Special Topics

Accounts with Additional Restrictions

There are restrictions on the types of accounts that may incur pcard charges or be used as a default account:

- Accounts that cannot incur procurement card charges
  - State appropriation construction accounts (Sub fund PLSUCF)
  - Receivable accounts (Object codes with object type AS.; accounts with sub fund BALSHT; invested funds IN)
- Accounts that may not be default accounts
  - State appropriation accounts (Sub fund APSTAT)
  - Agency accounts (Sub fund EXTORG, external organizations which were formerly Agency accounts)
  - State appropriations (Sub fund APSTAT)
  - Federal appropriations (Sub fund APFEDL)
  - Any grant or contract account (Fund CG)

♦ **Note:** The purchaser must comply with all sponsor and other requirements on restricted accounts. The purchaser must not charge federal unallowable expenses or costs generally considered indirect, such as office supplies, to sponsors.

Inactive PCards

An unused and potentially unmonitored credit card account creates the opportunity for fraudulent use by unauthorized parties; therefore, Credit Card Programs will close any pcard account that is not used at least once in any one-year period. Unused cards will be identified at least monthly, and Credit Card Programs will notify the cardholder of the account closure.

Any pcard not used at least 12 times in any one year should be reviewed for closure. To facilitate the closure of low use pcards, each January Credit Card Programs will supply Service Center director with a prior year report of transaction totals by cardholder. It is the responsibility of each Service Center director to review this information with Unit Managers, notify cardholders whose accounts are to be closed, and then request that the Credit Card Programs close the selected accounts. The SSC may also choose to review and close infrequently used accounts that have been opened for less than 12 months.

Outside Compliance Reviews

Credit Card Programs, University Audit Office, or other auditing agencies will periodically review procurement card transactions. Based upon these reviews, pcard accounts may have transaction limits reduced, be suspended or permanently revoked, or other disciplinary action may be taken.

♦ **Note:** Any financial penalties associated with external audits by regulatory agencies are the responsibility of the unit. These penalties may be greater than the amount of the transaction because auditors extrapolate results based on their sample testing.

Internal Sales (Cornell Vendors)

If your unit accepts procurement cards for internal sales, those sales must be recorded on your credit card sales deposit as interdepartmental revenue. This entry into the general ledger is performed automatically by Cash Management if an internal merchant account has been established. For more information, contact Cash Management and see University Policy 3.17, Accepting Credit Cards to Conduct University Business.