Seton Hall University Credit Card Program

Program goals

- Provide cardholders with a user-friendly, technologically advanced card program.
- Provide cardholders with a more widely accepted card.
- Facilitate procedural compliance.

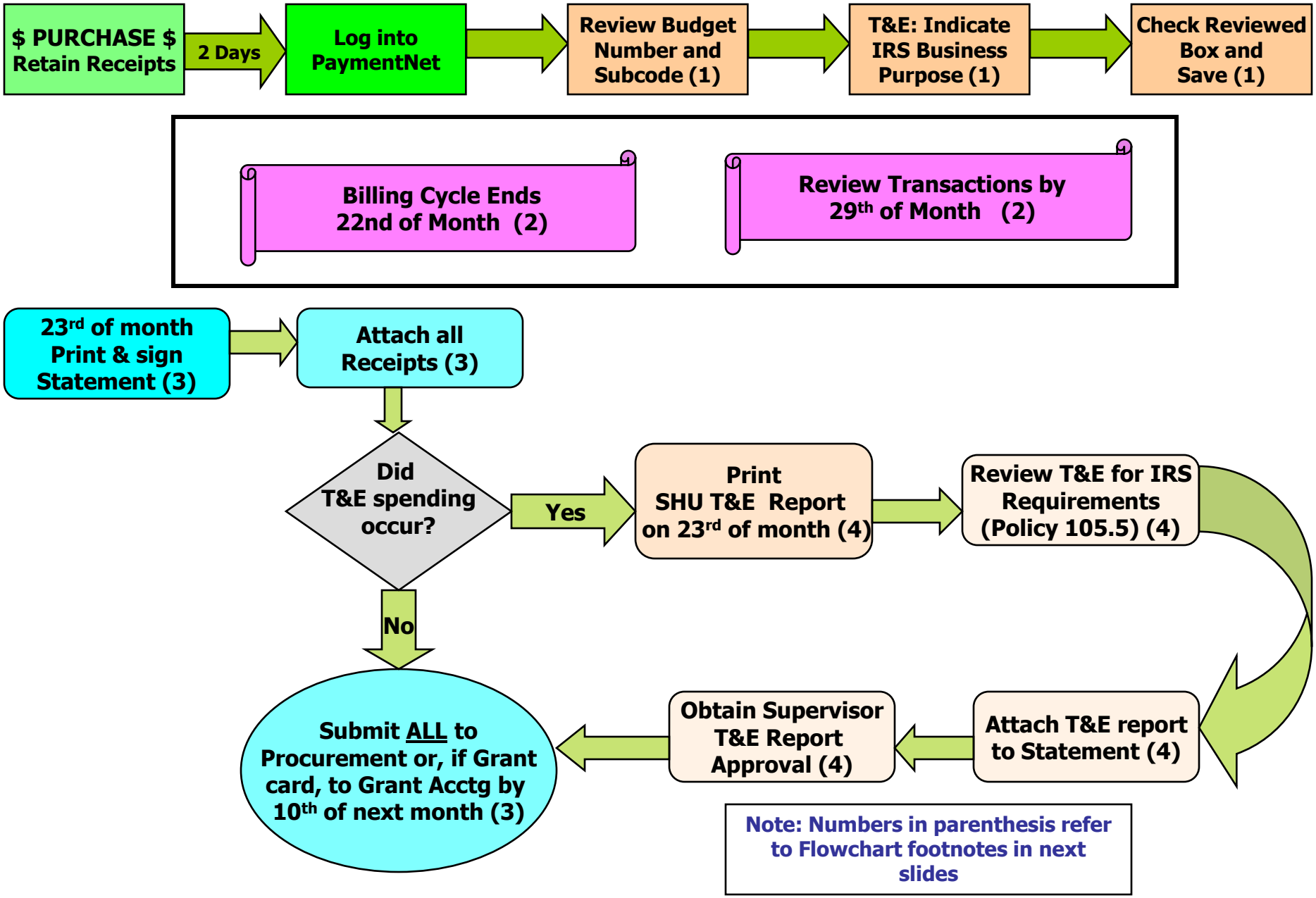
Program enhancements

- One card plan vs. current Amex two card plan with T&E spending on separate card.
- Exception: Grant spending will be isolated on a Chase Grant card for compliance reasons (limited number).
- Web based Chase system ("PaymentNet") for review and reconciliation--only need a web browser.
- Cardholder may designate another employee to administer and reconcile cardholder activity on the web.
- Automatic E-mail notifications.
- FRS accounting done on the web.

Program enhancements

- 8 spending activity reports available to cardholder in PaymentNet—some reflect hierarchy spending which allows supervisors to view subordinate spending at any point in time.
- Reports include pre-populated SHU T&E Report to facilitate mandatory reporting compliance.
- FRS upload will be on a transaction by transaction basis (similar to accounts payable transactions).
- Individual employee creditworthiness will not factor into card access.
- Program administrator (procurement) can make cardholder spending limit changes in real time.

MONTHLY CARD PROCESS FLOWCHART



Flowchart footnotes

1. Perform the **Review process.**
   - Review/selection of account number and subcode in drop-down boxes for all transactions.
   - Document IRS business purpose for T&E in transaction notes field.
   - Check "reviewed", hit "Save".
   - **Upon card issuance** and ongoing basis, each cardholder is responsible for notifying procurement of adds/deletes needed in account number drop-down box.
   - PaymentNet triggers e-mail reminders to cardholders and/or designee to complete the review process.

Flowchart footnotes

2. Complete review process by the 29th for spending appearing in PaymentNet through the 22nd (monthly spending cycle is from the 23rd to the 22nd).
   - Last upload to FRS of reviewed cycle spending will occur on the 29th.
   - One other upload of reviewed activity will occur during the cycle, on or about the 8th.
   - Can still make changes to a reviewed transaction as long as upload has not occurred.
3. Print monthly cardholder statement on or about the 23rd of the month.
   - Signed statement submission, **with receipts**, to Procurement by the 10th of the following month.
   - Signed Grant card statement submission, **with receipts**, to Grant Accounting by the 10th of the following month.

Flowchart footnotes

4. If the cardholder incurs T&E charges, print the SHU T&E Report, which reflects T&E transactions that occurred during the monthly cycle, on or about the 23rd of the month.
   - Review for correct web input during the review process of IRS business purpose and that receipts are attached to cardholder statement (SHU Travel Policy 105.5).
   - If transaction has been reviewed and not uploaded to FRS, web input of the IRS business purpose can still be input/amended.
   - If transaction has been uploaded, then business purpose should be manually written on SHU T&E Report.
   - Attach to monthly standard card statement and obtain supervisor signature approval. Submission of all to Procurement by the 10th of the following month. Same for Grant card, but submission is to Grant accounting by the 10th of the following month.

Policies

- Credit card use – only for SHU business purpose.
- Must use preferred vendors whenever possible.
- Commercial and/or T&E spending ability depending on cardholder.
- Cost Center ("CC") Mgr limits of $1K/transaction & $10K/month.
- Budget Center Mgr limits of $2.5K/transaction & $10K/month.
- Executive Cabinet limits of $5K /transaction & $20K/month.
- CC mgrs cannot request that a vendor split a transaction so as to keep the order total under the CC mgr transaction limit of $1,000.

Policies

- Bid policy still applicable for purchases over $2,500 from non-preferred vendors.
- Remind vendors we are exempt from sales tax where applicable.
- Central bill pay by SHU to vendor. No individual pay.
- Cardholders use their Chase cards to book travel at our preferred travel agencies (University credit card will no longer reside at agencies).
- We will phase out credit card usage to pay for Gourmet Dining catering bills (a University Amex card will remain in place until new automated catering order form/procedure is operational).

Program aids

- PaymentNet – cardholder Chase training link from main menu screen - http://learning.paymentnet.com/
- PaymentNet – link to SHU procurement policies and procedures (including preferred vendors and travel policy 105.5)
- SHU PaymentNet "Placemat" – see SHU policy Exhibit #2 – "PaymentNet Cardholder Guide".

Program compliance--Amex

- Internal/external audit findings:
  - Statements/receipts not submitted to Finance.
  - T&E not approved and/or IRS business purpose missing.
  - Questionable purchases (gifts, etc).
  - Split transactions whereby cardholder exceeds spending authority.

- Recommendations associated with findings have included:
  - Strict policy enforcement.
  - Transaction limit reductions and card revocation.
  - Assess cardholder taxable income.
  - Eliminate card usage for T&E (reimbursement for T&E through submission of T&E report to Procurement).
  - Dissolve plan.

Program compliance--Chase

- Staff added to address program enforcement.
- Cardholder history of compliance ("scorecard") to be maintained by Procurement.
- Policy/procedure violations, if not corrected, will result in communications to superiors, and eventual spending limit reductions or card revocation.
- T&E documentation issues could, in accordance with IRS rulings, lead to the assessment of taxable income to the cardholder.