What is a Commercial Card?

The JP Morgan Chase, Commercial Card is a credit card intended primarily to improve the efficiency and effectiveness of the purchasing and payment processes for routine, repetitive, high-volume, and low-dollar transactions. The Commercial Card can be used at merchants that accept MasterCard and complements the purchase-order and petty-cash systems.

Who owns the card?

All cards are property of JP Morgan Chase and issued to the University. Although most cards bear the name of an individual, the cards have no impact on the personal credit records of cardholders.

How does someone obtain a card?

Financial Managers may request a card by sending an e-mail message to Accounts Payable at jsponn@usi.edu. The correspondence should include the name of the proposed cardholder and a general description of the ways in which the card will be used. If approved, a Procurement Services representative will contact the cardholder to obtain detailed information so that a Cardholder Account Form or online application may be completed and submitted for processing.

Who is eligible for a Commercial Card?

Only permanent, full-time employees of the University qualify for Commercial Cards. Each cardholder and the appropriate financial manager must sign a Cardholder Agreement or provide electronic approval to receive a card.
Who is responsible for purchases made with the card?

Cardholders are responsible for all purchases made with their cards. Individual cardholders should not loan their cards to other employees. Financial managers who serve as custodians for departmental cards are equally responsible for all charges made on those cards and should maintain an activity log to track the distribution and return of each card entrusted to them for the protection of all parties involved. Intentional misuse or fraudulent abuse may result in disciplinary action as outlined in section F.26, Purchasing Procedures, and F.39, Fraud Policy Statement, of the University Handbook and the Cardholder Agreement.

Employees who accept a Commercial Card agree to use it in accordance with the terms and conditions outlined in this guide and in the Cardholder Agreement. Cardholders who knowingly violate these parameters may lose their card privileges without notice at the discretion of the manager of accounting services and the controller.

Who pays the bill?

The University remits payment directly to JP Morgan Chase. Cardholders receive a monthly memo statement from the bank for reconciliation purposes only.

Should I sign the back of the card?

Cardholders, including custodians of departmental cards, should sign their cards in the space provided on the back. Merchants reserve the right to reject any card if the signature on the back of the card does not match the signature of the individual in possession of the card regardless if the card is issued to an individual or to a department. All cards should be stored in a secure place.

When does the billing cycle end?

The billing cycle ends at midnight on the 15th day of each month or at midnight on the preceding business day if the 15th falls on a weekend or a banking holiday. The monthly credit and transaction limits reset automatically at that time.
What can I buy with the Commercial Card?

The Commercial Card is merely a payment vehicle; therefore, all existing University purchasing policies and procedures apply. Personal purchases are not allowed under any circumstances. Unless otherwise specified, travel-related expenses for employees, students, guests, or candidates are also restricted. Travel includes but is not limited to conference registration fees, food, lodging, and transportation expenses incurred locally or abroad. Detailed purchasing and accounts payable guidelines are available at www.usi.edu/busoff.

The magnetic stripe of each card contains additional information to govern the ways in which the card may be used. Those controls include a monthly credit limit, a single transaction limit, and limits on the number of daily and monthly transactions. The Commercial Card also includes restrictions based on Merchant Category Codes, which are codes assigned to each merchant that accepts MasterCard. For example, a card programmed to not accept charges at restaurants will not work if swiped at a merchant classified as a restaurant. The features embedded in the magnetic stripe are documented initially on the Cardholder Account Form or equivalent and detailed in the Cardholder Agreement.

Rebates and Gifts

Rebates or refunds received as a result of purchasing card usage shall be the property of the University and shall be deposited promptly into the University’s accounts. Any gift cards or other incentives received as a result of card purchases should be used solely for University purposes. A cardholder must not accept any gift or gratuity from any source when offered, or appears to be offered, to influence your decision-making regarding card purchases. Reference F.14, section A, in the University Handbook.

Fraudulent Activity

The Commercial Card remains the property of JP Morgan Chase and is issued at the sole discretion of the University. The University reserves the right to suspend or cancel card privileges at any time for any reason. The cardholder agrees to surrender the card to the University Accounts Payable office upon request. Failure to relinquish the card may result in disciplinary action as outlined in section F.26, Purchasing Procedures, of the University Handbook. Usage of the card for fraudulent purposes, or deliberate misuse, may subject the cardholder to disciplinary action as outlined in section F.39, Fraud Policy Statement, of the University Handbook.
Why are MCC codes that do not apply to me open on my card?

Cardholders are assigned to MCC groups. Within those groups, certain codes are open while others are restricted. Group assignments are intended to place a cardholder within a group that best fits his or her purchasing needs. Open MCC codes are not intended to imply authorization to purchase in any way. University policies and limitations imposed on a cardholder by the financial manager listed on the Cardholder Agreement supersede any implied authority.

What documentation does Accounts Payable require?

Cardholders must provide Accounts Payable with original, itemized receipts to support every transaction. For purchases made over the telephone or the Internet, cardholders should provide original packing slips and supplemental documentation such as catalog or Internet pages to verify amounts when itemized receipts are not readily available. Cardholders are responsible for obtaining supporting documentation in the event that a merchant fails to provide it.

The purpose of every purchase should be noted in the margin of the receipt or on its back. In most cases, the purpose can be defined in a phrase or sentence. Cardholders should avoid jargon, abbreviations, and generalities in favor of concise definitions using common language. As a rule of thumb, the response to the question “Why did you make this purchase?” is generally sufficient in most cases.

HELPFUL HINT: Avoid phrases that are redundant and uninformative such as repeating word for word what is printed on your supporting documentation. Descriptions like “reference books for general office use” or “chemicals for student lab experiments” are relatively vague but give the reader a bit more insight into the purpose of the purchase without unnecessary details.

Cardholders who fail to provide adequate supporting documentation according to the parameters established in this guide may lose their card privileges without notice at the discretion of the manager of accounting services and the controller.
How often should I reconcile my receipts?

Cardholders must reconcile their accounts on a monthly basis after they receive their memo statements from JP Morgan Chase or run their own statements from SDOL, an Internet-based system provided by MasterCard through JP Morgan Chase. Cardholders who prefer to use the memo statements mailed by JP Morgan Chase should expect to receive them sometime after the 15th of the month when the billing cycle ends.

Cardholders should examine their statements thoroughly and report any discrepancies immediately to the appropriate accounts payable representative. A list of representatives by department is available at www.usi.edu/busoff. (See “How do I dispute a charge?” for more information.)

After all transactions have been verified, the receipts and other supporting documentation should be stapled to the statement and signed by cardholder and financial manager to validate the legitimacy of the transactions. The approved statement and accompanying documentation must arrive in Accounts Payable by the last business day of the month.

Cardholders who fail to reconcile their accounts according to the parameters established in this guide may lose their card privileges without notice at the discretion of the manager of accounting services and the controller.

How do I allocate transactions to different accounts?

As cardholders reconcile their statements, they have the opportunity to split transactions into as many as 20 different Funds, Organizations and Accounts through SDOL. At the end of each month, all transactions will be fed from SDOL directly into the Banner Finance System. Any charges not allocated by the end of the month will be charged to the default Fund, Organization and Account specified on the Cardholder Account Form or equivalent document.

How do I dispute a charge?

The University has only 60 days from the date of the statement on which the item first appears to dispute a charge. Cardholders should examine their statements thoroughly and report any discrepancies immediately to the appropriate accounts payable representative. A list of representatives by department is available at www.usi.edu/busoff.
Should I pay sales tax?

The University is exempt from Indiana sales tax. As a convenience to cardholders, the tax exempt number is embossed on the face of the cards. Vendors which require an original certificate should contact Accounts Payable at (812) 465-1128.

What if my card will not work or is declined?

JP Morgan Chase has assigned a customer service team to serve the University. Team J is available 24 hours a day and 7 days a week at (800) 316-6056. Callers may use an automated inquiry system or elect to speak directly with a representative.

What if my card is lost or stolen?

Call (800) 848-2813 immediately to report a lost or stolen card. Also, call the appropriate accounts payable representative to report the problem.

Key Contacts
USI Business Office:

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<tr>
<th>Name</th>
<th>Phone Number</th>
<th>e-mail Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeff Sponn</td>
<td>461-5423</td>
<td><a href="mailto:jsponn@usi.edu">jsponn@usi.edu</a></td>
</tr>
<tr>
<td>Karen Tuley</td>
<td>464-1855</td>
<td><a href="mailto:katuley@usi.edu">katuley@usi.edu</a></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>465-7135</td>
<td><a href="mailto:acctspay@usi.edu">acctspay@usi.edu</a></td>
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