COMMERCIAL CARD PROGRAMS

POLICIES AND PROCEDURES

Guide for Program Participants

Revised: July 10, 2019
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Purpose</td>
<td>3</td>
</tr>
<tr>
<td>II. Scope &amp; Objectives</td>
<td>3</td>
</tr>
<tr>
<td>III. Contacts</td>
<td>4</td>
</tr>
<tr>
<td>IV. Card Programs</td>
<td>4</td>
</tr>
<tr>
<td>V. Roles and Responsibilities</td>
<td>5</td>
</tr>
<tr>
<td>VI. Obtaining and Using Commercial Cards</td>
<td>6</td>
</tr>
<tr>
<td>VII. Changes in Employment Status</td>
<td>11</td>
</tr>
<tr>
<td>VIII. Exceptions</td>
<td>11</td>
</tr>
<tr>
<td>IX. Record Retention</td>
<td>11</td>
</tr>
<tr>
<td>X. Audits</td>
<td>12</td>
</tr>
<tr>
<td>XI. Declining Balance Card (DB-Card) Procedures</td>
<td>12</td>
</tr>
<tr>
<td>XII. Travel Only Cards</td>
<td>13</td>
</tr>
<tr>
<td>XIII. Definitions</td>
<td>14</td>
</tr>
<tr>
<td>Exhibit A - Cardholder Agreement</td>
<td>16</td>
</tr>
</tbody>
</table>
I. PURPOSE

This document provides an overview of the university's Commercial Card Programs. It outlines university policies and procedures for program participants at Northern Illinois University. This document is regularly reviewed and revised as necessary. The latest revision date is noted on the cover page.

II. SCOPE & OBJECTIVES

The Commercial Card Programs provide full-time faculty, staff and graduate student employees an efficient, cost effective method for making business-related purchases on behalf of the university. In addition, it offers a process for individuals to make travel arrangements without obligating personal funds. Benefits include fast and convenient purchasing, reduced paper usage, fewer cash transactions, and streamlined procurement and payable processes.

Deans/division heads and/or designees are responsible for identifying individuals in their respective areas who will become cardholders. They also authorize and approve the card type and spend limit for their cardholders. Deans/division heads and/or designees will empower cardholders to make sound business and financial decisions in the best interest of Northern Illinois University.

Cardholders should be prudent fiscal stewards so that spending does not exceed budgeted balances. The use of commercial cards results in an immediate expense to the university, although the expenditure may not be reflected on departmental budgets until a later date. Commercial card purchases may also result in doing business with vendors that have not been vetted through the Procurement Services and Contract Management (PSCM) office. It is essential that cardholders avoid any transactions with suppliers or individuals where a conflict of interest may exist or the vendor is debarred/revoked.

State and federal regulatory guidelines, compliance requirements, university policy and internal controls may restrict the types of goods and spending amounts available to cardholders.

The following regulatory guidelines apply to the Commercial Card Program:

- Illinois Higher Education Travel Control Board (IHETCB) [http://www.stateuniv.state.il.us/travel/]
- Northern Illinois University's Board of Trustees [http://www.niu.edu/board/]
- Illinois Procurement Code [https://www.procure.stateuniv.state.il.us/dsp_procurerules.cfm]
- Northern Illinois University Policy [https://www.niu.edu/policies/index.shtml]

All purchases must abide by university policies. Deans/division heads and/or designees may impose additional restrictions and limitations on cardholder activity. In such an event, individual divisions/departments are responsible for monitoring cardholder compliance with those additional requirements.
III. CONTACTS

<table>
<thead>
<tr>
<th>NIU Card Services Administration</th>
<th>Issuing Bank Customer Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony Hahn, Card Services Associate</td>
<td>Cardholder Customer Service</td>
</tr>
<tr>
<td><a href="mailto:Cardservices@niu.edu">Cardservices@niu.edu</a></td>
<td>800-270-7760</td>
</tr>
<tr>
<td>753-1511</td>
<td></td>
</tr>
<tr>
<td>Barbara Seldal, Acting Program Administrator</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:Cardservices@niu.edu">Cardservices@niu.edu</a></td>
<td></td>
</tr>
<tr>
<td>753-6242</td>
<td></td>
</tr>
<tr>
<td>Nyoka Polyak, Card Services Manager</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:npolyak@niu.edu">npolyak@niu.edu</a></td>
<td></td>
</tr>
<tr>
<td>753-5750</td>
<td></td>
</tr>
</tbody>
</table>

IV. CARD PROGRAMS

The university participates in two types of commercial card programs with JP Morgan Chase, the One Card and the Declining Balance card (DB-Card). An individual may have only one of each card type. JP Morgan Chase refers to one of the selected card programs as “One Card.” This is not associated with NIU’s OneCard ID Services.

A. One Card Program:

The One Card program combines the procurement and travel functionalities into a single card. Deans/division heads and/or designees have two options to consider when distributing cards through this program. Option one, which will be referred to as the P-Card, is designed for individuals who are responsible for all types of spend within their units, from travel to everyday business expenses. Option two, which will be referred to as the T-Card, is designed for individuals who are required to travel but have no other spend responsibilities within their units. Commercial cards should only be used by the cardholder to make business-related purchases on behalf of Northern Illinois University.

   a. One Card Purchasing + Travel (P-Card)

   P-Cards are used to acquire items, including travel, which do not have to be purchased with a purchase order through the university’s Procurement Services and Contract Management office (PSCM). A detailed list of allowable, allowable with restrictions (AWR), and prohibited items is located in section VI of this manual.

   b. One Card Travel only (T-Card)

   T-Cards are used to acquire travel related purchases only. Travel purchases must be made in accordance with the University’s travel policy.

Items must meet all of the following criteria to qualify for purchase with a P-Card or T-Card:

- Single transaction of $5,000 or less
- Total transactions with single vendor cannot exceed $10,000 per fiscal year
- Does not require a two-party, signed agreement
- For AWR items, additional requirements, as described in section VI of this manual, must be met in advance of the purchase
- Item is not prohibited

The university uses transaction limits, monthly spend limits, and merchant category code (MCC) blocks to assess card usage. No limit is placed on the number of transactions per card. The standard P-Card and T-Card have a $5,000 single transaction limit and up to a $25,000 monthly spend limit as approved by Deans/division heads and/or designees. Employees of the PSCM office have cards with higher limits, due to the nature of their positions.
B. Declining Balance Card Program (DB-Card):
Approved spend amounts are loaded on DB-Cards in advance of use and can be replenished when needed. They are used while individuals travel with students or university guests to provide meals and refreshments. The types of purchases allowed on DB-Cards differ from those allowed on P-Cards and T-Cards and the number of cards issued is limited based on justifiable business need.

Cash withdrawal limits are determined by department business needs and approved by Card Services. Since DB-Cards offer more flexibility in purchasing than the P-Card and T-Card, proper use and record keeping is imperative.

V. ROLES AND RESPONSIBILITIES

A. Cardholder:
- Make purchases in compliance with university policy and State law
- Spend responsibly (shop for best price)
- Keep the card, card number, and system access secure
- Retain receipts and backup documentation for all transactions
- Allocate transactions to the proper expense account(s) and complete all required fields in the card system prior to the month-end sweep, which occurs within two business days after the end of each month
- Review monthly statements and reconcile all purchases with transaction receipts in a timely manner
- Relinquish card(s) to Card Services at their request or at the request of the approving and/or business manager(s)
- Notify card-issuing bank and Card Services of suspected fraudulent transactions, disputed items, and if card is lost/stolen
- Notify Card Services of a change in employment status
- Complete required commercial card program training

B. Approving Manager:
- Approve cardholder applications
- Keep system access secure
- Review and sign off on cardholder transactions by the 2nd business day of the following month
- Assist cardholder in resolving incorrect charges, product returns, expense allocation, etc.
- Report suspected policy violation to program administration and apply corrective/disciplinary procedures accordingly
- Must be the cardholder’s direct supervisor or hold a position at a higher level than the cardholder
- Notify Card Services of a cardholder’s change in employment status
- Complete required commercial card training

C. Proxy/Reviewer (optional):
- Verify, allocate, and reconcile transactions for cardholders
- Keep system access secure
- Report suspected policy violation to Card Services, the Approving Manager and the Business Manager
- Complete required commercial card training

D. Business Manager (or Designee):
- Serve as liaison between Card Services and all cardholders within his/her area, as necessary
- Select or act as Approving Manager for cardholders within his/her area
- Develop, prepare, and/or review internal processes and reports to support program participation and compliance
• Audit/review cardholder transactions
• Load/approve funding and assign travel dates on DB-Cards
• Report suspected policy violation to Card Services and Approving Manager
• Complete required commercial card program training

E. Deans/Division Heads (or designees)
• Approve cardholder applications
• Assign cardholder spend limit
• Notify Card Services in writing when designating approval authority
• Empower cardholders to make sound business and financial decisions in the best interest of Northern Illinois University.
• Establish system of fiscal and administrative controls within unit to ensure accurate financial reporting and compliance with University policies

F. Card Administrator:
• Review and process cardholder applications
• Update card system
• Distribute cards
• Assist program participants
• Maintain cardholder files
• Serve as university liaison for card-issuing bank
• Design, implement, and monitor program training
• Revise policy and procedures as needed
• Perform regular program audits to ensure compliance with policy
• Notify Program Manager of unusual exception requests, suspected policy violations, and other program concerns
• Reconcile monthly payment to card-issuing bank with transaction statement
• Upload card system transactions to university financial management system at least monthly

G. Program Manager:
• Administer contract with card-issuing bank
• Maintain program oversight
• Approve/deny unusual exception requests
• Approve DB-Card cash withdrawal limits
• Report policy violations to cardholder’s management and other senior leadership as appropriate and recommend corrective/disciplinary action
• Review policy and procedures as needed

ALL PARTICIPANTS MUST NOTIFY CARD SERVICES IMMEDIATELY IF THEY TRANSFER TO ANOTHER DEPARTMENT, SEPARATE FROM NIU, RETIRE, OR TAKE AN EXTENDED LEAVE OF ABSENCE. See Section VII of this manual for instructions.

VI. OBTAINING AND USING COMMERCIAL CARDS

A. Requesting a Card

To obtain a Card, the prospective cardholder must complete an electronic application. The application is routed to the Approving Manager, then to the cardholder’s Dean/Division Head or designee. If a Dean/Division Head’s approval has been designated to another individual, the Dean or Division Head will notify Card Services of the designation. As a representative of the Division of Administration and
Finance, Card Services provides the final approval of the application and processes the request in the vendor card system.

To obtain a DB-Card, the prospective cardholder must complete an application and submit it, complete with all signatures, to Card Services. Card Services will process the request in the vendor card system. Business managers are responsible for loading DB-Cards with approved funding.

Newly issued cards are delivered to Card Services approximately 7-10 business days after applications are processed. Cardholders will receive an email from Card Services when the card has arrived to arrange for distribution. Cardholders are required to present identification and a signed Cardholder Agreement (Exhibit A) before receiving cards.

B. Training
   New program participants are required to complete training prior to the distribution of cards. Information regarding the training for new participants is available on the Treasury Operations website under Card Services.

   All program participants are required to complete refresher training annually. Refresher training is available online through Blackboard. Card Services will notify program participants at least 30 days in advance of the deadline with information about completing annual training.

   Card Services may withhold the distribution of new and replacement cards, or suspend current cards pending the completion of required training.

C. Allowable Purchases
   - Books, publications, and reference materials
   - Courier delivery service
   - Food and grocery items needed for departmental operations
   - Items from the University Bookstore operated by Follett
   - Memberships and subscriptions
   - Non-network-related PC accessories
   - Office furniture (under $1000 per item)
   - Software renewal and maintenance charges
   - State licenses
   - Stationery and office supplies
   - Train, bus, and airline tickets for students and university guests
   - Training and conference registration
   - Transactions requiring acceptance of the supplier’s terms and conditions via online, clickwrap agreements

D. Allowable Purchases with Restrictions (AWR)
   NOTE: Approvals and other supporting documentation for restricted purchases must be stored with purchase receipts and uploaded to the card system. Standard purchase limits apply.
   - Advertising for position postings may be purchased only when advance written approval of the ad copy has been received from Affirmative Action/Equal Opportunity. The written approval and ad copy must be uploaded in the card system with receipt.
   - Advertising for the promotion of an event must have advance, documented approval from University Marketing and Creative Services via the clearinghouse.
   - Automatic renewals such as memberships and subscriptions may be purchased but cannot be charged to 02 Funds.
• Computing hardware or accessories, including printers, computers, servers, network equipment, routers, switches, firewalls, access points, external drives, and backup devices can be purchased with documented, advance approval from the cardholder’s local IT manager/director OR from the Division of Information Technology (DoIT). Approval from DoIT can be obtained by submitting a ticket at it.niu.edu. Exceptions granted by DoIT should be documented and uploaded with receipts.
• Copy and small print services from external vendors require advance approval from University Marketing and Creative Services via the clearinghouse. Please use the services provided by NIU Integrated Media Technologies whenever possible.
• Employee transportation including train, bus and airline tickets and lodging while in travel status must be within allowable rates set by the State of Illinois and NIU Travel Regulations. Cardholders are required to complete travel vouchers and submit them to Accounts Payable Services (APS) with detailed receipts.
• Equipment purchases require cardholders to complete an equipment form and upload it to the card system along with the receipt. An item is considered equipment if it is allocable to one of the following account codes 865105, 865110, and 880100-880175.
• Facilities equipment and services may be purchased under emergency circumstances only. The cardholder is responsible for all documents related to the emergency, including obtaining Certificates of Insurance from the supplier(s). The cardholder is also responsible for all communication to departments affected by the emergency. Collection of certified payroll after the emergency is mandatory. An equipment form must also be completed and uploaded to the card system along with the receipt.
• Grant funded purchases - Cardholders may use sponsored funds (44 funds) if a Request to Add Grant form is completed, approved by the grant administrator, and submitted to Card Services. Cardholders must adhere to all instructions on the grant form.
• Items purchased with 04 funds must receive advance written approval from the Director of Budget, Financial Analysis, and Space Management.
• Personal gifts and gifts of sentiment are allowed only for the purpose of recognition of benefit to the university with endorsement from the President’s Office.
• Recurring charges (e.g., bottled water, subscriptions, etc.) may be purchased as long as the total amount spent with a single vendor does not exceed $10,000 per fiscal year. If the charges renew automatically, the expense cannot be paid with 02 Funds.
• Rental cars require documentation to support the claim that it is the most economical mode of transportation. The support must be uploaded with the transaction receipt.
• Research intense units may use their cards to purchase IT devices, chemical, reagents, and similar items with advance, documented approval from the VP of Research and Innovative Partnerships.
• Software, including device Apps, does not require approval. However, cardholders should notify their local IT manager/director or DoIT to ensure site or volume licenses do not already exist. Also, NIU must comply with state and federal laws regarding technology accessibility.

E. Prohibited Purchases
• Alcohol
• Auctions
• Business class or first-class airfare
• Business with NIU departments
• Carnivals
• Carpeting and furniture over $1000
• Cash withdrawals (Allowable on DB-Card only)
• Catering Services
• Coat check
• Concerts and artists
• Contracts - Items requiring a two-party, signed agreement
• Deposits
• Desk nameplates and official name tags (Contact Central Stores ordering Non-stock items)
• Entertainment expenses
• Extra baggage fees
• Extra/optional expenses for airline seats, travel insurance, and early check-in
• Fines, late fees, or penalties including parking and other traffic tickets
• Items available on master agreements (See PSCM for list of master agreements)
• Items for personal use or non-university purposes, even if cardholder intends to reimburse the university
• Gift cards or phone cards
• Heavy equipment, both purchase and rental, except for emergencies
• High risk services or products, such as those that bear potential harm to persons or property
• Imported goods that must pass through customs
• Late check-out, early check-in, and room guarantee charges
• Licenses (software, hardware)
• Office signage (Use Physical Plant work order)
• Payments for or on behalf of Foreign Nationals
• Per diem meal allowances
• Professional services and fees
• Promotional goods and items intended to be “giveaways” or prizes
• Purchases with vendors where a master service agreement exists
• Purchases from suppliers or individuals where a conflict of interest may exist or where the vendor is debarred/revoked or excluded by federal or state agencies from being awarded a contract
• Purchases from University employees, their spouses, parents, or children
• Restaurants and meals* (Allowable on DB-Cards when traveling with students or university guests)
• Services or labor, including professional and artistic services, maintenance agreements, and services involving labor, indemnity, and/or insurance requirements
• Stringing (splitting transactions to avoid exceeding bid limits)
• Transportation to procure meals

The above allowable purchases, allowable purchases with restrictions (AWR), and prohibited purchases lists are not all inclusive. Participants should contact Card Services and/or review policy to assist in determining if a purchase is allowable.

F. Sales Tax
NIU is not subject to IL sales and use tax. The cardholder is responsible for ensuring no taxes are charged to the card. The university’s sales tax exemption number is printed on the card and its carrying sleeve. A sales tax exemption letter should be provided to the supplier upon request.

When purchasing outside the State of Illinois, contact Accounts Payable Services to determine whether NIU is sales tax exempt.

It is the cardholder’s responsibility to obtain a refund for any sales tax that was charged in error on his/her commercial card.
G. Billing and Shipping Addresses
All products must be shipped to NIU Central Receiving in DeKalb or an NIU outreach center location (Chicago, Hoffman Estates, Lorado Taft Field Campus, Naperville, or Rockford).

No purchase should be shipped to a cardholder’s home. The standard address format is:

<table>
<thead>
<tr>
<th>Shipping Address</th>
<th>Billing Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardholder Name – P-Card</td>
<td>Cardholder Name</td>
</tr>
<tr>
<td>Department Name</td>
<td>Department Name</td>
</tr>
<tr>
<td>Northern Illinois University</td>
<td>Northern Illinois University</td>
</tr>
<tr>
<td>180 West Stadium Drive</td>
<td>1425 W Lincoln Hwy</td>
</tr>
<tr>
<td>DeKalb, IL 60115-2828</td>
<td>DeKalb, IL 60115 - 2828</td>
</tr>
</tbody>
</table>

H. Returns and Credits
Cardholders should read instructions for returns and retain the original packaging and documents until they are certain the goods will be kept. If items must be returned, cardholders should work directly with suppliers to obtain Return Authorization numbers (if applicable) and receive credits. Cardholders should arrange with a carrier to pick up the return from Central Receiving. Cardholders may contact Distribution Services to pick up the return and deliver it to Central Receiving. In some cases, suppliers charge restocking fees. Cardholders should not be charged restocking fees when the return is a result of the supplier’s error.

I. Expiring/Reissued Cards
The card-issuing bank will send a replacement card to Card Services upon expiration or notice of fraudulent transactions on current card. Card Services will email cardholders when replacement cards arrive to arrange a time for distribution. Cardholders are required to show identification before receiving cards.

J. Disputed Items/Fraud
Cardholders can dispute charges to their commercial card accounts by notifying the card-issuing bank, 800-270-7760. Reasons to dispute charges include duplicate or altered charges, unprocessed credits, damaged or defective goods, goods not received, etc.

Cardholders must notify the card-issuing bank (800-270-7760) of any fraudulent activity on their cards. The bank will deactivate the card and issue a new one.

Cardholders must notify Card Services (Cardservices@niu.edu) of disputed items and fraudulent activity.

K. Lost/Stolen
Cardholders must notify the card-issuing bank (800-270-7760) and Card Services (Cardservices@niu.edu) immediately when they discover their card is lost or stolen. The bank will deactivate the card and issue a new one.

L. Misuse and Violations
Program misuse and violations include, but are not limited, to the following:
- Allowing others to use card
- Approving purchases that are prohibited or for which supporting documentation is missing
- Failure to allocate monthly expenses
- Failure to complete monthly reconciliations
- Failure to comply with training requirements
- Failure to obtain, upload, and retain receipts and other supporting documentation
NIU COMMERCIAL CARD PROGRAM
POLICIES & PROCEDURES

- Failure to submit travel vouchers when due
- Illegal or fraudulent use of card
- Purchasing prohibited items
- Using card for personal expenses

Misuse and violations of the NIU Commercial Card Program may result in one or more of the following:
- Additional training
- Card revocation
- Card suspension
- Criminal prosecution
- Disciplinary action up to and including termination
- Reimbursement to university
- Withholding card distribution

VII. Changes in Employment Status

The following changes in employment status require cardholders to return their card(s) to Card Services:
- Transfer to another department/unit
- Separation/termination from NIU
- Retirement

It is recommended that cardholders cease purchasing at least 30 days in advance of a known change in employment status to allow time for allocation and reconciliation of transactions prior to their departure.

Cardholders or their approving managers should complete a Commercial Card Return form and deliver it in-person to Card Services, along with the card(s). Should it be impractical to hand deliver the items, cards must be cut into several pieces and returned via campus mail/courier.

If a cardholder is transferred to another department and the new employment role includes purchasing responsibilities, a new card application must be submitted.

When a cardholder takes an extended leave of absence, he/she should notify Card Services so the card can be suspended for the duration of the leave.

VIII. Exceptions

Exceptions to this policy may be granted on a limited basis. A Card Exception Request Form is used to obtain approval to use the card for an expense that is normally prohibited by a policy or is above a cardholder’s limit. Only Card Services is authorized to grant exceptions. Due to the complexity of exception requests, Card Services may request additional reviews by other areas and/or individuals. A minimum of 10 business days is required to process an exception request. If an exception is granted, the cardholder must keep documentation to support the decision and retrieve it when asked by internal or external auditors. Exceptions are not granted after the purchase is made.

IX. Record Retention

Cardholders must keep statements, invoices, receipts, and all other documentation supporting their card purchases indefinitely, until an approved record retention policy has been granted by the State.

Card Services is responsible for maintaining program records in accordance with the State Records Retention Act and the university’s published record retention policy.
X. Audits

Cardholder transactions are randomly reviewed for compliance with university policy by program administration, business managers, internal auditors, and external auditors. All program participants are subject to such reviews and are obligated to cooperate with audit requests.

All transactions involving travel and/or travel vouchers are reviewed by Accounts Payable Services (APS).

XI. Declining Balance Cards

DB-Cards are issued by the Card Services office. Card Services or a division designee, such as the Business Manager, will load cards when approval for funding has been received. DB-Cards should be used only when traveling with students or university guests.

Below are general guidelines for DB-Cards. Deans/division heads and/or designees, along with their Business Managers, may impose additional and/or stricter processes and procedures for DB-Card holders in their areas.

Before Travel:
- Plan well in advance of departure. A minimum of 4 weeks is recommended.
- Submit to the Business Manager (or designated manager) the required travel information, including date(s), location(s), number of students or guests, estimated amount of funds needed, basis for dollar amount requested, and a contact person.
- Business managers will compile Travel Advance Requests and finalize them at least 10 business days prior to the date the DB-Card is needed.
- If the trip includes two destinations with no return to the NIU campus in between, please submit as one trip on one advance.

During Travel:
- Effective dates of the card are one day prior and one day after the dates of travel.
- Keep all detailed receipts. A receipt must indicate the amount that was paid.
- Track cash expenditures where receipts are not issued in a spreadsheet or notebook.

Post Travel:
- Report all purchases/spending to Business Manager within 10 business days of return.
- Reconcile travel advance.
- Complete and submit Travel Voucher, if appropriate.
- Review, approve, allocate, and reconcile all transactions in the vendor card system.

Allowable purchases on DB-Cards include transportation, lodging, restaurants, cash withdrawals at ATM’s, and other incidental needs that may arise when traveling with students or university guests. Items listed in section VI. E. are prohibited, except as noted.
XII. Travel Only Cards

The One Card Travel only (T-Card) is designed for individuals who travel for university business. Allowable purchases include transportation and lodging while in travel status. Travel purchases must be within allowable standards set by the State of Illinois and NIU Travel Regulations. Upon return from business travel, T-Cardholders are required to complete travel vouchers and submit them to Accounts Payable Services (APS) with copies of detailed receipts within the designated time period. Original receipts should be stored with T-Card transaction reconciliations.

Items listed in section VI. E. are prohibited on a T-Card. Whether using the card to make advance travel arrangements or while in travel status, the following items are also prohibited on a T-Card:

- Business or first-class airfare
- Coat check
- Extra baggage fees
- Extra/optional expenses for seats, travel insurance, and early check-in
- Items for personal use or non-university purposes
- Late check-in, early check-in, and room guarantee charges
- Parking or traffic tickets
- Per diem meal allowances
- Restaurants and meals*
- Transportation to procure meals

The cardholder is required to complete all travel-related fields in the vendor card system when signing off and allocating transactions. Those fields are: 1) Traveler, 2) Destination, 3) Dates of travel, and 4) Business purpose. Additional information for travelers is found in the NIU Travel Regulations.

*Graduate Assistants are allowed to purchase meals on their T-Cards as long as they do not exceed the State per diem allowances. If the traveler over spends on meals, he/she is required to reimburse the university via cash or check within two weeks of the notification. Receipts for meals must be obtained, saved, and uploaded to the bank’s card system. Failure to comply may result in suspension of the T-Card.
XIII. Definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition/Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business purpose</td>
<td>An explanation that describes the reason for the purchase including how the item will be used and/or why the item is necessary in relation to university operations. A description of the item is not a business purpose.</td>
</tr>
<tr>
<td>Catering</td>
<td>The preparation, set up, serving, and/or cleanup of food on NIU property, including facilities rented or leased by the university for an event. Catering should not be confused with food delivery where no onsite service occurs.</td>
</tr>
<tr>
<td>Clickwrap agreement</td>
<td>A type of contract used for online transactions that require users to accept terms and conditions by selecting a button that reads, “Agree”, “Accept”, or something similar in nature.</td>
</tr>
<tr>
<td>Conflict of Interest</td>
<td>Commercial cards cannot be used to make a purchase from any State of Illinois employee, or any State of Illinois employee who owns more than seven and one half percent (7 ½%), or together with a spouse or minor child more than fifteen percent (15%), of the total distributable income of the business enterprise. Refer to Illinois Governmental Ethics Act (5 ILCS 420 Sec. 3A-35)</td>
</tr>
<tr>
<td>Debarment/Revoked</td>
<td>The state of being excluded from certain practices by legal means. For example, companies can be debarred from contracts due to allegations of fraud, mismanagement, or similar improprieties.</td>
</tr>
<tr>
<td>Emergency</td>
<td>A situation involving a threat to public health or safety, when immediate expenditure is needed for repairs to university property to protect against further loss or damage to university property, to prevent or minimize serious disruption in critical university services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of university records. Not every situation of immediate need rises to the level of an emergency. For example, a disruption in services may be very inconvenient and very disruptive to normal services, but unless the services are critical AND affect health, safety or collection of substantial State revenue, an emergency procurement would not be appropriate.</td>
</tr>
<tr>
<td>Equipment</td>
<td>A movable or fixed unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which generally retains its original shape and appearance with use, has a normal useful life of more than two years, is non-consumable, costs $1,000 or more and does not lose its identity through incorporation into a different or more complex unit or substance</td>
</tr>
<tr>
<td>High-theft assets</td>
<td>Portable electronics (laptops, notebooks, netbooks, tablets), computers, projectors, firearms, antiques, vehicles</td>
</tr>
<tr>
<td>Heavy equipment</td>
<td>Vehicles, machines, hydraulics, and other industrial devices specifically designed for construction, engineering, exploration and earthwork operations</td>
</tr>
<tr>
<td>Local IT Manager/Director</td>
<td>The NIU employee responsible for providing the primary support of your unit’s information technology needs.</td>
</tr>
<tr>
<td>Merchant Category Code</td>
<td>A four-digit number assigned by the payment card industry to classify a business by the type of goods or services it provides.</td>
</tr>
<tr>
<td>(MCC)</td>
<td></td>
</tr>
<tr>
<td>Month-end sweep</td>
<td>The process of uploading transaction data from the card system to the university’s financial management system. The process occurs two business days after the end of each month.</td>
</tr>
<tr>
<td>Services</td>
<td>Professional or expert work, including but not limited to catering, consulting, cleaning, decorating, engraving, landscaping, printing, and repair. Cardholders may purchase some services like courier services,</td>
</tr>
<tr>
<td>干洗/洗衣和印刷</td>
<td>干洗/洗衣和印刷。然而，涉及两党合同、劳动、赔偿责任，以及/或保险要求的服务，如餐饮、租赁/租赁和现场修复是严格禁止的。</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>University guests</td>
<td>Recruits, visiting faculty, members of external organizations, visiting dignitaries, or prospective donors</td>
</tr>
</tbody>
</table>
EXHIBIT A

COMMERCIAL CARD AGREEMENT

As a participant in the Northern Illinois University Commercial Card Program as a cardholder, I agree to the responsibilities pertaining to the use and administration of the card. The card is issued in my name but is University property and will be used for University business only. **I agree to the following terms and conditions:**

1. The commercial card is for business related expenses ONLY; personal charges are prohibited.

2. I will strive to obtain the best value for the university when making purchases with the card.

3. I am the only person entitled to use the card and am responsible for all charges made against the card. I accept full personal responsibility for the safekeeping of the card and agree that no one, other than myself, will have possession of the card.

4. In accordance with the Commercial Card Program policies, I will comply with internal control procedures in order to protect University assets. This includes maintaining receipts and supporting documentation within my department. I understand the documents must be accessible for review purposes.

5. I understand all transaction documentation and reconciliations are subject to audit.

6. I am responsible for reviewing my transactions and allocating the expense to the appropriate cost center and account prior to the designated deadline provided under section V of the Commercial Card policy.

7. I am responsible for reconciling my monthly statement and resolving any discrepancies by contacting the vendor or the bank as described under section VI.J of the Commercial Card policy.

8. I am responsible for ensuring my card and card number is protected from theft or loss. I will immediately notify JP Morgan Chase and my approving manager of any loss or improper use of my card or card number.

9. I will surrender the card to NIU Card Services or my Approving Manager upon request, if I transfer to another department, if I separate from the university, or if my employment with NIU is terminated.

**ACKNOWLEDGEMENT**

I certify I have read the Northern Illinois University Commercial Card Program Policies and Procedures. I understand the terms and conditions stated in this agreement. I attended the required training and had the opportunity to ask questions to clarify my understanding of the program.

I understand violation of these terms and conditions are subject to disciplinary actions as described in the Commercial Card Policy and Procedures Manual. I will reimburse Northern Illinois University for all uncured charges and any costs related to the collection of such charges.

Cardholder Signature ___________________________ Date ___________________________ Cardholder Name (Printed) ___________________________

*I certify it is my responsibility to monitor and review purchases made by this cardholder in accordance with the Commercial Card Program Policies and Procedures Manual and will revoke the use of cardholder privileges if misused.*

_____________________________________________       ____________________________________

Approving Manager Signature ___________________________ Date ___________________________ Approving Manager Name (Printed) ___________________________

*I certify it is my responsibility to establish a system of fiscal and administrative controls within my unit and empower the cardholder to make sound business and financial decisions in the best interest of Northern Illinois University. I will revoke the use of cardholder privileges if misused.*

_____________________________________________       ____________________________________

Dean/Division Head (or designee) Signature ___________________________ Date ___________________________ Dean/Division Head (or designee) Name (Printed) ___________________________