

3357:13-17-34 Payment Card Policy - Foundation

- (A) The North Central State College Foundation, Inc. Payment Card Program is designed to empower Foundation employees to make small-dollar purchases. The program allows employees to acquire goods and certain services, as they are needed, for operations without undue delay. It is designed primarily for the purchase of tangible materials, equipment, supplies, and approved services that cost less than \$1,000.00. Use of card is meant to simplify and streamline the acquisition process and lower overall transaction costs. In cases where the cardholder is reasonably sure that a competitive price is being obtained, neither phone nor written bids are required. Cardholders are expected to use good and reasonable judgment in these situations. Limitations are established for spending amounts per transaction, monthly spending limits, and number of transactions that can be made per day. Several controls concerning particular vendor usage are also placed upon the card.
- (B) The Payment Card Program does not affect State Purchasing regulations or the College's internal regulations for purchasing. All purchases made with federal monies must meet requirements set forth by the federal grantor.
- (C) The Vice President for Business and Administrative Services/Treasurer (Program Administrator) is responsible for the overall management of the Foundation's Payment Card. Level of participation in the program and the number of cards issued will be determined by the Director of the Foundation (Card Administrator).
- (D) Guidelines
 - (1) Card Issuance and Cancellation
 - (a) The Card Administrator is responsible for all card issuances and cancellations.
 - (b) All payment cards issued must be submitted by application and approved by the Vice President for Business and Administrative Services/Treasurer, North Central State College.
 - (c) Cards are to be returned immediately to the Card Administrator upon a change in the cardholder's job status, they no longer require a card, or upon separation from College employment for any reason.
 - (d) Cards are to be returned to the Vice President for Business and Administrative Services/Treasurer upon request.
 - (e) If a card becomes lost/stolen, cardholders must report this to the Card Administrator. The Card Administrator will notify the Program Administrator of the situation.
 - (f) Cards may be canceled for misuse. Being a cardholder is not a right, but a privilege.

- (2) Payment Card Limitations: Individual cardholder controls constitute a cardholder's profile.
 - (a) The Card Administrator is responsible for establishing and changing cardholder profiles. Issuance of a card or changes to a cardholder setup must have the written approval of the Program Administrator.
 - (b) The Card Administrator maintains a file of all cardholder agreements, cardholder applications, and cardholder information and approval sheets.
 - (c) Any change to a cardholder's profiles (limits, payer, reconciler, account number, etc.) must be filed with the Program Administrator.
- (3) The transaction limits and spending limits that apply to all payment cards, unless otherwise noted are:
 - (a) \$1,000.00 single item purchase limit
 - (b) \$5,000.00 monthly spending limit
 - (c) 10 transactions per day
 - (d) 100 transactions per month
- (4) Payment Card Security – Physical Card and Policies
 - (a) Use of the Payment Card is limited to the employee whose name appears on the face of the card. The payment card should not be loaned to another person in the agency under any circumstances. If a cardholder is absent for a period of time, the agency should seek to obtain another card for a different designated employee, either temporarily or permanently.
 - (b) Each cardholder is responsible for the security of his/her card. All precautions should be used to maintain confidentiality of all information relating to the card such as the cardholder account number and expiration date. The account number should never be left in a conspicuous place. Each cardholder should examine all receipts and packing slips to make sure that their account number does not become attainable.
 - (c) The Payment Card should always be treated with the same level of care as you do with your own personal credit cards. Do not leave them unguarded or unprotected at any time.
 - (d) Keep your Payment Card in an accessible, but secure location. Since you as the cardholder should be the only one using the Payment Card, it needs to be accessible only to you. No supervisor should ever know, use, or keep a written record of a cardholder's account number.

- (e) Guard the Payment Card account number carefully! Do not post it at your desk, write it in your day planner, store the number in an e-mail/word document or write the account number in your cardholder manual.

(5) Reconciliation of Invoices

- (a) Reconciliations may be done weekly or monthly, but no less than monthly.
- (b) Reconciliations must be done by someone other than the cardholder.
- (c) Internal control plans should call for periodic internal audits of the program.

(6) Internet Purchases and using the Payment Card

- (a) North Central State College Foundation's Inc. policy is that the payment card can be used on the Internet for the purchasing of goods. However, in order to use the card on the Internet, the cardholder must make sure that the Website where the credit card is being placed is secure and that all credit card numbers shall be encrypted while being passed electronically between sellers and buyers.
- (b) A cardholder can determine if the Website is secure in two ways: The first technique is looking at the Website address where they are placing their credit card number. An Internet Website is secure when the address changed from <http://www> to <https://www>
- (c) For example, the official Website address to Amazon.com is <http://www.amazon.com>. However, when the cardholder enters their payment card number when paying for a product, the Website address changes to <https://www.amazon.com>. The "s" stands for secure.
- (d) The second technique to determine if the Website is secure is by examining the bottom corner of your browser and locating a symbol that resembles a "lock" symbol signifies that the Website is secure and that all credit card numbers used on the site will be encrypted when passed electronically.
- (e) Please be reminded that if you choose to use your payment card for a purchase on the Internet, the cardholder will assume all responsibility with whom they are purchasing and using the card with. Cardholders should be aware that vendors that do accept credit cards for transactions on the Internet are not necessarily legitimate vendors or businesses.

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