

**THE UNIVERSITY OF AKRON**  
**VISA PROCUREMENT CARD PROGRAM**  
**USER'S MANUAL**



**PURPOSE**

The Visa Procurement Card Program has been established as a service to campus departments. This program allows departments the opportunity to use a University Visa Procurement Card to purchase certain goods costing less than \$1,500. The University benefits from the use of the Visa Procurement Card by utilizing a procurement process that allows for the placement and payment of small dollar orders in a more efficient and cost effective manner. This program is entirely voluntary. If a department decides to utilize the University Visa Procurement Card Program, they will be required to follow the established rules and procedures listed within. All cardholders will be held accountable for their actions.

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## INTRODUCTION

### PURPOSE

The Visa Procurement Card Program has been established as a service to campus departments. This program allows departments the opportunity to use a University Visa Procurement Card to purchase certain goods costing less than \$1,500. The University benefits from the use of the Visa Procurement Card by utilizing a procurement process that allows for the placement and payment of small dollar orders in a more efficient and cost effective manner. This program is entirely voluntary. If a department decides to utilize the University Visa Procurement Card Program, they will be required to follow the established rules and procedures listed within. All cardholders will be held accountable for their actions.

### CAUTION

The Visa Procurement Card Program is not intended to avoid or bypass appropriate purchasing procedures or bidding requirements. This program is designed to work side by side with existing purchasing procedures and to empower the cardholder to make needed small dollar purchases without delay and, with minimal paperwork.

### SECURITY

The cardholder is responsible for the security of their Visa Procurement Card. This card shall be treated with the same level of care as the cardholder would use with his/her own personal credit cards and must be kept in a secure location. Guard the Visa Procurement Card account number carefully and be suspicious of any requests for account information; contact the Department of Purchasing should you have any questions regarding a fraudulent request.

### POINTS OF CONTACT

Procurement Card Administrator	Barb Fuller	ext. 6013
Purchasing		ext. 7340
JPMorganChase	Customer Service	(800)270-7760



## RESTRICTIONS

### RESTRICTED VENDORS

Vendors are assigned a Merchant Category Code (MCC) based on the type of business they operate. The Visa Procurement Card is restricted from use with certain types of suppliers and merchants. If the Visa Procurement Card is presented for payment to these vendors, the authorization will be declined. If this happens and the purchase is within the guidelines, call the Program Coordinator immediately to discuss the purchase. In addition, please note that many vendors who operate within acceptable MCC's may sell some items that are restricted from purchase on the Visa Procurement Card; just because the vendor sells it does not mean the Cardholder can buy it. (See the restriction list below).

If you believe your department has a unique purchasing need that can't be met due to the restrictions below, please contact the Program Coordinator.

### PYRAMIDING

The use multiple card transactions to make a purchase that would otherwise exceed your procurement card per transaction limit.

Various forms and definitions of pyramiding are listed below:

- **Pyramiding Charges:** Using multiple transactions to circumvent per transaction limits. For example, if someone with a \$500 per transaction limit made a purchase of \$900 by requesting the vendor process one transaction for \$500 and another transaction for \$400 to circumvent the \$500 per transaction limit. *Note that this is pyramiding whether the transaction is for several items or for one item.*
- **Pyramiding Orders:** Pyramiding, or fragmenting, is making a purchase greater than your transaction limit and paying for the item(s) in separate payments of less than your per transaction limit over an interval of time. U of A's interval of time is 7 days.
- **Pyramiding** – i.e., dividing one purchase into two or more, in order to stay within your per transaction limit – is not allowable.

### RESTRICTED/PROHIBITED PROCUREMENT CARD PURCHASES AND ACTIVITIES

*Please contact Purchasing for assistance if you have a need that may not comply with this program.*

Purchases that exceed your per transaction limit.



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Pyramiding in any form mentioned above or any other attempt to make a transaction outside the parameters of your procurement card. **PYRAMIDING IS NOT PERMITTED WITHIN THE PROCUREMENT CARD PROGRAM**

Travel/Hospitality type charges (Restriction applies unless specifically requested by the cardholder and approved by the Department of Purchasing). (*See special notes on Travel/Hospitality Purchases below*)

Cash Advances

Computer Systems (Computer Solutions must be consulted for all purchases of computer systems, equipment & software)

Vehicle Purchases

Hazardous Chemicals (defined as any chemical with the following information on the label: explosive, flammable, oxidizer, corrosive or poison and with either a flammability, health or reactivity designation factor above one (1); *see special notes on Hazardous Chemical purchases below*)

Radioactive Materials

Controlled Drugs

Alcoholic Beverages

Services including but not limited to: Construction, Professional, Personal, Performance, repairs to any equipment on campus property (repairs may be charged to Visa cards if the repair is done off campus property).

Air Conditioners & Portable Heaters

Telephone, cellular phone and pager equipment & supplies (This type of equipment must be purchased through the Department of Telecommunications)

Printing (for all off-campus printed materials, departments are required to work with Institutional Marketing for prior approvals)

Advertising

Property Rentals

Leases (including copiers, vehicles, etc.)

Gasoline or Fuel (you must obtain a Voyager gas card for these purchases)

Insurance

Security Alarm Systems



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Guns, weapons, ammunition or other explosive devices

Office furniture

Copiers, Printers or Toners

Inter-Department purchases such as Computer Solutions, DocuZip, Martin Center etc...

Items which otherwise would be considered to be an inappropriate use of public funds such as personal items, coffee pots, coffee services, microwave ovens, bottled water, flowers, office artwork, awards, gift certificates, trophies, plaques, etc., unless the department can justify that the item is necessary to conduct official University business. Approval for such items must be obtained from The Department of Purchasing in advance.

To save dollars, departments should strive to use the Visa Procurement Card with vendors that the University may have under contract. An example of this is office supplies. Departments may contact the Department of Purchasing for more information about contracts that may apply to them or visit our web site at: <http://www.uakron.edu/busfin/purchasing/>

Departments should continue to purchase items stocked in Central Stores. These items are normally very competitively priced and offer the convenience of on-campus stock.

## TRAVEL/HOSPITALITY CHARGES

If travel/hospitality has been added to a Visa Procurement Card, the cardholder should keep in mind that items such as in-room hotel movies, personal hotel phone calls, alcohol, etc. are not authorized purchases. ***In addition you are still accountable to daily per diem limits as stated by the University Travel Policy and will not be reimbursed for any unused per diem amounts.*** Visa Procurement Cards should not be used for departmental lunches (or functions of that nature). Receipts for meals should be itemized and include a list of attendees as well as the business purpose of the meal. Please refer to the University's Travel Policy for approved expenses.

## CHEMICALS/HAZARDOUS CHEMICALS

Hazardous Chemicals as defined above are restricted from purchase with the Visa Procurement Card; the Department of Environmental & Occupational Health and Safety (EOHS) will make the final determination if a chemical is considered hazardous based on the criteria set above and would therefore be excluded from the Visa Procurement Card Program. In addition, EOHS needs to be notified of any permitted chemicals that are purchased via the Visa Procurement Card Program. You are strongly encouraged to consult with either EOHS or the Program Coordinator prior to purchasing chemicals with your Visa Procurement Card; the purchase of restricted chemicals or the failure to report



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purchased chemicals to EOHS may result in immediate suspension of your Visa Procurement Card.

# OBTAINING A VISA PROCUREMENT CARD

## HOW TO OBTAIN AN APPLICATION

The requester must first complete an application which can be found on the Department of Purchasing web-site (<http://www.uakron.edu/busfin/purchasing/docs/visacardapp.doc>). The application requires both the requester's signature and supervisor's signature.

## UA SPEED TYPE

The requester must select a default speed type (old 6-digit account code) that all Visa Procurement Card charges will be charged back to. This speed type is only a default account; individual charges may be changed by the cardholder at the time of review to other UA accounts. (Note: if you are using a grant account, keep in mind that your grant may have restrictions placed upon it beyond the Visa Procurement Card Program)

## SELECT LIMITS

The requester must select both a Monthly Limit and a per Transaction Limit (not to exceed \$1,500) based upon what they feel their needs will be; all limit requests must be reviewed and approved by the Director of Purchasing in advance.

## SELECT TRAVEL/HOSPITALITY

The requester must select if travel/hospitality type charges are to be permitted on the Visa Procurement Card and this must be approved by their supervisor on the application. (Note: please see above restrictions in regards to travel/hospitality type charges)

## APPLICATION SUBMISSION

The requester will then return the completed application to the Department of Purchasing for processing; the expected processing time from the time the Department of Purchasing receives the application is approximately one (1) week.



## TRAINING

Once the Visa Procurement Card is received by the Department of Purchasing, the cardholder will be contacted for pick-up. At the time of pick-up, the cardholder will receive training on the proper procedures for using their Visa Procurement Card and will be required to sign a “Visa Agreement” where the cardholder states they will use the Visa Procurement Card for University purchases only and will comply with all requirements.

## CARD USE BY ANOTHER EMPLOYEE

Each cardholder will be required to initial a Visa Procurement Card training checklist prior to receiving their Visa Procurement Card; should a cardholder allow another University employee to use their card, they are responsible to insure that the individual using their card is aware of the appropriate uses of the card and need to return the card along with the necessary purchase documentation immediately after making the purchase. Vendors may question a different person signing the card and may choose to refuse the sale.

## USING THE CARD

Making a University related purchase with your Visa Procurement Card is a simple process; the card is permitted for purchases via telephone, internet, mail or in person:

- Verify the purchase is within your monthly & per transaction limits.
- Verify the item being purchased is not on the list of restricted items.
- Inform the vendor that this purchase is on behalf of The University of Akron which is a state institution and is exempt from state sales tax (see section on Sales Tax Exemption).
- Provide the vendor your Visa Procurement Card information and allow them to process your transaction.
- Provided your transaction is within the acceptable limits and not with a restricted vendor, the vendor will be provided an authorization number and your transaction will be complete.
- You will need to obtain an itemized receipt of your transaction from the vendor; if the purchase is via the internet, telephone or mail, print off what





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information you have that aids in documenting the purchase and request a receipt from the vendor when they either deliver the goods or you pick up the items.

- Place the documentation of the purchase in the Visa Envelopes provided by the Department of Purchasing and complete a line on the back of the envelope which describes your purchase.
- Follow up on the internet ([www.paymentnet.com](http://www.paymentnet.com)) to review your transaction within 14 days of the purchase. (see section on Reconciliation of your Procurement Card)

## RECORD RETENTION

The department/cardholder will be required to store the Visa envelopes, receipts and any other support information for at least two (2) years, plus the current year. Should the cardholder leave the University; his/her Visa Procurement Card records will then need to be stored by the department.

## RECONCILIATION OF YOUR PROCUREMENT CARD

Every Monday you will receive an email listing any “unreviewed” transactions you may have.

You will need to go to the Visa web-site ([www.paymentnet.com](http://www.paymentnet.com)), log-in and check any un-reviewed transactions as reviewed. (See Visa Reconciliation Manual for specific details)

At this point, you have the ability to change the UA speed type if necessary, split the charge to more than one account, leave transaction notes that may clarify the purchase or dispute the transaction.

It is recommended that all transactions be reviewed within 2 weeks of the transaction posting to the Visa web-site. However, in order to make sure your account changes take effect, all transactions must be reviewed by the 20<sup>th</sup> of the following month the transaction has posted in. (Ex. a transaction that posts on January 7<sup>th</sup> must be checked as reviewed and any account changes made by February 20<sup>th</sup>.)

## CHANGE CARD LIMITS AND PARAMETERS

At any time a cardholder may, on a temporary or permanent basis, request to have their Visa Procurement Card limits adjusted or have travel/hospitality added or removed from their card.



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On the Purchasing web-site (<http://www.uakron.edu/busfin/purchasing/>) you will find a “Visa Change Request Form” that may be completed, signed by the cardholder and supervisor and returned to the Department of Purchasing in order to initiate the change.

Changes may also be requested via an email, provided the cardholder’s supervisor is copied on the distribution list of the email.

## LOST/STOLEN CARDS

The Visa Procurement Card is University property and should be secured just as you would secure your personal credit cards. If a card is lost or stolen, the cardholder should immediately notify JPMorgan Chase at (800)270-7760 and also the Department of Purchasing at ext. 7340. Written confirmation of card loss should also be sent to The Department of Purchasing as soon as possible to limit University and departmental liability.

Upon receipt of your call, further use of the Visa Procurement Card will be blocked. Prompt action in these circumstances can reduce the University's and your department's liability for fraudulent charges.

## CANCEL CARD

The Visa Procurement Card must be returned to the Program Coordinator in either of the following cases:

Upon employee termination from University employment.

Upon employee transfer to another University department.  
(In this case, the card may be retained if a new signed Visa Procurement Card application is submitted to the Program Coordinator)

## SALES TAX

The University of Akron is a tax-exempt organization; for you convenience the University Tax ID number, 34-6002924, is printed on the Visa Procurement Card. As a result of our tax exempt status, The University is not subject to many federal taxes and is always exempt from State of Ohio Sales Tax. Cardholders should remind all vendors of our tax-exempt status and be sure that Ohio Sales Tax is not added to the invoice. If needed, copies of the University's Tax Exemption Certificate may be obtained from the Department of Purchasing or by clicking on the link below.

<http://www3.uakron.edu/purchasing/protected/TaxExemptionForm.pdf>



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In addition, The University of Akron has been granted a state sales tax exemption in several other states. For a complete list of states, click on the link below. Be sure to check this list if you are staying at a hotel in another state.

<http://www.uakron.edu/busfin/purchasing/docs/otherstatetaxexemptions.pdf>

Should you have any questions regarding whether or not sales tax should be paid, please contact the Department of Purchasing at ext. 7340.

## SUPERVISOR'S RESPONSIBILITIES

It is the supervisor's responsibility to approve all charges made on the Visa Procurement Card in their area. Charges are approved electronically via the Visa web site.

## AUDIT/REVIEW

All Visa Procurement cards are subject to random audits by the University Internal Audit Department, external auditors or random procedure reviews by the Department of Purchasing.

## VISA PROCUREMENT CARD VIOLATIONS

### PROCEDURES FOR IMPROPER VISA PROCUREMENT CARD USAGE, RECORD MAINTENANCE OR RECONCILIATION

*The following list provides examples of violations of the Procurement Card Procedures Manual:*

- Purchase of a prohibited item.
- Exceeding per transaction limits by splitting purchases.
- Improper record keeping.
- Failure to review Visa transactions online.
- Supervisor's failure to approve Visa transactions.
- Excessive state sales tax applied to Visa transactions.

*When a procedure in the Procurement Card Manual is violated, the following actions will be taken:*



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- 1<sup>st</sup> Occurrence** – A Purchasing representative will discuss the violation and proper procedures with the offending party. A warning of the consequences of the 2<sup>nd</sup> occurrence will be explained.
- 2<sup>nd</sup> Occurrence** – Written warning to the cardholder and supervisor. Both the cardholder and supervisor will be notified of the violation and that all card transactions and/or records will be closely monitored for a period of up to three months.
- 3<sup>rd</sup> Occurrence** – The situation and its history will be escalated to the supervisor's supervisor and that person, in conjunction with the Associate Vice President/Controller, will determine the appropriate action to be taken.