

UNIVERSITY CREDIT CARD POLICY

Dominican University recognizes that employees need to make immediate payments at times for business related expenses. For certain employees, this happens frequently. Rather than the employee using his/her own funds, then seeking reimbursement afterwards, the University developed a corporate credit card (MasterCard) program with Fifth Third Bank. The corporate Credit Card (Card) is intended for valid University business expenses only. The Card program is administered and approved by the Business Office. The Associate Vice President for Finance/Controller and Vice President for Finance set credit card policy and provide oversight for the administration of the Card program. The Accountant is responsible for the ongoing management of the Card program.

The objectives of the card program are to allow certain faculty and staff access to efficient means of payment for authorized business expenses, in lieu of needing to use their personal funds. This policy for the Card program is written to comply with IRS expense substantiation and audit requirements, and its rules and responsibilities must be followed by the cardholder. A Card will be approved for certain employees who regularly have fiscal needs that cannot be met in our Accounts Payable system. The Card program is primary for employees who have frequent travel expenses.

By applying for a corporate credit card, great trust is placed with the cardholder. This creates a fiduciary responsibility for the cardholder to the University. As such, great care and prudence is to be exercised when the Card is used to ensure that purchases are for valid University-related business. Sales tax exemption should always be sought.

The credit card is issued in the Cardholder's name with the University's logo, but is secured only by the University. There is no personal/bio information, other than the cardholder's birthdate, that is shared with Fifth Third bank. The Card is paid entirely by the University, therefore, certain rules must apply.

The Process:

Steps to obtain a card include the following:

- The supervisor is to request a corporate credit card be issued to the faculty/staff member
- The Business Office approves the request to receive a corporate credit card and sets limits
- The Accountant emails the link for Card Application and Acknowledgement of Responsibilities
- The Accountant emails the University Credit Card policy to faculty/staff member
- The faculty/staff member submits the Application and Acknowledgement of Responsibilities
- Faculty/Staff are required to sign/attest an acknowledgement indicating agreement with policy
- The Business Office will notify the cardholder when the new Card has arrived
- The Cardholder should activate the Card per the instructions
- The Cardholder must keep the card safe and secure at all times

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You have your new card, now what?

- Log into the Fifth Third Bank portal (<https://sdg2.53.com>) and follow the prompts
- Review your transactions regularly to make certain that the transactions are valid
- The billing cycle **ends on the 20th** of the month (cycle dates are 21st through 20th)
- On the portal, **timely** create a Monthly expense report (due within 10 days of cycle end)
- On the portal, select the expense report for the month
- Rename the Monthly Expense report to your **last name and period end date**
- Upload (attach) receipts on the portal for each expense
 - *TIP: snap picture with your camera when you make a purchase for easy recall & upload*
 - *TIP: apps, like 'Fast Scanner', creates a pdf copy to be easily sent and attached*
- Select the general ledger account code for each expense
- Provide an explanation of the expense for each transaction
- Submit your expense report on the portal-**Submit within 10 days of the cycle end date**
- Your level manager (supervisor) will approve your transactions once they have been uploaded

Responsibilities and Procedures:

All cardholders are expected to access their Cards online and review activities for unusual transactions.

It is understood that all personnel will follow the University's Travel and Business Expense Reimbursement Policy for determining business vs. personal related expenses, especially relating to meals and entertainment; however, this policy will include most common contents related to the Card.

Please be mindful and keep University Card purchase receipts separate from expense reimbursements. Keep copies of expense reimbursements to prevent an accidental re-submission of duplicate transactions.

Card Security:

- The cardholder must maintain custody of the Card at all times
- The Card must be kept safe and secure at all times
- Should you discover fraud, or your card is lost or stolen, **please immediately** notify Fifth Third Bank at 800-375-1747 and the Business Office. **This must be done as soon as discovered!** If needed, you can request that a new card be rushed to you at no additional cost. Be sure to complete your expense report online through the date of your last transaction.
- Should Fifth Third Bank discover fraud, they will immediately cancel your card and send a new one. The Business Office will notify the Cardholder once the new card has arrived.
- The Cardholder must return the Card to the Business Office upon separation from the University. The Cardholder must complete the expense report online through the last transaction.

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Card Usage

- The Card is to be used for approved University related business only, see list of examples below
- External evidence of business expense must be attached; this is often a receipt
- **Cash advances:** the Cardholder may **not** use the Card for cash advances. Instead, the Cardholder may request a business advance from the Business Office for needed travel expenses; the Cardholder must keep track of receipts
- **Services Rendered:** the Card may **not** be used to pay for services (i.e. performers, marketing services, referees); these must be paid through Accounts Payable, and with a valid federal Form W-9.
- **Gift card purchases: generally are not allowed**
 - Small gift card exceptions are allowed, but with prior Business Office approval
 - The Card may **not** be used to pay for services (i.e. performers, marketing, referees). A vendor cannot be paid with a gift card. The Cardholder could be personally liable for these transactions.
- **Meals and entertainment:** the following documentation is required by the Internal Revenue Service, and must be recorded on the expense report or on the receipt.
 - Names of individuals present and company name;
 - Names and locations of where the meal or event took place;
 - Exact amounts and dates of the expense; and
 - Purpose of the business meetings
 - Meal receipts **must include the actual meal...and not the tear off receipt portion** alone
- **Gratuity:** adding gratuity is allowed for services, mainly meals, and within reason. Gratuity paid in excess or reasonable amounts will be the Cardholder's responsibility. Excessive amounts of gratuity, if paid with the Card, must be immediately repaid to the University. These should be repaid electronically.
- **Missing receipts:** detailed receipts must be attached to expense reports regardless of amount. If you are missing a receipt, you must first notify the merchant and see if you can get a duplicate receipt. If you cannot obtain a copy, you will need to complete a Missing Receipt Form (available on myDU, under Business Office Forms). This form must be approved by your supervisor and submitted with the Card statement. ****Documentation of efforts to obtain receipt(s) will be required.***
- **Personal purchases:** generally not allowed, but if made, they must be immediately repaid
 - If personal charge exist, **notify the Accountant (x6788)**, who will email you a payment link
 - Assign the expense to the Misc. Supplies code: 04.xxxx.6760 code, or other general code
 - Upload a note or actual receipt to the portal, and note the charge is **'personal'**
 - Pay amount immediately using the payment link provided by the Accountant
- **Violations** of any kind (traffic, parking & tolls) are **not** allowed to be paid by the Card.

Credit limit increases:

- Requests must be sent to the Business Office
- Temporary limit increases are generally allowed upon a supervisor's request
- Permanent increases can be allowed with Business Office approval

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Sales Tax Exemption

- Cardholders should make every effort to ensure that purchases do **not** include sales tax
- The Illinois Sales Tax Exempt Number should be given to suppliers when *purchasing tangible items*
- The Illinois Sales Tax Exempt Number is on the front of all corporate cards
- Some states will accept Illinois sales tax exemption; the Cardholder should ask when traveling outside IL
 - Sales tax may be paid for minimal expenditures from one-time vendors who refuse the exemption, but sales taxes should not be paid for more substantial expenditures or expenses that are repetitively incurred. **Note that the exemption is also available for meals and entertainment and should be utilized**, especially for larger outings.

Single purchases of over \$5,000

- These are **not** allowed on the credit card unless prior approval exists
- Vendor invoices must be processed by the Business Office, Accounts Payable
- Generally two check signer signatures are required for expenses \$5000 and above
- With prior approval, exceptions can be made when booking travel (i.e. conferences & study abroad)

International transactions:

- Please use prudence with booking international lodging or making international purchases. Identify and select the most cost-effective method for your transaction based on the following:
 - International transaction fees are incurred with Fifth Third Bank: A fee equal to 2% of each foreign transaction, after conversion to U.S. Dollars, will be assessed on all transactions made in currencies other than U.S. Dollars.
 - Wire transfers incur a \$20 transfer fee.

EasySavings Program:

- MasterCard enrolls our cardholder accounts into an EasySavings program which provides automatic rebates with various merchant partners. Please review participating merchants (restaurants, hotels, gas stations, etc.) www.easysavings.com and utilize whenever possible

University's Obligations and Rights

- The credit card is issued in the Cardholder's name with the University's logo, but is secured only with the University. There is no personal information, other than the birthdate, that is shared with Fifth Third bank. The Card is paid entirely by the University. For these reasons, the card is the obligation of the University.
- The obligations of the University are to comply with IRS expense substantiation, to comply with generally accepted accounting principles, and to meet fiscal duties as they relate to audits. For the reasons, there are certain reservation of rights that the University holds.
- The University reserves the rights to rescind cards to cardholders for improper use, repeated missing receipts, repeated tardy expense reports, and other violations of credit card policies.
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- The University reserves the right to evaluate the card program and make adjustments to credit limits and approved merchants as needed.



| <p align="center">UNIVERSITY CREDIT CARD POLICY</p> <p align="center">ALLOWABLE EXPENSES</p> | <p align="center">PROHIBITED EXPENSES</p> |
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| <p>Examples of qualifying Corporate Card purchases include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • All travel-related expenses (e.g., airfare, car rentals, taxis, hotels, meals, gas for rental cars, etc.) • Business meals (the purchase of alcohol is prohibited, except when the cardholder is entertaining guests for university-related business purpose (e.g. guests, speakers, fund raising, vendors, etc.) • Books, periodicals and other business subscriptions (e.g., magazines and newspapers) • Membership dues to business related professional organizations • Registration fees for seminars, conventions, training courses, etc. • University-owned vehicle expenses (no personal vehicle expenses, including gas) • Art supplies • Facilities fees • Hardware supplies • Lab equipment and lab supplies • Parking • Tolls | <p>Examples of expense that should not be purchased on the Corporate Card include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Gift Cards and Gift Certificates • Expenses representing the personal recognition of a Dominican Faculty or Staff member (e.g., gifts for or costs to recognize birthdays, childbirth or adoption, weddings, anniversaries, or Office Professional's/Secretary's Day.) • Payments to Independent Contractors • Cash advances (ATM) • Purchase of advanced commitments to be used at a future date (prepaid airline miles, discounted merchant vouchers or credits, etc.) • Fuel for personal vehicles (a Mileage Expense Reimbursement form should be submitted) • Packaged Alcohol- Narrow exceptions for University sponsored events. All exceptions require advance approval from the department Supervisor. • Services involving labor, indemnity or insurance requirements • Purchases of goods in excess of \$5000 should NOT be on the Card unless approved by Business Office. • Vehicle purchase or lease |

The list above is of common items. Note this list is not exhaustive.