

Credit Card Violations

A purchasing card transaction or activity which falls outside the provisions included in this policy will be recorded as a violation. Each violation type carries a points value which is based on the severity of the offense. Points accumulate throughout a given fiscal year.

Cards will be revoked, for a period of six months, if:

- A particular card accumulates 50 or more points in a fiscal year
- A particular violation has not been resolved in six months

Cardholders with unresolved violations will receive e-mail notifications each month outlining the particulars of the violation(s) and the current fiscal year's score for that card. If a violation has not been resolved after three months, the cardholder's supervisor will be notified of the violation. If the same violation has not been resolved after six months, the card is revoked for a period of six months.

The following is a list of the possible violations for a given card:

Violation	Scoring
Improper Documentation	5
Inappropriate Purchase	5
Receipts Not Uploaded	5
Receipts Uploaded After 20 th Of Month	5
Sales Tax	10
Split Transaction (Per Transaction)	5
Unauthorized Food Purchase	5

1. **Improper Documentation:** Each transaction on the Purchasing Card must be represented by an itemized receipt or other acceptable means of documentation that verifies the date of purchase, the vendor or merchant's name, each item purchased and the price of each item. Lack of supporting or unacceptable documentation for a transaction is a cardholder violation.
2. **Inappropriate Purchase:** The following are types of inappropriate purchases:
 - a. **Personal Purchase(s):** A personal purchase is anything that is not purchased for the use and ownership of Ball State University. Anything purchased for the private benefit of the cardholder is considered a personal purchase.
 - b. **Cash or Cash Type Transactions:** Obtaining cash, in addition to a purchase or through an ATM, cash in lieu of credit to account, travelers checks, money orders, gambling, etc. is prohibited with the Purchasing Card.
 - c. **Use of Inappropriate Vendor(s):**
 - i. Office supplies should be purchased in the University's purchasing system using the dedicated office supply vendor
 - ii. Paper and other applicable supplies should be purchased directly through Central Stores
 - d. Any other purchase which violates State or Federal laws and/or the purchasing policies and procedures of Ball State University.
3. **Receipts Not Uploaded:** Cardholders will receive e-mail notifications around the 1st of each month stating that the statement for the prior month's charges is available in BDMS. Cardholders and/or their proxies should upload receipts matching those charges by the end of the 20th day of the month, unless there were no charges for that card and for that month. For example, a cardholder will receive a statement on March 1 for the February charges, and the receipts for these charges should be uploaded into BDMS by March 20th.

Please note that points will be assessed for this violation for each successive month in which the receipts are not uploaded. For example, if February's receipts are not uploaded until June 1, the cardholder would have accumulated five points for each month in which the receipts were not uploaded (March, April, May, totaling 15 points).

4. Receipts Uploaded After 20th Of Month: If receipts are uploaded into BDMS after the 20th of the month, a violation is assessed. Note this violation will not be assessed in addition to 'receipts not uploaded' violation(s) in cases where a card has already received a violation for not uploading the same receipts.
5. Sales Tax: The purchasing card is used to make tax-exempt purchases; transactions with sales tax assessed by the vendor will be recorded as violations.

Reimbursement of sales tax can be resolved by:

- Reimbursement of the tax by the vendor (and reflected on the cardholder's statement)
 - Deposit via cash receipts voucher to the default FOAPAL associated with the card
6. Split Transaction: Split transactions are defined as dividing a large transaction costing more than \$1,000 into multiple transactions with dollar amounts less than the limit in order to circumvent the \$1,000 per transaction limit. It is a cardholder violation to split transactions in order to circumvent the card transaction limit.

Note that the violation will be recorded for each transaction comprising the split, so in the simple case of two transactions which exceed the \$1,000 limit, each transaction will be assessed five points.

7. Unauthorized Food Purchase: By default, a purchasing card should not be used to make purchases of food. Only cards with completed, approved Food Authorization Forms may be used to purchase food.

Please note that policy violations will be investigated and could result in disciplinary action, termination, and/or legal action. Repeated misuse of the card may eventually lead to the permanent banning of participation in the University purchasing card program.