



## **NOVA SOUTHEASTERN UNIVERSITY PAYMENT CARD POLICY**

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## **NOVA SOUTHEASTERN UNIVERSITY PAYMENT CARD POLICY**

### **1. PROGRAM OVERVIEW**

#### **1.1 Introduction**

This document outlines policies and procedures governing the Payment Card program for Nova Southeastern University (NSU). Areas of responsibilities are defined for the Cardholder, Payment Card Program Manager, Approving Official, Procurement Management, and the Accounts Payable Technician. A glossary of terms is included in Section 6.

#### **1.2 The Payment Card Program**

The NSU Payment Card program has been implemented to provide an efficient method for making purchases and payments when established university procurement procedures cannot be applied. Use of the Payment Card is restricted to the following scenarios:

1. Goods and services cannot be procured through the established university procurement process as outlined in the university's Procurement Policies and Procedures (refer to <https://www.nova.edu/procurement/policies.html>.)
2. In the event of an emergency, and the lead-time for the purchase, pick-up, or delivery through the established procurement processes will not meet the requirements of the purchase. Payment Card usage is presumed to be permitted by the Office of Procurement Management. Documentation of emergencies may be requested by the Program Manager, Approving Official, Office of Procurement Management, or Accounts Payable for verification purposes.
3. After consulting with procurement management it has been confirmed that payment must be made to a vendor that does not accept purchase orders, electronic transfer of funds, or physical checks as a form of payment.

The Payment Card program is not for general procurement use and is not a replacement of the University's standard procurement process and shall not be used when University's procurement process can be applied.

#### **1.3 The Payment Card**

The Payment Card program includes the use of Visa Cards issued by Truist. Payment Cards expires four years from the date of issuance and are automatically renewed unless terminated by University's Payment Card Program Manager. The name of the authorized cardholder is embossed on the front of the card.

NSU is responsible for all charges made to Payment Cards unless there is fraudulent activity discovered by either Truist or Cardholders. It is the Cardholder's responsibility to report any fraudulent activity to Truist, University's Approval Official, and Payment Card Program Manager.



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### 2. PAYMENT CARD CONTROLS

#### 2.1 Payment Card Issuance

Payment Cards are primarily issued to University employees. To request a Payment Card, contact the Accounts Payable Help Desk ([aphelp@nova.edu](mailto:aphelp@nova.edu) or 954-262-5235) to request an application packet. This application must be completed in its entirety by the prospective Cardholder and given to the department head for review and signature. The dean or department head is usually an Approving Official unless he/she designates another employee to act as the Approving Official for the signature.

After the Approving Official has reviewed and signed the application, he/she must send this application to the University's Payment Card Program Manager by either interoffice mail or e-mail. The Payment Card Program Manager shall review this application and then move forward on additional approvals. Both the Director of Procurement Management and the University Controller must approve this request before it is submitted to Truist for issuing a Payment Card.

### 3. ROLES AND RESPONSIBILITIES

#### 3.1 Cardholder:

The Cardholder is the individual authorized to make purchases by using a Payment Card on behalf of the University. Only the individual to whom a Payment Card is issued will be authorized to make charges to the Card. A Payment Card is issued solely for the benefit of the University. Failure to comply with the policies and procedures of the Payment Card program may result in disciplinary action up to and including termination of employment.

Responsibilities of the Cardholder include, but are not limited to the following:

- Upon receipt of the Payment Card, he/she must complete the Payment Card Receipt Form acknowledging receipt of Truist Payment Card and a copy of the University's Payment Card Policy.
- Read and sign the Payment Card Agreement.
- Ensure the physical security of the Payment Card and the Card's account number.
- Fully understand when Cardholder can use this Payment Card to make purchases. If there is any doubt, Cardholder must contact the Office of Procurement Management.
- Limit value of individual transactions to the transaction limit approved for the Payment Card.
- Obtain appropriate supporting documentation for all transactions processed on the Payment Card. Charges not supported by appropriate documentation will be presumed personal and the Cardholder will be held personally liable for these charges. In addition,



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Cardholder will be held personally liable for any legal and related costs in its efforts to collect payments on these charges.

- Reconcile monthly transactions with the Truist monthly billing statement and make sure appropriate expense account codes are used.
- Identify unauthorized and disputed charges to the Payment Card.
- Contact merchants directly to resolve any disputed charges.
- Dispute unauthorized charges with Truist if unable to resolve with the merchant.
- Communicate issues relating to the Payment Card to the Approving Official.
- Ensure resolution of returns and disputed transactions.
- Follow up on unresolved disputed charges.
- Sign the Payment Card Monthly Attestation Report Form after reconciliation is completed.
- Submit reconciled monthly account statement to the Approving Official by the 5<sup>th</sup> business day of each month.
- Report a lost or stolen Payment Card to Truist immediately at **1-800-836-8562**. A Cardholder may be held liable for all unauthorized charges if he/she fails to report a lost or stolen Payment Card in a timely manner.
- Report lost or stolen Payment Card to the Approving Official and the Payment Card Program Manager immediately after notifying Truist.
- Discontinue use and return the Payment Card upon termination of employment or transfer to a new position.
- Surrender Payment Card at the request of the Approving Official or the Payment Card Program Manager.

### **3.2 Approving Official:**

The Approving Official is a university employee, senior to the Cardholder, who is responsible for monitoring the Payment Card transactions of a Cardholder. Responsibilities of the Approving Official include, but are not limited to the following:

- Establish controls for overseeing the Payment Card activities of Cardholders under his/her supervision.
- Oversee Cardholder's Payment Card activities and make sure the monthly transactions are appropriate and supported by proper documentation.
- Review and approve expense account codes for each individual Payment Card purchase.
- Designate in writing an appropriate alternate approver to review Cardholders' monthly transaction in the Approving Official's absence. *An alternate approver cannot be subordinate to the Cardholder and must be independent of the Cardholder.*
- Sign Payment Card Monthly Attestation Report Form after completing review of Cardholder's monthly Payment Card activities.



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- Submit Cardholder's monthly account statement, supporting documentation and the signed attestation form to the Accounts Payable Technician by the 7<sup>th</sup> business day of each month.
- If there is a violation of the University's Payment Card Policy, complete and forward the Payment Card – Violation Form to the Payment Card Program Manager.
- If Cardholder is transferred to other department/center or separate from the University, the Approving Official must communicate this change to the Payment Card Program Manager. The Approving Official must arrange the return of Payment Card to the Payment Card Program Manager.
- Request termination of Payment Card for gross or persistent violation of the Payment Card Policy.
- Conduct periodic review on Cardholder's activities and determine the future needs for the Payment Card.
- Request termination of Payment Card when a business need for the card no longer existed.

### **3.3 Payment Card Program Manager:**

The Payment Card Program Manager is responsible for administration of the Payment Card program and is the primary program contact for the University. Responsibilities of the Payment Card Program Manager include, but are not limited to:

- Distribution of Payment Card application packet to prospective Cardholder upon request.
- Review of the completed Payment Card application for completion and accuracy.
- Consult with prospective Cardholder for clarification and completion prior to forwarding to subsequent approvers as defined herein.
- Forward the completed Payment Card application to the Director of Procurement Management for additional review and approval of intended use.
- Submit the Payment Card application to the University Controller for final approval.
- Request new Payment Cards through Truist.
- Maintain Cardholder administration files.
- Provide assistance to Cardholders and Truist to resolve issues with Payment Cards.
- Cancellation of Payment Cards through Truist immediately upon University's requests.
- Administration of Payment Card Program by using Truist.

### **3.4 Director of Procurement Management:**

The Director of Procurement Management is responsible for review and approval of new Payment Card applications based on the requesting Cardholder's intended use and compliance with University Procurement Policies. Responsibilities of the Director of Procurement Management include, but are not limited to:



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- Review and approval or denial of Payment Card applications based on intended use and subject to requirements described in Section 1.2 of this document ("The Payment Card Program").
- Assign departmental resources to:
  - 1) Conduct compliance reviews of historical Cardholder transactions upon identification of potential misuse of a Payment Card, by any member of the Payment Card Program, to ensure use is for the proposed purpose(s), indicated on the Payment Card application, and that the goods and services cannot be purchased through the standard procurement process.
  - 2) Perform bi-annual review of recurring purchases made through the University Payment Card Program to pursue establishment of standard procurement relationships with the vendors to reduce Payment Cards usage where able.
  - 3) Perform monthly review of cardholder activity within the Truist to identify any gross misuse of the payment card.
- Report any potential misuse to the Payment Card Program Manager.

### **3.5 Accounts Payable Technician:**

The Accounts Payable Technician is responsible for processing the monthly payment for the Payment Card program. Responsibilities include, but are not limited to:

- Gather signed attestation forms, monthly Payment Card account statements, and proper supporting documentation from each Cardholder for charges incurred during the previous billing cycle by the 7<sup>th</sup> of business day each month.
- Review and follow up with both Payment Cardholder and Approving Official for any missing documentation.
- Review all transactions made to Payment Cards, identify and document all violations.
- Communicate violations with Payment Cardholder(s) and Approving Official(s) to obtain completed and signed Payment Card – Violation Form(s) from these parties. Repeated violations may result in revocation of Payment Card.
- Record monthly Payment Card financial activities to Payment Cardholders' primary cost center accounts (indexes) on a monthly basis.
- Remit University Payment Card monthly payment to Truist by the 15<sup>th</sup> of each month.
- File and store all of Payment Card financial documents in the University's Finance system.

## **4. APPROPRIATE USE OF THE PAYMENT CARD**

### **4.1 Authorized Use**

Any transaction that does not fall under one of the three criteria previously outlined in section 1.2 shall not be processed on a Payment Card. Under no circumstances should a Cardholder charge personal items to the Payment Card, even if the Cardholder intends to reimburse the University.



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Only the Cardholder whose name is embossed on the Payment Card is authorized to use the card. Cardholders shall protect the physical card and the account number from all unauthorized users; internal and external to the university.

### **4.2 PROHIBITED USES**

Use of the Payment Card for certain items, regardless of the reason or nature of the transaction, is strictly prohibited. Such uses include, but are not limited to the following items:

1. Alcoholic Beverages
2. Business Meals and Entertainment (IRS restrictions apply)
3. Capital assets (*Must be purchased through Ariba*)
4. Cash Advances
5. Computer hardware or software (*Must be purchased through Ariba*)
6. Construction, renovation, or installation services (IRS restrictions)
7. Contract Purchases and Payments
8. Employee Benefits such as recreation, entertainment, gifts etc. (IRS restrictions apply)
9. Financial Services
10. Food
11. Gasoline/fuel
12. Gift cards and certificates
13. Incidental items (e.g. flowers, greeting cards, decorations, etc.)
14. Non-University business purchases
15. Supplies – Office, Medical, Laboratory, etc. (*Must be purchased through Ariba*)
16. Personal items
17. Services (IRS restrictions apply)
18. Student tuition, scholarships, or stipends (IRS 1098-T restrictions apply)
19. Travel related expenses (IRS restrictions apply)
20. Vehicle rentals

Payment Cards issued to Student Affairs allow for minor exceptions to the prohibited uses as listed above. These exceptions can be found in the Student Affairs Payment Card Policy.

## **5. VIOLATIONS AND CONSEQUENCES**

### **5.1 Violations**

A Cardholder who fails to comply with all of policies contained in this document is in violation of the Payment Card Policy.

### **5.2 Consequences**

- The Approving Official shall issue a warning for each violation of the policy committed by the Cardholder.
- Cardholder who receives a warning may have his/her Payment Card revoked.



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- Cardholder who receives a cumulative of five warnings will have their Payment Card revoked.
- A Cardholder that violates the Payment Card policy may face disciplinary action up to and including termination of employment.





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### 6. GLOSSARY OF TERMS

**Accounts Payable Technician:** An Accounts Payable employee who is responsible for processing the monthly payment for the Payment Card program.

**Approving Official:** A Dean, department head, or appropriate designee responsible for monitoring, reviewing, and approving a Cardholder's Payment Card transactions.

**Billing Cycle:** An one month period, beginning the 28<sup>th</sup> of one month and ending the 27<sup>th</sup> of the following month, during which charges are accumulated on a Payment Card account. Monthly credit limits are renewed at the beginning of each billing cycle.

**Cardholder:** The individual authorized to make charges to a Payment Card under the Payment Card program.

**Corporate Monthly Account Statement:** A consolidated statement of all transactions processed under the Payment Card for Nova Southeastern University.

**JEXL (Journal Entry Excel Spreadsheet):** A special journal entry form created in Excel format to allocate an invoice amount (charge or credit) to individual School/Center index accounts associated with payment cards.

**Monthly Account Statement:** A listing of all activities charged on a Payment Card within a single billing cycle.

**Monthly Credit Limit:** The maximum value of purchases (net of credits) that a Cardholder is authorized to make within a single billing cycle. A monthly credit limit is originally established for each Cardholder at the time of issuance of the Payment Card. This credit limit can be adjusted based on a Cardholder's request with appropriate approvals.

**Payment Card Agreement Form:** A written agreement between the Cardholder and Nova Southeastern University indicating that the Cardholder has read this document governing the Payment Card program and agreed to comply with this Policy.

**Payment Card Program Manager:** An Accounts Payable employee who is responsible for administering the Payment Card program and this employee is a primary contact at Finance Operations for Payment Card Program.

**Payment Card Monthly Attestation Report Form:** A monthly report that must be signed by both the Cardholder and the Approving Official attesting to the appropriateness and completeness of the Payment Card transactions.



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**Supporting Documentation:** Supporting documentation must have itemized information such as item description, quantity, unit price, shipping or miscellaneous charges, and the total amount charged.

**Transaction Limit:** The maximum dollar limit on a single transaction that a Cardholder is authorized to charge on the Payment Card. A transaction limit is established for each Cardholder at the time of issuance of the Payment Card. This transaction limit can be adjusted based on a Cardholder's request with appropriate approvals.

### **7. PROGRAM MANAGEMENT CONTACTS**

**Payment Card Program Manager or  
Accounts Payable Technician**

Phone	954-262-5235
Email	<a href="mailto:aphelp@nova.edu">aphelp@nova.edu</a>
Interoffice mail Code	ACP