

A. Purpose

To establish the limits and define the usage of the Kutztown University/East Stroudsburg University (ESU/KU) Shared Services Travel Card (TRAVEL CARD). The card is provided to certain ESU/KU employees and is intended for official University use only.

B. General

The State System utilizes an internationally accepted commercial credit card program for the purchase of both goods and services.

The ESU/KU Travel Card enables employees to charge travel expenses to the card rather than using personal funds while on official university business. Cardholders are reminded that the card is to be used for employee expenses only incurred while traveling on behalf of their respective university. The travel card may not be used to purchase goods or services and may not be used for personal purposes. ESU and KU reserves the right to terminate individual travel card privileges at any time.

The Travel Card program is strictly for the purchase of travel related services. Any purchase made with these cards does not require any written approvals provided they abide by the travel guidelines established by each individual university.

Comprehensive information concerning the Commercial Credit Card Programs can be found at the following link: https://www.kutztown.edu/about-ku/administrative-offices/procurement-services/forstaff-and-faculty/commercial-credit-card-program.html

C. Obtaining a Travel Card

- 1. The Travel Card is an institutional program, approval is not contingent on, nor will impact, the individual's personal credit history.
- 2. The Travel Card program is administered by the KU Procurement Services Office, which coordinates the issuance, maintenance, and cancellation of all cards with the State System's current processor.
- 3. All Travel cards are provided with the appropriate University logo and are issued in the name of an individual user.
- 4. The ESU/KU Travel Card program does not issue, support, or maintain departmental cards.

- 5. Individuals may request cards by submitting a completed Cardholder Agreement Form, with all applicable signatures, to the KU/ESU Card Systems Administrator, Room 223, Stratton Administration Building, Kutztown University, Kutztown, PA 19530.
- 6. Fully executed applications (complete information and all signatures acquired) may also be emailed to: vink@kutztown.edu. Each emailed application must be followed by sending the original hard copies to the above address.
- 7. Supervisors signing the Cardholder Agreements accept responsibility for all actions/uses of the Travel Card by their employees.
- 8. The KU/ESU Card Systems Administrator will review the request for enrollment and approve and/ or request additional information as necessary.
- 9. The issuing bank will send all cards to the KU/ESU Card Systems Administrator who will inspect and log in all cards.
- 10. Cardholders will be contacted by the Card Systems Administrator to arrange for them to pick up their cards, receive training, and receive online access as needed.
- 11. Card usage is limited by the type of merchant and by the total amount of the expenditures.
- 12. Current dollar limitations are by the total monthly dollar limitation set.
- 13. Current account limitations vary, and customizations are limited.
- 14. To obtain a Travel Card, an ESU/KU employee must:
 - a. Follow the link to the Procurement Card section of the KU Procurement Services web page at https://www.kutztown.edu/about-ku/administrative-offices/procurement-services/for-staff-and-faculty/commercial-credit-card-program.html
 - b. Navigate to the Forms link
 - c. Scroll down and select the Card Cardholder Agreement
 - d. Fill in the Agreement Form with the required information and print; form needs to be signed by all the appropriate levels of approval and then forwarded to the Card Systems Administrator
- 15. Employees will be notified when the request is approved or denied and if additional information is needed.

D. Cardholder Liability & Responsibility

1. Individual cardholders are responsible for the proper use and safeguarding of Travel Cards issued to them. The card number, the card itself, and all documents related to the card transactions must be

properly secured at all times. Lost or stolen cards must be promptly reported to the following: • Bank of America 24/7 Customer Service: 888-449-2273

- One (1) of the Procurement Card Administrators:
 - Mary Vink vink@kutztown.edu or 610-683-4904
- 2. If a cardholder abuses the Travel Card privileges or the provisions of the Travel Card Guidelines and Procedures, the card may be forfeited and cancelled and the employee may be subject to disciplinary action up to and including dismissal.
- If the University determines that a purchase is not in compliance with the program regulations, or the card was purposely misused, it reserves the right to collect from the employee the cost of these purchases. The collection may be accomplished through payroll deduction or other collection processes.

E. Receiving a Travel Card

 Once the card has been received from the bank the Card Systems Administrator will contact the cardholder to schedule training. The cardholder will receive the travel card assigned to him/her after the completion of training.

Note: Cards will not be distributed without required training.

- 2. The cardholder will review the Travel Card procedures and adhere to all travel guidelines published by the Commonwealth, PASSHE Board of Governors, and ESU/KU. Cards must be issued directly to, and signed for by the cardholder.
- 3. The cardholder is wholly responsible for all charges made to the card and must safeguard against use by unauthorized individuals.

F. Using The Card

- The Commonwealth, PASSHE Board of Governors, and ESU/KU travel policy applies to all travel card purchases.
- Use of a travel card by anyone other than the person to whom the card is issued is strictly prohibited.
- 3. Cardholders are reminded that, under these provisions, it is their responsibility to:
 - a. Protect public funds as if they were their own
 - b. Make official ESU/KU business purchases only
 - c. Ensure costs are reasonable
 - d. Avoid prohibited purchases
 - e. Maintain records for audits and public review for a minimum of 3 years

G. Tax Exempt Status

- 1. ESU/KU are exempt from Pennsylvania state sales tax. The individual university's tax exempt ID number is located on the front of the travel card under the university logo.
- 2. It is the cardholder's responsibility to notify the merchant prior to making a purchase to ensure sales tax exempt status.
- 3. If a merchant needs a copy of the Pennsylvania Exemption Certificate for either KU or ESU, they can be downloaded at http://www.kutztown.edu/about-ku/administrative-offices/procurementservices/for-staff-and-faculty/forms.htm.

H. Transaction Declines

If your transaction is declined by the vendor please call the Card Systems Administrator to determine the cause. Samples of various causes for declines and their solutions may be found in section "W" of this guide.

I. Card Limits

- 1. Limits are generally set at a maximum monthly amount based on the agreement selected at the time of application.
- 2. The cardholder may request either a one-time or permanent increase to the limit by submitting an Exception Form (Travel) clearly indicating the business justification and acquiring the written approval of their cost center manager.
- 3. If the cardholder is the cost center manager his/her immediate supervisor must approve the increase. Final approval will be made by the Card Systems Administrator.

J. Transaction Review

- 1. Cardholders are encouraged to review transactions on a regular basis (e.g. weekly basis). This is in addition to the monthly requirement. A more frequent review may help identify unauthorized purchases that sometimes occur.
- To access and review the charges the cardholder must go to
 http://www.baml.com/paymentcenter. This website provides cardholders the ability to monitor card activity and print the monthly statement.

K. Monthly Statement

- 1. Each month, cardholders that had transactions must log on to Payment Center to download and print their statement. The statement will reflect all charges for that billing cycle.
- If the cardholder did not use his/her travel card during the month or if there is a credit balance on the account no billing statement will be provided. The cardholder must pay the balance in full by the due date.

L. Monthly Paperwork Reconciliation

- 1. P-Card and Travel Card account holders are responsible for the maintenance of all paperwork documentation associated with any and all activity on their account. If a cardholder has both a P-Card and a Travel Card this means that they must maintain two (2) separate sets of documentation.
- 2. Please refer to the **Monthly Reconciliation Process** for complete information concerning the types of necessary documentation and the process for submission.

M. Allowable Transactions

- 1. The travel card may be used for most employee purchases while traveling on ESU/KU business except for certain prohibited transactions.
- 2. Typical uses of the card include employee airline charges, auto rental, hotels rooms, taxi cab, train, etc.

N. Prohibited Transactions

- 1. The card may not be used for the following purchases:
 - a. Personal expenses
 - b. Another ESU/KU employee's travel expenses
 - c. The purchase of alcoholic beverages
 - d. Cash advances/travelers checks
 - e. Conference rooms or services (items that require a contract)
 - f. Multiple charges or "split" purchases that enable transactions in excess of the cardholders' s single transaction limit to be processed by a single vendor

O. Violation of Travel Card Procedures

Kutztown University/East Stroudsburg University Shared Services is offering the Travel Card Program to provide the campus with an alternate, flexible method of purchasing approved university related travel expenses. This flexibility, however, comes with certain responsibility. The University is responsible for the appropriate expenditure of Commonwealth funds and must assure appropriate internal controls. Cardholders, who fail to reconcile their monthly paperwork properly, and issue payment to the bank late, or purchase items outside the acceptable purchases may have their Travel Card privileges restricted or their card suspended or cancelled.

P. Reimbursement & Paying The Bill

1. Reimbursements will typically be made within 10 business days <u>after the respective Accounts</u>

<u>Payable Offices receive complete and proper documentation</u> including a signed travel expense voucher and original receipts.

2. Cardholders are responsible for paying the travel card bill on or before the due date <u>regardless</u> of the status of the reimbursement from ESU/KU.

3. Reimbursement:

- a. ESU/KU will reimburse their respective employees for all approved transactions.
- b. As a condition of accepting the reimbursement, the cardholder agrees to use the funds to pay the charges on the ESU/KU travel cards.

4. Late Charges:

Late charges assessed by the bank **will not** be reimbursed by either ESU or KU. Please see the Terms and Conditions set forth by our card processor.

5. Delinquent Accounts:

- a. If an account is delinquent (e.g. total balance due not paid by the due date) the employee may lose his/her travel card privileges.
- b. In the event that a card account is delinquent by more than 60 days or is cancelled because it is delinquent, ESU/KU reserves the right to process any reimbursement due the traveler directly to the bank until the balance is paid in full, or deduct the balance due directly from the cardholder's pay if no other recourse is available.

Q. Transaction Disputes

- 1. It is the Cardholders responsibility to contact vendors to resolve any erroneous charges that appear on the Travel Card Monthly Statement.
 - a. If the problem cannot be resolved with the vendor, the cardholder should contact the Bank of America Merrill Lynch Cardholder Customer Support Team at **1-888-449-2273**. Representatives are available 24 hours a day for assistance.
 - b. Describe the nature of the issue; provide the date and amount of the transaction; note on the monthly reconciliation that an item is in dispute.
 - c. The cardholder should also notify the Card Systems Administrator immediately of any disputed charges and follow the Bank of America Merrill Lynch dispute resolution process
- 2. Cardholders should keep copies of all documentation dealing with disputed items until they are resolved.
- 3. The Card Systems Administrator will work with the cardholder, the card processor and the merchant, as necessary, to attempt to resolve the dispute.

R. Chip and Pin Card

1. The Travel Card has an embedded chip because it provides greater security when making purchases at chip-enabled terminals.

- 2. Chip cards are more secure because of a unique process that is used to determine if the card is authentic and that makes the card more difficult to counterfeit or copy.
- 3. To use a chip card insert it face-up into a chip-enabled terminal and follow the directions on the screen.
- 4. If a personal identification number (PIN) is requested please refer to the 4-digit number provided at the time of issuance.
- 5. If you forget or lose your PIN it can recovered it at www.baml.com/PINCHECK. A one-time registration is required.

S. Fraud

- 1. If there is a transaction on your account that you do not recognize contact the Card Systems Administrator at (610) 683-4904.
- 2. Any documents that contain a credit card number should be kept in a secure location to prevent unauthorized personnel from acquiring the number.
- 3. To help prevent fraud on your account:
 - a. Make online purchases from merchants that request the 3-digit security code from the back of your card
 - b. Never send payment information via email
 - c. Look for the padlock icon at the bottom of your browser window
 - d. The web address or URL should begin with https:// on any page where you enter your credit card number
 - e. Review receipts before you sign them
 - f. When your card is returned to you be sure it is your card
 - g. Report missing and/or stolen cards immediately to the Card Systems Administrator
 - h. Do not use your ESU/KU card to make a purchase when using public Wi-Fi
 - i. Review your transactions on a regular basis. We recommend a frequency of at least once per week

Note: Neither MasterCard nor the card processor will ever call or write cardholders for personal account information.

4. Types of fraud schemes:

a. "Smishing" or SMS phishing uses cell phone text messages to deliver the *bait* to induce people to divulge their personal information. The *hook* (the method used to actually capture people's

information) in the text message may be a website URL, but it has become more common to see a telephone number that connects to an automated voice response system

- b. "Vishing" or voice phishing is the criminal practice of using the telephone system to gain access to private personal and financial information from the public for the purpose of financial reward.
- c. "Skimming" takes place when an employee "skims" a customer's credit card with a small, handheld electronic device that scans and stores the card data from the magnetic strip on the back of your card. Often this is completed just prior to the card being returned to you. Try to keep your card in your sight as much as possible.

T. Employee Change of Status

- 1. If the cardholder is leaving ESU or KU the supervisor must:
 - a. Immediately notify the Card Systems Administrator
 - b. Obtain the travel card and return it to the Card Systems Administrator
 - c. During the exit interview with Human Resources if there is a balance due on the ESU/KU Travel Card, the employee will be expected to provide ESU/KU a check in the full amount prior to leaving.
- 2. If the cardholder's employee status change is temporary (e.g. medical, sabbatical, suspension, etc.), the cardholder must contact the Card Systems Administrator and request that the card be temporarily suspended until the cardholder returns to work.

U. Cancelling a Travel Card Account

- 1. The cardholder or supervisor should contact the Card Systems Administrator at 610-683-4904 or vink@kutztown.edu to cancel the account.
- 2. The card should be returned to the Card Systems Administrator.

V. Lost or Stolen Cards

- 1. Lost or stolen travel cards must be reported immediately to the Card Systems Administrator at 610683-4904.
- 2. ESU/KU may be liable for transactions until a card is reported lost or stolen.

W. Compliance Reviews

1. Audits of the travel card program are conducted regularly by both the Card Systems Administrator and outside audit firms.

2. Non-compliance items noted during the internal audit will be communicated by the Card Systems Administrator to the cardholder, the cardholder's supervisor and other ESU/KU personnel, as appropriate.

X. Delinquent Payments

1. 10-30 DAYS PAST THE BILLING STATEMENT DATE

The Card Systems Administrator reviews the payment history of all ESU/KU travel accounts on a regular basis. When an account is identified as being 10-30 days past the billing statement date an email will be sent to the cardholder reminding him/her to make a payment prior to the next statement date.

2. 31-60 DAYS PAST THE BILLING STATEMENT DATE

The account is delinquent. The Card Systems Administrator will notify the cardholder and the cardholder's supervisor of the balance owed and the additional fees that the bank may have assessed due to the delayed payment. The account will be suspended at 61 days past due. *Bank of America will assess a late fee of \$29 and a 3%+Prime rate finance charge. These fees cannot be waived and are calculated by Bank of America. ESU/KU have no control over these fees.

3. 61-90 DAYS THE BILLING STATEMENT DATE

The account is delinquent. The Card Systems Administrator will notify the cardholder, the cardholder's supervisor, the Dean's/Director's office and the Director of Business Services of the status of the account and the fees associated with the delinquency. The account will be closed at 90 days past due.

Once an account is closed the employee is no longer eligible for an ESU/KU travel or purchasing card.

*Bank of America will assess a late fee of \$29 and a 3%+Prime rate finance charge. These fees cannot be waived and are calculated by Bank of America. ESU/KU have no control over these fees.

Y. Benefits of The Card

The ESU/KU Travel Cards come with comprehensive insurance and protection plans for travelers. The following is a brief description of these services:

- 1. \$500,000 Travel Accident Insurance up to \$500,000 in automatic common carrier travel accidental death and dismemberment insurance when cardholders charge their entire ticket for land, sea or air public transaction on their card.
- 2. **Primary Auto Rental Insurance & Roadside Assistance** services include primary coverage of rental card damages up to \$50,000 and a roadside assistance dispatch service to eliminate car failure worries 24 hours a day, year round.
- 3. **Emergency Medical Assistance** this guarantees that ESU/KU travelers will receive both medical referral and medical treatment assistance for covered medical, surgical and dental conditional arising from illness or accidental injury incurred while traveling on business.

- 4. **Emergency Legal Assistance** Services include providing cardholders with English-speaking legal referrals or consults with appropriate embassies and consulates regarding the cardholder's situation.
- 5. **\$3,000 Lost Luggage Insurance** covers lost, checked or carry-on luggage not covered by the common carrier as long as the luggage was lost due to theft or misdirection by the carrier.

Z. Transaction Declines – Samples of Cause and Solution

Cause	Solution
Exceeded the monthly credit limit	Check to be sure that you haven't exceeded the monthly credit line. If you have, call the Card Systems Administrator and request a line increase.
Transaction exceeds the single transaction limit	Check the single transaction limit on your card by reviewing the Enrollment Form. If you need to have your transaction limit raised, call the Card Systems Administrator and request a line increase.
Mistyped credit card number, expiration date, security code	This is an easy mistake to make when shopping online. Double check the card number, expiration date, billing address and security code you typed before hitting "enter" to avoid having your card declined.
Expired card	If you don't regularly use your credit card, be sure you are using a card that hasn't expired. If the card has expired contact the Card Systems Administrator.
Suspicious charge	The card processor will be quick to suspend an account if fraud is suspected. If your card is declined call the Card systems Administrator to determine next steps.
International purchase	Call or email the Card Systems Administrator before you travel overseas or make an international purchase so the card company won't suspect suspicious activity

AA. Definitions

- 1. **Account Statement** the listing of all transactions by the cardholder in a given month.
- 2. **Bank** –the financial institution that issues the travel cards based on enrollment forms approved by ESU/KU Shared Services. This institution fulfills contractual obligations of the travel card programs

in accordance with ESU/KU Shared Services and the Pennsylvania State System of Higher Education (PASSHE).

- 3. **Cardholders** employees who have been issued a travel card and who are authorized to make purchases in accordance with these procedures.
- 4. **Card Systems Administrator** the person responsible for the day-to-day operation of the program and for training cardholders regarding policy, procedures and information retrieval.
- 5. **Chip Card** a chip card is a standard-size plastic credit card that contains an embedded microchip as well as the traditional magnetic stripe. The chip encrypts information to increase data security when making transactions at a chip-enabled terminal.
- 6. **Cost Center** ESU/KU organizational or program unit with an allocation of funds.
- 7. **Cost Center Manager** individuals who have been delegated the responsibility for monitoring, reconciling, committing, and expensing funds from a particular cost center.
- 8. **Disputed Charges** transactions that appear on the cardholder's statement which the cardholder does not recognize or determines to be incorrect or invalid.
- 9. **Merchant** a vendor from which a cardholder is purchasing travel under the provisions of this policy.
- 10. **Merchant Category Code (MCC)** a four-digit number assigned to a business to classify the business by the type of goods or services it provides.
- 11. Monthly Limit a monthly amount limitation of purchasing authority delegated to a cardholder.
- 12. **Official Use** the card is to be used for official ESU/KU business only. It may not be used for personal use in any manner whatsoever, even with the intent to reimburse ESU/KU. The card is to be used while on ESU/KU travel for the employee's travel expenses.
- 13. **Single Transaction Limit** a transaction amount limitation of purchasing authority delegated to a cardholder. This dollar limit may vary from cardholder to cardholder.
- 14. **Supervisor** individuals who have the responsibility for monitoring, reconciling, committing, and expensing funds for particular cost centers. This individual must approve account requests when the cost center manager is the cardholder of record.