to report progress in meeting established goals to utilize small

firms that are owned, operated and controlled by a woman, a minority, or a person with a disability.

More information about both of these programs is available from the NIU Procurement Services website, or you may contact us by phone.

Cardholders are discouraged from the indiscriminate use of web sites as a way to initiate purchases until it is verified that the vendor is stable, reliable and provides a minimum level of customer service necessary to resolve a problem.

Cardholders are encouraged to utilize NIU Central Stores.

Cardholders are not permitted to purchase items at auction (e.g. eBay).

C. Purchasing with the P-Card

(1) Purchase in Person

- a. Follow proper internal procedures specific to your department to obtain authorization to make the purchase.
- b. Determine whether the P-Card is the most appropriate tool to use for this purchase. Check the list of prohibited charges; see Section 2-G, Prohibited Purchases and Restricted Purchases.
- c. Be sure that the total amount, including all shipping, handling, freight, etc. will not exceed your card's single transaction limit (\$5,000.00).
- d. Determine that the price quoted is the best price available from the vendor.
- e. Goods must be immediately available at time of purchase.
- f. Emphasize that no sales tax is charged. (If tax is charged, you must seek credit.)
- g. Obtain a **receipt** at the time of purchase. **RECEIPTS ARE REQUIRED FOR ALL PURCHASES.**
- h. Follow your department's instructions regarding recording the purchase. Log the transaction on the P-Card Transaction Control Log and attach receipt and supporting documentation.
- i. After making a purchase, retain all boxes, containers, special packing slips, etc., until you are certain you are going to keep the goods. The Cardholder is responsible for inspecting the goods at time of purchase.

(2) Purchase by Phone, Fax, or Mail

(2.1) Phone

- a. Follow proper internal procedures specific to your department to obtain authorization to make the purchase.
- b. Determine whether the P-Card is the most appropriate tool to use for this purchase. Check the list of prohibited charges; see Section 2-G, Prohibited Purchases and Restricted Purchases.
- c. Be sure that the total amount, including all shipping, handling, freight, etc. will not exceed your card's single transaction limit (\$5,000.00).
- d. Determine that the price quoted is the best price available from the vendor.
- e. When you call, state that you are calling from Northern Illinois University and that you will be making your purchase with a Visa Card.
- f. **Record the name of the person taking the order**, (first and last name) place the order, give the vendor your P-Card number and expiration date, and your name as it appears on the card.
- g. Emphasize that no sales tax is charged. (If tax is charged, you must seek credit.)
- h. Request the vendor to indicate P-Card on their shipping label, packing slip, or receipt in place of where they would normally put a Purchase Order Number.
- i. If the vendor requests the card/billing street address, provide the following information exactly as recorded on the card information page received with your card.

Your Department Name
Your Building and Room Number
DeKalb IL 60115

- j. Give the vendor a shipping address as follows:
Attn: Your Name – P-Card
Your Department Name
Northern Illinois University (or satellite campus address)
Central Receiving, DB
180 W. Stadium Drive
DeKalb IL 60115-2854

Note: Delivery of any goods to your personal address is strictly prohibited.

- j. Request that a **receipt** and/or packing slip be sent with the purchase. Retain this with your record of the purchase.
- k. Follow your department's instructions regarding recording the purchase. Log the transaction on the P-Card Transaction Control Log and attach receipt and supporting documentation.
- l. After making a purchase, retain all boxes, containers, special packing slips, etc., until you are certain you are going to keep the goods. The Cardholder is responsible for inspecting the goods when they are received.

(2.2) Fax

- a. Follow proper internal procedures specific to your department to obtain authorization to make the purchase.
- b. Determine whether the P-Card is the most appropriate tool to use for this purchase. Check the list of prohibited charges; see Section 2-G, Prohibited Purchases and Restricted Purchases.
- c. Be sure that the total amount, including all shipping, handling, freight, etc. will not exceed your card's single transaction limit (\$5,000.00).
- d. Determine that the price quoted is the best price available from the vendor.
- e. Prepare an appropriate fax cover sheet.
- f. Indicate the Tax Exempt Number on the P-Card Fax cover Sheet. (If tax is charged, you must seek credit.)
- g. Request the vendor to indicate P-Card on their shipping label, packing slip, or receipt in place of where they would normally put a Purchase Order Number.
- h. Give the vendor a shipping address as follows:
 - Attn: Your Name – P-Card
 - Your Department Name
 - Northern Illinois University (or satellite campus address)
 - Central Receiving, DB
 - 180 W. Stadium Drive
 - DeKalb IL 60115-2854

Note: Delivery of any goods to your personal address is strictly prohibited.

- j. Retain a copy of the order form and, if available, a fax confirmation. Request that a **receipt** be sent to you.

- k. If the vendor requires that the original hard copy of the order form be mailed, be sure to clearly mark it **Confirming Order – Do Not Duplicate**.
- l. Follow your department's instructions regarding recording the purchase. Log the transaction on the P-Card Transaction Control Log and attach receipt and supporting documentation.
- m. After making a purchase, retain all boxes, containers, special packing slips, etc., until you are certain you are going to keep the goods. The Cardholder is responsible for inspecting the goods when they are received.

(2.3) Mail

- a. Follow proper internal procedures specific to your department to obtain authorization to make the purchase.
- b. Determine whether the P-Card is the most appropriate tool to use for this purchase. Check the list of prohibited charges; see Section 2-G, Prohibited Purchases and Restricted Purchases.
- c. Be sure that the total amount, including all shipping, handling, freight, etc. will not exceed your card's single transaction limit (\$5,000.00).
- d. Determine that the price quoted is the best price available from the vendor.
- e. Indicate the Tax Exempt Number on the order form. (If tax is charged, you must seek credit.)
- f. Request the vendor to indicate P-Card on their shipping label, packing slip, or receipt in place of where they would normally put a Purchase Order Number.
- g. Give the vendor a shipping address as follows:
 - Attn: Your Name – P-Card
 - Your Department Name
 - Northern Illinois University (or satellite campus address)
 - Central Receiving, DB
 - 180 W. Stadium Drive
 - DeKalb IL 60115-2854

Note: Delivery of any goods to your personal address is strictly prohibited.

- h. Retain a copy of the order form and the address it was mailed to, and request that a **receipt** be sent to you for your records.

- i. Follow your department's instructions regarding recording the purchase. Log the transaction on the P-Card Transaction Control Log and attach receipt and supporting documentation.
- j. After making a purchase, retain all boxes, containers, special packing slips, etc., until you are certain you are going to keep the goods. The Cardholder is responsible for inspecting the goods when they are received.

(2.4) Purchase via the Internet (www)

- a. Follow proper internal procedures specific to your department to obtain authorization to make the purchase.
- b. Determine whether the P-Card is the most appropriate tool to use for this purchase. Check the list of prohibited charges; see Section 2-G, Prohibited Purchases and Restricted Purchases.
- c. Avoid using any website that is unknown, unreliable, insecure or lacks adequate customer service to resolve any issue that may arise as a result of the purchase.
- d. Be sure that the total amount, including all shipping, handling, freight, etc. will not exceed your card's single transaction limit (\$5,000.00).
- e. Determine that the price quoted is the best price available from the vendor.
- f. Indicate the Tax Exempt Number on the online order form if provided by the website. Some websites will display tax to be charged. (If tax is charged, you must seek credit.) It may be best to contact the vendor before placing the order to resolve a tax issue.
- g. If the vendor requires the card/billing street address, provide the following information recorded on the card information page received with your card.:

Your Department Name
Your Building and Room Number
DeKalb IL 60115

- h. Provide a shipping address as follows:
Attn: Your Name – P-Card
Your Department Name
Northern Illinois University (or satellite campus address)
Central Receiving, DB
180 W. Stadium Drive
DeKalb IL 60115-2854

Note: Delivery of any goods to your personal address is strictly prohibited.

- i. Print copies of web screens showing products, pricing, completed order forms, etc.
- j. Follow your department's instructions regarding recording the purchase. Log the transaction on the P-Card Transaction Control Log and attach receipt and supporting documentation.
- k. After making a purchase, retain all boxes, containers, special packing slips, etc., until you are certain you are going to keep the goods. The Cardholder is responsible for inspecting the goods when they are received.

D. How It Works

- (1) Card holder makes an authorized business-related purchase by charging it on their NIU P-Card. The Cardholder's single transaction limit is \$5,000.00 and the monthly spending limit is \$10,000.00.
- (2) Cardholder logs the transaction on the P-Card Transaction Control Log and attaches all receipts and supporting documentation.
- (3) The vendor processes the transaction through the VISA Merchant System for payment.
- (4) Cardholder is notified of transactions by email or by periodic review using Works Payment Manager at web site: <https://payment2.works.com>.
- (5) Departmental P-Card Liaison or Cardholder reviews the Cardholder's transactions on Works Payment Manager. In the absence of the Departmental P-Card Liaison, the approved Departmental P-Card Liaison Backup assumes responsibility. Each charge must be reallocated to the appropriate University cost center and account number by the Cardholder or Liaison.
- (6) The transaction log signed by Cardholder and Liaison, receipts and supporting documentation, and the printed Memo Statements from the Works Payment Manager are filed within the department. The Departmental P-Card Liaison is responsible for ensuring the receipts and P-Card Transaction Control Log are reconciled to the Billing Cycle Memo Statement in Reports from the online forms in WORKS. If certain equipment is purchased, an equipment form must be filed with the Accounting Office, Plant Accountant.
- (7) Northern Illinois University pays the Bank of America per billing cycle.

E. Erroneous Declines

There may be certain situations when a vendor receives a decline message when processing your P-Card transaction. If you do not know the reason for the decline, contact Bank of America at 1-888-449-2273 for an explanation. If the decline was in error, the Cardholder should immediately contact the Program Administrator for assistance. If purchase is being made outside of normal business hours, the employee must find an alternate payment method or terminate the purchase and contact the Program Administrator during normal hours.

The Program Administrator can override a one-time authorization by telephone. The Cardholder calls the Program Administrator to override a decline. The Program Administrator calls Bank of America to authorize the override. The Program Administrator needs to know the vendor and the dollar amount involved in the transaction. The vendor needs to call the toll free number on the back of the P-Card to get a verbal okay for the one-time override.

Examples of declines:

1. The merchant code category is not allowed by the University.
2. The purchase will exceed the card limit, or monthly transaction limit.
3. You have angered the NIU P-Card team.

F. Allowable Purchases on a P-Card

The following are examples of allowable purchases:

Airfare to a conference
Conference registration
Equipment
Membership/dues
Office furniture (under \$500)
Office supplies
Online purchases
Limousine
Reference materials
Software

If in doubt, contact Procurement Services in advance to ensure a contemplated purchase is allowable. The above list is not comprehensive. Please remember that a valid business purpose must exist for the purchase. A purchase that requires a two-party contract is not allowed.

G. Prohibited Purchases and Restricted Purchases

Prohibited Purchases

Alcoholic beverages
Backordered items
Biological or bacteriological viruses (live)
Carpeting and draperies
Cash advances, money orders, traveler's checks, debit cards
Capital Development Board (CDB) purchases

Charter bus and charter air
Chemicals – essential (See Restricted Purchases for allowable)
Coin-Operated devices
Conflicts of Interest (personal, family, friends or business interest)
Consultants
Contractual purchases – (leases, rentals, contracts, service agreements)
Controlled and prescription drugs
Construction/renovation
Donations
Employee moving or relocation expenses
Entertainment
Fines, late fees or penalties
Furniture (\$500 or over)
Gas and fuels, bulk (automotive, aviation)
Gift cards
I-PASS transponders
Parking permits
Postage meters & postage (rental or purchases)
Personal items
Radioactive materials
Recombinant deoxyribonucleic acid (RDNA)
Services (on-site labor) of any type
(Services that would NOT be ok are those involving labor, including installation charges, indemnity, and/or insurance requirements, multiple payments, or signed agreements/contracts. Examples: tent rental, catering, on-site repairs or installations. Services that would be ok are those which would not require a contract. Example: A minor repair of equipment performed offsite by a dealer or manufacturer.)
Trade-in of equipment in inventory
Travel expenses – lodging, restaurants, entertainment
Vehicle purchases and rentals
Weapons, ammunition and detonating equipment or laboratory materials

Restricted Purchases

Audio visual equipment (over \$500) (Contact Media Services for approval)
Chemicals, laboratory grade, toxins gasses, and Laboratory
(Contact Environmental Health & Safety Jim Gabel 753-1610
Email: jgable@niu.edu for approval)
Logo/licensing (Contact Publications for approval)
Personal Computers, copiers and multi-function devices (see note below)
Networking Equipment (see note below)
Signage (University) (Contact A/E Services for approval)
Software (see note below)
Telecommunication Equipment and Supplies (Contact ITS for approval)
Transactions (over \$5,000) (Contact Procurement Services for approval)

Note: These and related equipment purchases should be reviewed and approved by either the local or central IT staff to assure software compatibility and site license applicability.

Merchant Category Codes (MCC) Restricted Purchases

Vendors can be identified with Merchant Category Codes (MCC), and P-Cards will be set up with a number of predetermined restricted vendors based on their MCC codes.

General restrictions exist for cash and cash equivalents, travel, hotel and entertainment, gas and service stations, convenience stores, beer wine and liquor stores and other similar establishments. Use of the P-card at these locations will be blocked. A complete identification of all blocked codes is available from a P-Card administrator.

H. Open Orders and the P-Card

Open orders with P-Card vendors are not allowed. Payments made on the P-Card to vendors where an open order exists will result in the open order getting closed. Please contact the Controller's Office with any questions.

I. Tax Exemption

The University is exempt from sales and use tax in Illinois, thus Cardholders should avoid paying sales tax on purchases from vendors registered in Illinois. Purchases from vendors outside of the State of Illinois may or may not be exempt. The University has reciprocity with some states (i.e., MI, MN, WI, IN, OH). Departments should contact the Accounting Office to determine exempt status of sales tax. Northern Illinois University is imprinted on each card. The NIU Tax Exempt number will be printed on the carrying envelope for your P-Card to assist the Cardholder in avoiding being charged sales tax by the vendor. The University's tax-exempt status and exemption number should be emphasized when telephone orders are placed.

J. Receipt of Goods

The Cardholder is responsible for ensuring receipt of the materials purchased and for following-up with the vendor to resolve any delivery problems, discrepancies or damaged goods. When placing the order the Cardholder should ensure that complete shipping instructions are given to the vendor. Also, the vendor should be asked to include a receipt in the package. The Cardholder must save the P-Card receipt and the shipping documentation.

K. Avoid Duplicate Shipments

When using the P-Card, there is no need to submit a requisition or check request to Procurement Services. If an unnecessary form is submitted for a P-Card purchase and a duplicate shipment is received, the Cardholder is responsible for resolving the issue.

L. Returns, Damaged Goods, Credits

If goods purchased with a P-Card need to be returned, the Cardholder should work directly with the vendor. Procurement Services will not be responsible for any items purchased on the P-Card, including returns and credits. Here are some tips:

- (1) Request a credit receipt for returned items. Some vendors may not provide this receipt unless requested.
- (2) Always retain boxes, containers, special packaging, packing slips, etc., until you are certain you are going to keep the goods. Some items such as software or fragile pieces cannot be returned without the original packaging materials.
- (3) Read all vendor supplied instructions carefully. Often a phone number and other instructions are included on the packing slip and/or receipt.
- (4) Many vendors require you to obtain a Return Authorization (RA) Number (assigned by the vendor) before they will accept a return. If you neglect to indicate this number on the return, the package may be refused and/or no credit issued to your account.
- (5) In some cases, there may be a restocking fee (usually a percentage of the purchase price). If the vendor is completely responsible for the error or problem, you should not have to pay this or any other fee. However, if they are not fully responsible, you may have to pay. You may use the P-Card to pay this fee as long as it does not exceed any of your pre-approved limits.
- (6) Make sure that the charge for the returned items:
 - Never appears on your monthly statement, or
 - Is credited properly.

If this does not happen, refer to the **Section 3 Disputed Card Transaction** of this manual for instructions on how to resolve the problem.

- (7) Under no circumstances should you accept cash or check in lieu of a credit to the P-Card account.

M. Transaction Log and Supporting Documentation

- (1) A record of each purchase must be recorded by the Cardholder on a transaction log form to aid the Departmental P-Card Liaison to account for each purchase. A log form is located in Attachment E. The log will be the basis of random review conducted by Procurement Services and subject to audit by internal audit personnel. Inappropriate use of the P-Card will be dealt with in accordance with this policies and procedures manual. At a minimum the following information for completing the log is listed below:

- a. The Cardholder's name, printed or typed, as it appears on the card. This should be on each page of the log.
- b. The transaction date for each purchase.
- c. The name of the vendor the item(s) was purchased from.
- d. A brief description of the item(s) purchased.
- e. The total dollar amount of the transaction.
- f. The Cardholder's certification on the Cardholder line, indicating the transactions listed were valid purchases made using the P-Card.
- g. The date the log is certified.
- h. Original receipts must be attached to the transaction log. If you are missing a receipt you should request a copy from the vendor.

(2) Complete documentation will consist of the following:

- a. Billing Cycle Monthly Memo Statement (printed from WORKS reports)
- b. Transaction Log (signed by both Cardholder and Liaison)
- c. Receipts for the individual transactions
- d. NIU Procurement Card Equipment Form (only as required).

N. Retention of Documentation

All documentation related to each transaction must be retained and accessible for review and possible audit for three years plus the current year. Such documentation includes receipts, P-Card transaction slips, packing lists, any restricted item approvals that may be required, competitive quotations, etc.

3. DISPUTED CARD TRANSACTION

- A. A disputed transaction can result from failure to receive goods, fraud or misuse of the card, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. By itself, the application of tax by a vendor is not sufficient reason to dispute a transaction with the Bank of America.
- B. The fastest way to resolve a problem with a purchase or transaction is to work directly with the vendor. The Cardholder is responsible for the follow-up first with the vendor on any erroneous charges, disputed items or returns.

- C. If you can't resolve the issue with the vendor, you must initiate a dispute with Bank of America within 60 days of the close of the billing cycle in which the transaction occurred. There is also a Dispute Button on Works Payment Manager to click on to notify the bank that there is a dispute being initiated.
- D. Fax the completed Commercial Card Claims Statement of Disputed Item (Dispute Form) form to Commercial Claims at fax #1-888-678-6046 and keep a copy of the fax transmission report.
- E. Cardholders may call Commercial Card Customer Service at 1-888-449-2273 to check on the status of a dispute or with questions regarding a dispute.

4. CANCELLATION OF CARDS

- A. The Program Administrator(s) can cancel cards through the Works Payment Manager application.
- B. The Departmental P-Card Liaison must immediately notify the Program Administrator in Procurement Services to cancel a P-Card with Bank of America if the Cardholder terminates employment, transfers to another department or assumes different duties that do not require the use of the P-Card.
- C. When a P-Card is cancelled, the Departmental P-Card Liaison must reclaim the card, cut the card in half, and return the destroyed card to Procurement Services.
- D. A cover letter, explaining the circumstances for cancellation must accompany the destroyed card.

5. LOST, STOLEN, MISPLACED CARDS

- A. NIU will not be liable for transactions resulting from unauthorized use of a lost or stolen cardholder account as long as notice is given to Bank of America as soon as practically possible within the first 24 hours following discovery of the loss, theft, or possible unauthorized use.
- B. Cardholder is required to call the Program Administrator(s) to cancel a P-Card that has been stolen, lost, or misplaced during normal business hours. Notice must be given to Bank of America at 1-888-449-2273 immediately following the discovery that your P-Card is lost, stolen, or being used for unauthorized transactions (toll free number to be utilized outside of NIU Procurement Services' normal business hours).
- C. Once a card has been updated as lost or stolen, the Program Administrator will then contact the bank to verify if all charges made on the card are valid and will then proceed to reissue a new card for the Cardholder.

P-CARD CARDHOLDER APPLICATION FORM

New _____
 Add _____
 Change _____
 Delete _____

This form must be submitted with the P-Card Authorization/Agreement.

Cardholder Name (Last, First, Middle)		Title	
NIU Employee Number			
Department Name			
Work Address (line 1) List building and room number			
Work Address (line 2)			
City	State	Zip Code	
NIU Phone Number			
Email Address			
List default Cost Center and Fund Code for your P-Card	Cost Center:		Fund:
List any additional Cost Center(s) and Fund(s) for your P-Card if applicable:			
List your single purchase limit (standard is \$5,000) Any limits requested greater than the standard must have written justification from dept/division head.	\$		
List your monthly spend limit (standard is \$10,000) Any limits requested greater than the standard must have written justification from dept/division head.	\$		
Specify your Department Card Liaison			
Cardholder's Signature			
Vice President/Designee and Dept/Division Head must sign for approval of the above cardholder:			
Name (please print):		Name (please print):	
Signature of Vice President/Designee:		Signature of Dept/Division Head:	
Date:		Date:	

INTERNAL USE BY PROCUREMENT SERVICES ONLY:

Accounting Approval:	Date:
Grants Fiscal Admin. Approval:	Date:
P-Card Administrator Approval:	Date:

P-Card User Set Up

Appl Rec'd: _____ User Set Up: _____
 Card Order: _____ Card Rec'd: _____
 HR Inf Ent'd: _____ Card ID#: _____
 Date Issued: _____ Date Expire: _____
 Training Done: _____ Sent Welcome Email: _____

Attachment A (3/07)

NORTHERN ILLINOIS UNIVERSITY P-CARD AUTHORIZATION/AGREEMENT

Name of Cardholder	NIU Phone #	E-Mail Address
Department	Department Address	

The P-Card is intended for the purchase of items for University-related business. Refer to the NIU Procurement Services Policies & Procedures Manual for restricted items.

Cardholder must have completed the State of Illinois ethics training.

Misuse or fraudulent use of the card WILL lead to disciplinary action and may result in termination of employment and possible prosecution.

The Cardholder agrees, upon receipt of the billing data, to verify the accuracy of the billings and to report any discrepancies to the appropriate vendor. If the vendor is unresponsive, the Cardholder will submit a completed statement of Disputed Item to their department business office, Bank of America, and Procurement Services. Use of the P-Card is restricted to the Single Purchase Limit indicated on the Cardholder Account Form approved by your department. Non-use of the card for six consecutive months may result in revocation by Procurement Services.

If a card is lost, the user department has the responsibility to notify Bank of America, 1-888-449-2273, and NIU Procurement Services, 815-753-1671, immediately. If a card is stolen, the user department has the responsibility to notify the University Police Department in addition to Bank of America and Procurement Services.

Should a Cardholder terminate employment with the University or their job responsibilities no longer require a card, the Cardholder's department has the specific obligation to reclaim the P-Card, cut it in half, and return it to NIU Procurement Services.

The P-Card is to be used only by the named Cardholder and is not to be loaned to any person. The Cardholder may not make personal purchases on the card and then reimburse the University. The University is authorized to impose disciplinary action, and deduct from the Cardholder's salary or accrued benefits payout at termination any personal charges made on the P-Card.

Non-adherence to any of the above procedures may result in revocation of individual Cardholder privileges.

As holder of the Northern Illinois University P-Card, I agree to accept all responsibility and accountability for its security and proper use in accordance with terms and conditions of this agreement and the P-Card Policies and Procedures Manual.

Signature _____ Printed _____ Date _____
(Cardholder)

As Vice President/Designee of this campus unit, I approve the appointment of this Cardholder and the issuance of a P-Card.

Signature _____ Printed _____ Date _____
(Approval: Vice President/Designee)

As Head of this campus unit, I approve the appointment of this Cardholder and the issuance of a P-Card and assume overall administrative responsibility for the card.

Signature _____ Printed _____ Date _____
(Approval: Dept/Division Head)

Return this completed form along with the completed Cardholder Account Form to Procurement Services.

P-CARD DEPARTMENTAL LIAISON APPLICATION FORM

New _____
Add _____
Change _____
Delete _____

This form must be submitted with the P-Card Departmental Card Liaison Agreement.

Dept P-Card Liaison Name (Last, First, Middle)		Title	
NIU Employee Number			
Department Name			
Work Address (line 1) List building and room number			
Work Address (line 2)			
City	State	Zip Code	
NIU Phone Number			
Email Address			
List Cost Center(s) and Fund(s) Code that you will be reviewing for your P-Card			
Dept P-Card Liaison Signature:			Date:
Vice President/Designee and Dept/Division Head must sign for approval of the above Card Liaison:			
Name (please print):		Name (please print):	
Signature of Vice President/Designee:		Signature of Dept/Division Head:	
Date:		Date:	

INTERNAL USE BY PROCUREMENT SERVICES ONLY:

Accounting Approval:	Date:
Grants Fiscal Admin. Approval:	Date:
P-Card Administrator Approval:	Date:

Attachment C (3/07)

P-Card User Set Up
 Appl Rec'd: _____ User Set Up: _____
 Training Done: _____ Sent Welcome Email: _____

P-CARD DEPARTMENTAL CARD LIAISON AGREEMENT

As a Departmental Card Liaison, I agree to comply with the terms of this Agreement, the stated provisions in the Policies and Procedures Manual, and enforce the requirements of the User's Guide. I further understand that the University is entrusting me to protect its assets through supporting proper use of the card. I agree to:

1. Review transactions electronically using the on-line reallocation system and reallocate charges to appropriate, allowable accounts and/or subcodes as necessary. I further agree to reallocate charges in the month the charge occurs and prior to that month's-end. I understand that failure to reallocate charges timely will result in the charges being automatically posted to the default account(s).
2. Verify that receipts and other appropriate supporting documentation are on file for all purchases.
3. Maintain documentation for four (4) years in the office and/or in archives in a manner that allows for efficient retrieval for auditing purposes.
4. Serve as the primary liaison between the P-Card Administrator and the Cardholder(s) within my area.
5. Submit appropriate forms promptly to the P-Card Administrator when changes occur in a cardholder's status. Changes include, but are not limited to, Cardholder's name, default account number, alternate account number(s), and employment status.
6. Notify Internal Audit promptly of any known or suspected inappropriate or fraudulent card use.
7. Assist the Cardholder(s) within my area handle disputed transactions with the issuing bank and/or supplier. Notify the P-Card Administrator by forwarding a copy of the Cardholder Statement of Disputed Items form.
8. Deny individuals with unauthorized access to utilize the University's on-line reallocation system.

I understand that improper or fraudulent use of the on-line reallocation system is a violation of University Policy and will be handled in accordance with the rules and regulations dealing with disciplinary action.

Note: All signatures should be in blue ink.

 Departmental P-Card Liaison's Typed Name Departmental P-Card Liaison's Signature Date

As Vice President/Designee of this campus unit, I approve access to the on-line reallocation system to the above staff/faculty employee.

 Vice President/Designee's Typed Name Vice President/Designee's Signature Date

As Departmental Head, and/or Division Dean or Director, I approve access to the on-line reallocation system to the above staff/faculty employee and assume overall responsibility.

 Department/Division Head's Typed Name Department/Division Head's Signature Date
 (A delegate may not sign for the Department/Division Head.)

INTERNAL USE BY PROCUREMENT SERVICES ONLY:	
Accounting Approval:	Date:
Grants Approval:	Date:
P-Card Administrator Approval:	Date:

Accounting Approval:	Date:
Grants Approval:	Date:
P-Card Administrator Approval:	Date:

NORTHERN ILLINOIS UNIVERSITY
P-CARD TRANSACTION LOG

Name of Cardholder _____
(Please print or type)

Last 4 Digits of Credit Card Number _____

Month/Year _____

Log Number	Transaction Date	Vendor Name	Brief description of items purchased	Memo	Amount
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					

I certify that the above charges are actual charges incurred by me in the course of business, and that I was authorized to incur the charges.

Certification of Cardholder

Date

Certification of Departmental P-Card Liaison

Date

**COMMERCIAL CARD CLAIMS
STATEMENT OF DISPUTED ITEM**

Instructions: Your company should first make good-faith efforts to settle a claim for purchases directly with the merchant. If assistance from Bank of America is required, please complete this form, and mail with required enclosures within 60 days from the billing close date to:

**Bank of America – Commercial Card Services Operations
P. O. Box 53142
Phoenix, AZ 85072-3142
FAX (888) 678-6046**

Company Name: _____
Account Number: _____
Cardholder Name: _____

This Charge appeared on my statement, billing close date: _____
Transaction Date: _____
Reference Number: _____
Merchant Name/Location: _____
Posted Amount: _____ Disputed Amount: _____

(Cardholder Signature) (Authorized Participant Signature) (Date) (Phone Number)

Please Check Only One

1. **Unauthorized Transaction:** I did not authorize, nor did I authorize anyone else to engage in this transaction. No goods or services represented by the above charge were received by me or anyone I authorized. My Bank of America card was in my possession at the time of the transaction.
2. **Charge Amount Does Not Agree With Order Authorizing the Charge:** The amount entered on the sales slip was increased from \$_____ to \$_____. I have enclosed a copy of the unaltered sales slip.
3. **Merchandise or Services Not Received:** I have not received the merchandise or services represented by the above transaction. The expected date of delivery of services was _____. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.)
4. **Defective or Wrong Merchandise:** I returned the merchandise on _____ because it was (check one):
_____ defective; _____ wrong size; _____ wrong color; _____ wrong quantity.
(Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them, their response and proof of the return of merchandise. Please provide a detailed description of the wrong or defective nature of the merchandise.)
5. **Recurring Charges After Cancellation:** On _____ (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America account has been charged _____ time(s). (Please enclose a copy of the merchant's confirmation of your cancellation request.)
6. **Recurring Charges Already Paid by Other Means:** I already paid for the goods and/or services represented by the above charge by means other than my Bank of America Commercial Card. (Please provide a copy of the front and back on the cancelled check, money order, cash receipt, credit card statement, or other documentation as proof of purchase/payment. Describe your efforts to resolve this matter directly with the merchant, the date(s) you contacted them, and their response.)
7. **Credit Appears as a Charge:** The enclosed Credit Voucher appeared as a charge on my Bank of America Commercial Card account.
8. **Credit From Merchant Not Received:** I did not receive credit for the enclosed Credit Voucher within 30 calendar days from the date it was issued to me by the merchant shown above. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response. Provide a detailed statement explaining your reason(s) for disputing this charge.)
9. **Hotel Reservation Cancelled:** I made a reservation with the above hotel which I later cancelled on _____ (date) at _____ (time). I received a cancellation number which is _____. (Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant.
_____ I was not given a cancellation number.
_____ I was not told at the time that I made the reservation that my account would be charged for a "No Show".
_____ I was not informed of the cancellation policy.
10. **Double or Multiple Charges:** My Bank of America Commercial Card Account has been double charged. The valid charge appeared on _____ (date). The duplicate charge(s) appeared on _____.
11. **Do Not Recall the Transaction:** The statement has an inadequate description of the charge. Please supply supporting documentation.
12. **Other; Above Descriptions Do Not Apply:** Please attach a detailed letter explaining the reason for your dispute and your attempts to resolve this issue with the merchant.