

5 FINANCE POLICIES

5.1 Business Expense Policy

Purpose Statement

The **Business Expense Policy and Guidelines** is intended to assure fair, consistent, equitable, and judicious use of university funds. Expenditures of any type paid by the university should occur in the furtherance of the University's mission and educational purpose.

Policies and Procedures

Budget Supervisors

Budget Supervisors are appointed for each department or office by the appropriate Dean or VP. Budget supervisors are responsible for approving purchase orders and procurement activity within their designated area. Any purchase order or procurement activity in excess of \$300 must also be approved by the appropriate Dean, VP, Associate Dean or Associate VP.

Budget supervisors are also responsible for reviewing the expense activity within their area and contacting the Finance Office immediately when unauthorized or unknown items appear on their budget reports.

Budget supervisors are required to attend a Purchasing Process training session before any purchase orders or other procurement activity may be processed. Upon notification of a newly assigned budget supervisor, the Purchasing Manager will schedule a training session.

Purchasing Regulations

Please refer to the [Purchasing Policies & Procedures](#) for information on the University's policies and procedures for the procurement of goods and services.

University funds are committed only through the approved issuance of a University Purchase Order, Departmental Purchase Order, or Contract. Similarly, there is no obligation on the part of Stetson University to pay for merchandise not previously authorized by an official purchase order. Invoices that arrive without purchase order authorization will not be paid.

Several University service departments exist to provide on-campus support for both economy and convenience. These departments would include, but are not necessarily limited to, the University Print Shop, the University Bookstore, the

University Post Office, the central office stores maintained in the Warehouse inventory, food catering functions through the University Dining Services, and specialized maintenance activity such as carpentry

Travel

The University supports the travel of faculty, administrative and support personnel to appropriate professional meetings and to attend to the official off-campus business of the University. Please refer to the [Travel Policies and Procedures](#) for specific information on the University's travel policies.

Reimbursable Expenses

Reimbursable expenses are for incidental costs incurred during the course of business. Reimbursement requests will only be processed with the approval of the Purchasing Office. If the goods or services cannot be obtained through the Purchasing Office, then approval will be granted for the use of the reimbursement process.

Accounts Payable reviews approved reimbursement requests and applies practical guidelines to enforce policy and ensure fair and consistent treatment in the allowability of expenditures. They are responsible for making final authorizations for payment. Accounts Payable will withhold reimbursements and request a review of expenditures in cases where there is reason to believe the expenditures may be inappropriate or extravagant in relation to the University's policies. Expenditure requests for unallowable items will be rejected pending justification, and requests lacking required approvals will be returned to requesting departments for approvals.

Please refer to the [Employee Reimbursement Procedures](#) for complete information on the University's reimbursement policies. Also, please refer to the [Direct Pay Credit Card Procedures](#) for information on the University credit cards supplied to the Deans and VP's.

5.2 Purchasing Polices

5.2.1 Authority for Procurement

Stetson University Purchasing Department is a division of the Finance Office under the Office of the Vice President of Finance. The department has the responsibility for all procurement negotiations and the administration of procurement policies and procedures as delegated by the Board of Trustees.

The Purchasing Department is the centralized purchasing service for all departments of the University. In performing this service, in accordance with sound and prudent business practices, the office seeks to realize the maximum value for every dollar expended.

5.2.2 Responsibility and Objectives

The Purchasing Department functions in a multi-faceted manner for Stetson University. It is responsible for buying merchandise, receiving the items when they arrive on campus, correcting errors in shipments, delivering materials to the proper departments, and processing authorized invoices for payment.

The Purchasing Department functions:

1. Obtaining competitive bids and selecting vendors.
2. Maintaining liaison with the vendors that service the University.
3. Coordinating the procurement of goods and services for the academic and administrative departments of the University.
4. Developing sources of supply to assure that university departments have an adequate number of vendors from whom to obtain supplies and equipment.

5.2.3 Authorized Purchases

In accordance with the authority delegated to the Purchasing Manager by the Vice President of Finance through the Office of the President and the Board of Trustees of the University, all purchases, regardless of the source of funds, will be governed by the following policies:

It shall be the policy to obtain all supplies, equipment and services at the best value for the University, consistent with cost, quantity, quality, environmental friendliness, and availability of the items at the time of purchase. In conforming to this policy, the cost of the purchase and the delivery time required by the using department will be considered. Competitive bids will be solicited whenever practical.

University funds are committed only through the approved issuance of a University Purchase Order, Departmental Purchase Order, Purchasing Corporate credit card or Contract.

5.2.4 Conflicts of Interest

The University does not enter into purchasing contracts with students, faculty, staff, parents or members of their immediate families. Acquisitions from a business which a Stetson University employee has an interest are prohibited unless full disclosure of the background facts are presented in writing to the Purchasing Department. Interest is deemed present if the employee and/or their spouse or dependent minor children have direct or indirect financial interest in a business. Any exceptions will be approved by the Vice President for Finance.

5.2.5 Expenditure of Funds

5.2.6 Fund Source

All funds deposited with Stetson University, regardless of source, are University funds and must be handled in accordance with University policy. Although departments are allocated funds in their budget for a given period, this allocation is only an authority to requisition, not to purchase.

5.2.7 Account Number

Each department is assigned an account number or numbers by the Finance Office. All requisitions must carry the complete number of the account to be charged.

5.2.8 Requisition to Purchase

Only a budget supervisor or their designee shall have authority to issue requisitions.

For proper control the purchasing function should, whenever possible, reside with one person in a department. The prompt processing of all work, however, remains the responsibility of the budget supervisor.

All requests for outside purchases of goods or services, regardless of the source of funds, must be processed through the Purchasing Department on the purchase requisition form (see page 30).

Guidelines:

- (A) Each purchase requisition must be prepared as a three-part form (white, yellow and pink) forwarding only the white and yellow to the Purchasing Department. (Please keep the pink copy for your records.) Only forms generated by Purchasing will be accepted. These requisition forms are available through the University Warehouse.
- (B) Each purchase requisition form must contain the location to which material is to be delivered or service performed, the date required,
- (C) the name of the account to be charged, the account number(s), the quantity, the catalog number or part number (if any), a complete description of the goods (size, color, etc.) or services desired, and the unit price. The requisition is dated, signed by the departmental budget supervisor and sent to Purchasing. Please attach any supporting documentation (e.g., quotes, catalog information, websites, etc.). Care should be taken that each requisition lists only items that can be furnished by one supplier.
- (C) Where possible, the requisitioning department should furnish sources of supply, and the name and address of each recommended vendor.
- (D) All requisitions for purchases \$300 or more must also be signed by the appropriate Dean (or Associate Dean) or VP (or Associate VP) for your area.

All requisitions for purchases of computer systems and peripherals must be approved by IT.

All requisitions for furniture purchases must be approved by the Purchasing Manager.

All requisitions for off campus printing must be approved by the Print Shop.

All requisitions for off campus purchases of embroidered and/or silk-screened apparel should be approved by the Print Shop.
- (E) Once the requisition is received in Purchasing, the account number(s) to be charged will be checked to be sure the required

approvals are in place and there are sufficient funds to cover the purchase. If there are insufficient funds in the account(s), the requisitioner will be notified, the requisition will be returned and the purchase order will not be issued.

- (F) Once a purchase order has been generated for the purchase, the purchase order number and date are written on the bottom of the requisition form and the yellow copy is mailed back to the requisitioner.

5.2.9 Purchase Order

A Purchase Order (see form) is prepared and copies are faxed or mailed to the vendors. The Purchasing Department is the only office authorized to assign a purchase order number. Copies of the purchase order are not mailed to the requisitioning department unless requested. A copy of the purchase order form is in the back of this book.

5.2.10 Cancellation or Modification of Orders

Requests for cancellation or modification of a purchase order, including an increase or decrease in the dollar amount of the order, must be submitted to the Purchasing Department in writing by the budget supervisor. State the reason for the change and reference the purchase order number and vendor's name and address.

An official notification to the vendor will be sent via a Change order.

5.2.11 Central Receiving – Warehouse

The Warehouse performs receiving of all goods. When the goods are received, the packing slip is pulled from the package and referenced to a purchase order. The purchase order number is verified and the date and number of cartons received is documented on the Warehouse copy of the purchase order.

When Purchasing uses the corporate credit card to place an order, a copy of the requisition used to place the order is forwarded to the Warehouse. This paperwork will be used to identify the shipment.

A delivery slip (see form) is completed with the following information: date package is received, requisitioner's name, the number of cartons received, a description of the items, vendor name and the purchase order number. The delivery slip is attached to the package. The package is delivered to the delivery point and person designated on the purchase order. Once the delivery slip is signed by the requestor, the white copy is kept by the

Warehouse and the yellow copy is forwarded to Purchasing and attached to the purchase order.

Any packages delivered to the Warehouse that cannot be referenced to a purchase order will be returned to the vendor.

5.2.12 Receiving Report Approval

Invoices received by Purchasing will be matched to the proper purchase order. A receiving report (see page 33) is filled out with the account number(s) to be charged, the purchase order number, invoice number, invoice date and invoice amount. The receiving report is attached to a copy of the original invoice and forwarded to the department receiving the goods or services. When the goods have been delivered or the service performed, the receiving report should be signed and promptly returned to Purchasing. Since the credit standing of the University depends on fulfilling its obligation on time (payment), departments should arrange for alternate signatory power in order that staff absences not delay the appropriate approval.

For invoices totaling \$500 or less, the Warehouse delivery slip may be used as payment authorization.

In the event that a budget supervisor feels payment should not be made because a vendor has not met the terms and conditions specified in the purchase order, please notify Purchasing immediately, in writing, of the details surrounding the disagreement. Purchasing will coordinate any corrective action.

5.2.13 Damages and Shortages

In cases of damage or shortage of shipment, a written report must be submitted immediately to the Purchasing Department, including the following details: purchase order number, date, vendor, extent of damage or shortage.

5.2.14 Mistakes in Shipping or Invoicing

Mistakes in shipping or invoicing must be reported promptly in writing to the Purchasing Department. Refer to the purchase order number and vendor involved. Departments should give sufficient detail concerning the mistake so that proper negotiations and correction of the mistake can be handled with the vendor.

5.2.15 Return for Credit

When vendors have shipped items specified on a purchase order, they have legally complied with their part of the contract and are under no obligation to accept a return for credit any of those items delivered as specified. Acceptance of a return by the vendor is by no means automatic, and a restocking charge may be incurred. This charge will be assessed to the requisitioning department.

Any requests to return supplies or equipment to the vendor for adjustment or credit, which affect the encumbered amount of the purchase order, must be processed through the Purchasing Department.

5.2.16 Blanket (Open) Purchase Orders

This type of purchase order is intended to eliminate small repetitive purchase orders for expendable supplies or services. It is used to encumber a specific amount of funds for a specified length of time. It is generally used in processing preventative maintenance types of requests and lease/purchase or rental orders.

Supplies and services are drawn against these purchase orders, when needed, by a designated representative.

5.2.17 University Corporate VISA

The University Corporate VISA is used for any vendor that will not accept a purchase order (e.g., hotels, airline tickets, internet orders). To place an order and charge the University Corporate VISA, follow the instructions in Section 2.3 – Requisition to Purchase and forward the completed requisition to Purchasing.

5.2.18 Departmental Purchase Orders (DPO)

Departmental purchase orders (see page 34) are to be used for local purchases from University approved vendors as established by the Purchasing Department. A DPO is limited to \$300. A Stetson employee must pick up the items purchased with the DPO. No telephone orders or backorders are allowed. The Purchasing Department controls the issuance of departmental purchase orders. In order to participate in the DPO Program, the budget supervisor must agree to the conditions relating to the use of the DPO.

The budget supervisor or designee must pick up the DPO's from Purchasing. They cannot be sent through campus mail. The budget supervisor will be issued an assigned set of numbered DPO's. The DPO is a commitment by Stetson University to pay for the items purchased LOCALLY with the DPO.

When the DPO is used, it must be signed by the budget supervisor and have the account number to be charged written on it. When the goods are received, the person receiving the goods will sign the DPO. The white copy of the DPO is given to the vendor. **Immediately** submit the yellow copy of the DPO and the receipt (invoice) to Purchasing. The budget supervisor should keep the pink copy of the DPO and a copy of the receipt for their records. Do not forward DPO's without invoices or vice versa. Because the items purchased with a DPO must be "picked up", a receipt or invoice can always be obtained.

The DPO **MUST NOT** be used for the goods or services listed below:

Airline Tickets

- Charter Bus Travel
- Chemicals
- Deposits or Advance Payments
- Fuel
- Furniture (Must be approved by Purchasing)
- Hazardous Materials
- Hiring of Labor
- Honorariums
- Laboratory or Specialty Gases
- Leases
- Office Equipment Annual Service Contracts
- Office Equipment (Scanners, Fax Machines, Printers)

Office Supplies (Available through America's Office Source or Office Depot)
Printing – (Available through the Stetson Print Shop)
Reimbursements
Telecommunications
Telephone orders
Travel
Vehicle Rental (Includes Cars, Golf Carts, Trailers, etc.)

Contact Purchasing for a listing of local vendors that accept DPO's or with any questions concerning the DPO Program.

5.2.19 Travel

Purchasing will assist you in making all travel arrangements – airfare, hotel, conference fees and rental cars.

Airline Travel

Because the purchase of airline tickets is essentially the same as the purchase of any other type of goods or services, the Purchasing Department is responsible for handling the procurement of tickets.

If you prefer using a travel agency to purchase your ticket, call a local travel agent (Roseborough, Maria's Travel, Travel Concepts, etc.) and make the arrangements. Complete a requisition form and an Air Travel Request Form (see page 35) in its entirety, attach a copy of the itinerary from the travel agent showing the flight details and pricing and forward to the Purchasing Department. Please note that incomplete information on the requisition or travel form may cause delay in procurement. A purchase order will be issued for the procurement of the tickets.

Your reservation will normally be held for 24 hours. Purchasing will immediately issue a purchase order and fax it to the travel agent and your tickets will be printed. Failure to get the completed forms to Purchasing may result in an increase in ticket price or sold-out flights.

If you wish to purchase your tickets over the internet (Traveolcity, Expedia, Orbitz, Cheap Tickets etc.), print a copy of the price sheet and itinerary you desire. Follow the same procedure as above. Complete a requisition, an air travel request form, attach a copy of the itinerary from the website showing the flight details and pricing and hand-carry these to Purchasing along with the copy of the desired itinerary. Purchasing will assist you in purchasing the tickets.

Hotel

Call the hotel and make your reservation

If the hotel **does not** require a credit card to secure the reservation, make the reservation, get a confirmation number and ask the hotel to fax or email you a credit card authorization form. Complete a requisition form for your stay. Be sure to include the hotel phone number, fax number, dates of your stay and your confirmation number. Attach the credit card authorization form and forward to Purchasing. We will complete the form and fax it to the hotel for you.

If the hotel **does** require a credit card to secure your reservation, ask the hotel to fax or email you a credit card authorization form to you. Complete a requisition form for your stay. Be sure to include the hotel phone number, fax number and dates of your stay. Attach the credit card authorization form to the requisition and bring them to Purchasing. We will have you call the hotel and make your reservation. We will then give the hotel the corporate credit card information and get a confirmation number. We will complete the credit card authorization form and fax it to the hotel.

When checking out of the hotel, please get a copy of the portfolio showing all charges for your stay. Forward this to Purchasing – this is used when paying the corporate credit card statement to be sure the correct amount was charged for your stay.

Please contact the hotel prior to your stay to be certain all the necessary paperwork (credit card authorization form and copy of corporate credit card) is on file. If not, please contact Purchasing so this paperwork can be re-faxed to the hotel.

Conference Fees

If a registration form is available for your conference and it can be faxed to register you, please complete the registration form, a requisition form for the conference and forward these forms to Purchasing. We will put the corporate credit card information on the registration form and fax it to register you for the conference.

If you need to register online, complete a requisition form for the conference and come to Purchasing. You can register for the conference

online and we will enter the corporate credit card information to complete the registration.

Rental car

The University has corporate accounts with Enterprise and Budget. Please contact Purchasing to assist you in making your rental car reservation.

5.2.20 Walmart Cards

Walmart will no longer take a purchase order or departmental purchase order. Walmart cards are available to departments through the Purchasing department.

When using the Walmart card, please take the gray tax exempt card (issued by Walmart) with you. This is the only way to ensure your purchase will be tax free. Immediately after making a purchase, have the budget supervisor approve the original receipt (if the receipt exceeds \$300, have the Dean/VP also approve) and forward the Purchasing. This receipt is used when paying the monthly statement. Failure to forward original receipts to Purchasing in a timely manner will result in suspension of the Walmart card.

Please contact Purchasing if you are interested in receiving a Walmart card.

5.2.21 Publix Cards

Publix will no longer take a purchase order or departmental purchase order. Publix cards are available to departments through the Purchasing department.

When using the Publix card, please take a copy of the tax exempt certificate. This is the only way to ensure your purchase will be tax free. Immediately after making a purchase, have the budget supervisor approve the original receipt (if the receipt exceeds \$300, have the Dean/VP also approve) and forward the Purchasing. This receipt is used when paying the monthly statement. Failure to forward original receipts to Purchasing in a timely manner will result in suspension of the Publix card.

Please contact Purchasing if you are interested in receiving a Publix card.

5.2.22 Ordering Office Supplies

There are several options available when ordering office supplies for your department. Purchasing recommends using America's Office Source or Office Depot.

America's Office Source

America's Office Source offers Stetson University substantial savings on office supplies. Stetson receives next day, desktop delivery on most orders. Ordering through America's Office Source is done either online or by phone. If you are interested in ordering office supplies from Office Source USA, contact Purchasing. We will set up an account for you and offer training on how to place orders.

Office Depot

Office Depot offers Stetson University substantial savings on office supplies. Stetson receives next day, desktop delivery on most orders. All ordering through Office Depot is done online. If you are interested in ordering office supplies from Office Depot, contact Purchasing. We will set up an account for you and offer training on how to place orders.

16

Office Depot Cards

Office Depot Purchasing cards are available for purchases at the local store. Please contact Purchasing if you are interested in an Office Depot Purchasing card.

Please note:

All invoices/receipts with a single item over \$50 must be approved by the budget supervisor and forwarded to Purchasing.

All invoices/receipts that exceed \$300 must be approved by the budget supervisor and Dean/VP signature.

All charges from America's Office Source and Office Depot will be charged to Banner account number 71101 – office supplies. If you want to charge another account number, please make a copy of the delivery receipt from your order, write the account number you wish to be charged, and forward

to Purchasing at Unit 8287. Call Purchasing with any questions about ordering office supplies.

5.2.23 Supplier Selection and Quotations

5.2.24 Interviewing Sales Representatives

University personnel desiring to contact sales representatives should contact the Purchasing Department for assistance.

5.2.25 Vendor Selection

Vendors are selected for their capability to serve the needs of the University in the most economical and efficient manner possible. Past performance and cooperation are important factors.

Vendors must comply with the Equal Opportunity Act since it is the policy of the University to promote the full realization of equal employment opportunity. They must comply with all federal, state and local laws and directives.

The University desires to purchase goods and services that are environmentally friendly. Vendor selection will consider this preference.

5.2.26 Disadvantaged Suppliers

The University affirms the values and goals of diversity and shall endeavor to apply these principles in its purchasing with the objective of fostering greater participation by ALANA and women-owned enterprises in its procurement activity. This assumes that the goods or services are the best value for the University, consistent with cost, quantity, quality and availability.

5.2.27 Errors in Bids or Quotations

Vendors are responsible for the accuracy of their quoted prices. In the event of an error between a unit price and its extension, the unit price will govern. Quotations may be amended or withdrawn prior to placing an order. After an order has been issued, no bid may be withdrawn or

amended by the vendor unless the Purchasing Department considers the change to be in the University's best interests.

5.2.28 The Confidentiality of Bids

Bids are given to Stetson University in confidence and shall not be revealed to any other vendor or unauthorized person.

5.2.29 Demonstration or Sample Material

University employees wishing to see samples or have equipment demonstrated should contact the Purchasing Department for assistance.

University personnel who find the need to contact sales representatives directly are reminded to advise the prospective vendor that a purchase order will be issued by the Purchasing Department should a procurement decision be made.

Vendors are to provide their own insurance coverage for any material left at the University.

5.2.30 Insurance

Prior to the commencement of any work or services for the University, the vendor must submit evidence of appropriate insurance coverage to the Purchasing Department.

5.2.31 Leases

All forms of lease, lease purchase or rental agreements for the procurement of material or services must be signed on behalf of Stetson University by the Vice President for Finance or his/her designee.

Any agreement that commits the University to payments beyond the current budget year must be signed by the Vice President for Finance.

Regardless of the time period involved in these agreements, a formal University Purchase Order will be issued. The using department should define lease agreement on the requisition, indicating whether it is a new or

renewal agreement. A copy of the lease agreement must accompany the requisition.

Prior to accepting lease agreements as submitted by the requisitioning department, the Purchasing Department will analyze each one. This analysis will be made to determine the economic soundness of leasing versus purchasing the goods or services.

Some of the factors, which will be considered in making this determination, are as follows:

- | | |
|---------------------|---|
| (A) Title | Who retains title to this equipment? |
| (B) Liability | Who is responsible if equipment is stolen or damaged? |
| (C) Insurance | Does the vendors carry sufficient insurance on their employees when rendering services and/or is their equipment adequately insured? |
| (D) Maintenance | Are all maintenance costs included in the original cost of the lease or is the University responsible for maintaining the equipment at its own expense? |
| (E) Pay Back Period | If the University were to make an outright purchase, what is the payback period? |

A final and important consideration that will be made in determining lease versus purchase is the availability of funds. Does the requisitioning department have sufficient budget funds or, in the event of Grant or Contract Funds, does the source of funding provide for this type of expenditure?

5.2.32 Sales Agreements

It is generally in the best interest of the University to refrain from signing sales agreements. Standard terms and conditions governing a University purchase may be found on the reverse side of the purchase order.

If a separate contract is required, the Vice President for Finance will sign for the University only after a properly executed requisition is received. A copy of the agreement will be retained in the Purchasing Department file.

5.2.33 Service Contracts

Certain items of equipment are covered by service contracts in order to assure continuing efficient operation. Forms required by service companies must be signed on behalf of the University by the Vice President for Finance and forwarded to the company with a purchase order.

5.2.34 Sole Source

Certain sole source items may require documentation from the requisitioning department to justify their purchase.

Instances when "sole source" designation is applicable include the following:

When property or services can be obtained only from one person or firm.

When competition is precluded because the existence of patents, copyrights, secret processes, control of raw material or similar circumstances.

When procurement is electric power, gas, water or utility services where it would not be practical to allow a contractor other than the utility company itself to work upon the system.

When the procurement is for technical services in connection with assembly, installation or servicing of equipment of a highly technical or specialized nature.

When the procurement is for parts or components to be used as replacements in support of equipment specifically designed by the manufacturer.

When the procurement involves construction where a contractor is already at work on the site and it would not be practical to engage another contractor.

Final responsibility in determining whether an item is a proprietary item and may be purchased from a sole source rests with the Purchasing Department.

5.2.35 Supplier Lists

The Purchasing Department will maintain a list of persons and firms who wish to supply goods and services to the University. Invitations to bid will be solicited from those vendors whom the Purchasing Department determines will stimulate viable competitive bidding.

5.2.36 Supply Sources

Requisitioning departments are encouraged to suggest sources of supply for unusual items. Authority for the final selection of the vendor, however, shall be left to the Purchasing Department, which will make its decision in light of the overall needs of the University.

Stetson University is eligible to purchase under the Florida State Contract. These contracts cover a number of items in many commodity areas. Whenever possible, prices will be compared to the State Contract prices.

5.2.37 Requests for Bids or Quotations

Competitive bids and/or quotations will be obtained prior to the purchase order being issued, in accordance with the following guidelines:

Up to \$4,999	Written confirmation on requisition of pricing sources (Two or more).
\$5,000 - \$9,999	Two written estimates or proposals from the vendor attached to the requisition.
\$10,000 – Up	Three written estimates or proposals from the vendor attached to the requisition.

5.2.38 Vendor Qualifications

All vendors doing business with the University are monitored as to how they will perform, particularly vendors doing business with the University for the first time. References are checked and formal interviews conducted when feasible to make sure bidders are qualified.

Departments are encouraged to supply whatever information they may have which will help us evaluate our vendors.

Some of the factors which will be considered when qualifying vendors:

Has this supplier done business with the University before?

Has the supplier ever filed for bankruptcy?

How long has the company been in business?

What is the return policy?

What are the payment terms?

Does the vendor provide goods and/or services that are environmentally friendly and conform to the concept of environmental sustainability?

5.2.39 Proven Preferred Vendors

A vendor may be listed as a "Proven Preferred Vendor" (PPV) if they:

Have been the successful bidder on three previous occasions, and

Have performed at or above expectations, and

Have a billing system that is compatible with the University, and

Have a satisfactory return policy, if applicable.

The competitive bid process must be followed when using Proven Preferred Vendors.

5.2.40 Special Procurement Policies

5.2.41 Emergency Purchases

“Emergency Situations” shall be defined as:

Any situation which, if not corrected immediately, would result in a hazard to persons or property.

Any situation which, if not corrected immediately, could result in damage to buildings or facilities.

A situation that would result in a violation of law, statute, or ordinance established by governmental or regulatory authority, or in any other fashion, if not acted upon, would be seriously detrimental to the interest of the University.

Failure to anticipate a need is not, of itself, considered an emergency.

To initiate an emergency purchase, the authorized person in the department may call the Purchasing Department for an emergency purchase order number. The requesting department must state the nature of the emergency, vendor’s name, and address, dollar amount and account number to be charged. The department will be given an emergency purchase order number and be instructed to follow up with a confirming requisition sent to the Purchasing Department within **1 business day** of the date the emergency purchase order number was given. The confirming requisition should indicate the emergency purchase order number and the statement “confirming”.

5.2.42 Personal Orders

Because of the tax-exempt status of the University, the Purchasing Department cannot issue purchase orders for personal purchases. The Purchasing Department staff will suggest possible sources that may offer a discount.

Vendors are under no obligation to offer discounts to individuals, and do so with the understanding that their offer places the University Purchasing Department under no obligation to do business with them except within strict business practices.

5.2.43 Sales Tax

Stetson University is exempt from Florida State Sales and Use Tax. When requested, the Purchasing Department will furnish a copy of our tax-exempt certificate with the purchase order.

5.2.44 Furniture Purchases

Furniture purchases must be approved by the Purchasing Department. Furniture purchases are a long-term commitment. Often times the end user of the furniture is not the person that originally ordered the furniture. Because of this, it is important that furniture purchases meet the following criteria: commercial grade, commercial quality, meet OSHA standards, and when placed in service will comply with life safety requirements and utility limitations within the space

5.2.45 University Warehouse

The Warehouse, a division within the Purchasing department, serves as the central receiving facility for the University. All goods purchased by the University must be delivered to and received by the Warehouse. The Warehouse is also responsible for controlling the disposition of assets and equipment acquired by and used in the University by faculty, staff and students.

Central Receiving

See section 5.2.10

Asset Control – Equipment Control

The Purchasing department routes all information on asset and equipment purchases made by the University to the Warehouse. These items include, but are not limited to, computers, peripherals, digital camera, TVs, etc. The Warehouse will create a property record for these purchases.

This record

contains a description of the item, make/model, serial or identification number, purchase order number, cost of the item and the custodian of the item. The custodian is generally the person using the equipment.

A property tag will be generated and attached to the equipment. It is the responsibility of the custodian to ensure the safety, accountability and location of this equipment.

Transfer or Disposal of Assets/Equipment

When the custodian of equipment no longer has need of the item, the equipment can be transferred to another user/department or discarded.

When transferring the equipment, a Property Disposal/Transfer form (see form) is completed, signed by the current custodian and the department head. The form is then attached to the equipment and given to the new custodian. The form is then completed by the new custodian and forwarded to the Warehouse. The Warehouse will use the form to change the custodian of the equipment. The Property Disposal/Transfer form is the only way to transfer ownership of the equipment.

When disposing of equipment, a Property Disposal/Transfer form must be completed, signed by the custodian and department head, attached to the equipment and forwarded to the Warehouse. The Warehouse will make the necessary changes to the property record and determine the proper disposal of the equipment.

Warehouse Inventory Items

Please refer to the listing of items maintained in the Warehouse before ordering supplies from outside vendors. Warehouse inventory items include:

- Requisition Forms
- Copy Paper – both letter and legal
- Printer cartridges
- Toner cartridges for Fax machines
- Batteries
- Grade Books (used by professors)
- Surplus Furniture
- Surplus Office Equipment

Please contact the Warehouse with any questions concerning the items available or to request a listing of these items

5.3 Travel Policies and Procedures

Accountability and Compliance. The University must follow a number of legal requirements imposed by the Internal Revenue Service and Federal and State granting agencies in reimbursing travel expenses. All persons traveling on behalf of the University and those who approve travel expense reimbursements are responsible for knowledge of University travel policies and procedures, and compliance with sponsoring agency regulations governing travel expenditures. All travel expenses are subject to audit by Stetson's Internal Audit Department and external auditors, as well as by agencies such as the Internal Revenue Service and Federal granting agencies. The purpose of these audits is to ascertain that the expenses are proper and fully documented. Therefore, it is essential that travelers are aware of the importance of fully documenting their expenses, and supervisors and administrative officers recognize their responsibility for critically reviewing travel expense reports prior to approving expenses for reimbursement.

Definition of Official Travel. Official travel is defined as movement on official business of the University from one's home or normal place of employment to another destination, and return from there either to one's normal place of employment or to one's home. Commuting between one's home and regular place of employment is NOT official travel.

Temporary Assignments. Reimbursements of expenses for "temporary" assignments away from the tax home are generally not taxable to the employee. If the assignment is "indefinite," the employee is considered to have moved his/her tax home to the new work location. Reimbursements of expenses for "indefinite" travel are taxable. [Rev. Rul. 93-86](#); [Rev. Rul. 99-7](#). Per IRS Regulations, Stetson University considers work assignments at the same institution, regardless of the location, to be within the same tax home, when the employee is contracted to work indefinitely, or on a recurring basis. Any commuting mileage or meals reimbursements are considered taxable income to the employee, and should be paid in the form of additional compensation (i.e. travel stipend, etc.). Either a separate Personal Action Form for the travel stipend should be completed at the time the assignment is approved or the employee's compensatory stipend should be increased to allow for any additional payment over and above the contracted rate.

Guidelines for Reimbursable Travel Expenses

Student Travel

Expenses incurred by students must relate directly to the educational purpose of the travel. If approved in advance, this travel is reimbursable in accordance with the travel guidelines.

Employee Travel

To qualify for approval, travel must bear a reasonable relationship to the employee's job responsibilities to the University. Examples of appropriate travel for employees include, but are not limited to:

- Participating in professional association activities, professional conferences, continuing education programs or other educational programs relevant to the employee's assignment.
- Official representation of the University at meetings or events. This would include travel expenses related to the University Board of Trustee Meetings, including any special committee meetings. Stetson will not pay for travel expenses incurred while representing any other institution, organization, firm, agency or individual.

Employees on Leave

Normally, employees are not eligible for expense reimbursement while on unpaid leave of absence from the University, unless the employee is requested to represent the University at a professional meeting, event or other activity. A sabbatical is considered paid leave; therefore, faculty on sabbatical typically will be eligible to receive reimbursement for pre-approved, University-related travel expenses.

Non-Employee, Spousal or Other Dependent Travel Expenses

Except as indicated for guests of the University, no travel expenses, transportation, lodging, meals, or registration fees, etc., for spouses or other persons accompanying employees on University travel will be reimbursed unless such travel significantly benefits the University *and is specifically approved in writing by the traveler's Executive Director, Dean, Vice-President or Provost in advance*. Approval is necessary to document the spouse's or other person's expenses may be reimbursed on a given trip.

Reimbursed travel expenses of spouses or other persons accompanying employees on travel for University purposes will be reported as taxable income to the employee unless (1) the spouse or other person accompanying the employee is also an employee of the University, (2) the travel of the spouse or other person is for a bona fide business purpose of Stetson University, AND (3) the expense would otherwise be deductible by the spouse or other person. **NOTE: ALL THREE (3) CONDITIONS MUST BE MET IN ORDER TO COMPLY WITH IRS REGULATIONS.**

Group Travel

Students traveling as groups or teams are to be sponsored by a faculty or staff person(s) who will be responsible for complying with the University policies for travel and expense reimbursement. For these trips, one Travel Expense Form should be completed, and a list of travelers attached.

If a person on official travel is accompanied by a person not on official travel, and the expenses for travel, accommodations, or other services are incurred jointly by such persons, then reimbursement by the University to the person on official travel is limited to the actual expenses attributable to the traveler, or to the amount that traveler would have incurred if traveling alone.

International Travel

Foreign travel supported by University funds should be approved in the same manner as domestic travel. Travelers should follow the same documentation standards as outlined in this policy for all foreign travel expenses. It is recommended that travelers consult with the Office of Risk Management for any special insurance requirements, as these may differ from those for domestic travel.

Eligible Travel Expenses

The employee should follow the [Purchasing Policies and Procedures](#) in incurring eligible travel expenses, as well as the [Employee Reimbursement Procedures](#) for obtaining reimbursement for qualified travel expenses.

The mode of travel should be the most economical means reasonably possible. Reimbursement normally will be made at this rate only. However, if time and convenience of the traveler and time away from the University cause the traveler to select a mode of travel other than the most economical, those factors will be considered in the approval and computation of the reimbursement.

Eligible travel expenses include:

Automobile

- For approved travel, use of the traveler's automobile will be reimbursed at the standard mileage rate established by the IRS and in effect at the time the travel occurred.
- In addition, travelers will be reimbursed for reasonable parking costs, bridge tolls, and turnpike tolls, if properly substantiated by receipts.

- The University will not reimburse employees for parking tickets, fines for moving violations, or vehicle towing charges. The University will not provide reimbursement for vehicle repair or servicing costs, regardless of cause.
- As stated earlier, expenses associated with normal commuting between an employee's home and primary place of business are not reimbursable. An employee's hire letter, employment agreement, or job description may state that he or she is assigned a status to perform regular University business at more than one campus. This includes adjunct or other teaching services provided on a recurring basis at the Celebration campus. In such cases, both campuses will be considered as a primary campus, and mileage normally will not be reimbursed for travel between the two campuses or between the campuses and the employee's residence. *Please see Temporary Assignments section for additional explanation.*
- If an employee travels to a location other than his or her primary place of employment and back, the University will reimburse the employee for those miles.
- If an employee drives to a location other than his or her primary place of employment for a meeting, conference, etc. and then drives to his or her primary campus, the University will reimburse that person for the difference between the total miles driven before arriving at the primary campus, less his or her normal commuting mileage.

Vehicle Rentals

Renting a vehicle is permitted under limited circumstances. Rental vehicles should be used only if less expensive than the cost of taking taxis, or if taxis are not available. Students are NOT permitted to rent or operate rented vehicles.

Before arranging for a rental, check with Purchasing for any negotiated corporate or business discounts available to the University. When an arrangement is available but not used, reimbursement may be limited to the lower of the discounted rate or the actual cost, unless an adequate reason for not using the corporate program is given.

Rental arrangements are also subject to the following restrictions and considerations:

- A traveler is expected to rent a mid-size or smaller vehicle unless a larger car is necessitated by the number of bags and/or travelers in the University group.
- Gasoline charges on a rental car will be reimbursed with submission of an original receipt and the rental agreement.
- Reimbursement for rental cars will be made promptly upon submission of a Travel Expense Report for the trip, documented by an original rental agreement. Credit card receipts are not sufficient for reimbursement. See [Employee Reimbursement Policies](#).
- Rental Car Insurance: Eligible University employees traveling domestically are covered under the University's automobile policy (for collision damage/loss and liability insurance) and should check "decline" when renting a vehicle. To be eligible, the employee must be on the University approved driver list. Employees traveling internationally must obtain "Collision Damage/Loss" and "Liability" insurance by checking off the "accept" indicator for insurance with the car rental agency.

Airfare

Traveling by air is limited to coach class unless approved in advance by the President for good cause. Good cause typically will be limited to a documented significant health or medical reason that reasonably necessitates travel at a higher class.

Only the original airline ticket or electronic ticket receipt can serve as a receipt for air travel; the itinerary alone is not sufficient. Please see [Employee Reimbursement Policies](#).

Airline reimbursement is also subject to the following restrictions and considerations:

- **Checked Baggage fees:** The University will pay the cost of one checked, but not overweight, bag — if a checked bag cost is assessed by the airline. For travel between four and seven days, the University will pay the cost of two checked, but not overweight, bags — if assessed by the airline.
- **Other airline fees:** Airlines have been adding a variety of new fees. Generally, the University will reimburse a traveler for food or

other items purchased during the flight if and to the extent those expenses would be reimbursed under other circumstances (please see *Travel Meals* guidelines in *Employee Reimbursement Policies*). The University will not reimburse a traveler for alcohol consumed on a flight.

- **Lowest possible fare/travel time:** Reservations should be made using the lowest possible fare, regardless of airline. Please see also [Purchasing Policies and Procedures](#) for airline travel guidelines. Travelers are cautioned that airfares may vary very significantly during the course of a single day, with the highest fares charged during peak travel hours. Travelers are urged to conserve University funds by traveling during off-peak hours whenever reasonably possible.
- **Airport parking:** When parking at airports, travelers should use the least expensive parking appropriate and available. For example, an employee traveling without luggage should use economy parking; those traveling with luggage may use long-term parking, but are encouraged to park in economy parking. Short-term parking should be used when picking up a traveler, or when a traveler has a physical condition that necessitates it.
- **Airport Shuttle/Taxicabs:** Taxi or shuttle service, to and from the airport, will be reimbursed when appropriate (to and from hotel, if traveling away from home), and properly substantiated by the original receipt. Airport limousines, hotels shuttles, or buses should be used whenever reasonably possible, if less expensive than taxicabs.

Lodging

Travelers are expected to use economical accommodations. In addition, the following specific guidelines apply:

- Reimbursement for lodging may not exceed the normal rate for a standard room.
- If an individual is attending a convention or conference, using the convention or conference hotel is appropriate, but not required. However, if the individual elects not to stay at the convention or conference hotel, reimbursement is limited to the lower of the actual or conference/convention rate.

- Under all circumstances, travelers should request the lower corporate or educational institution rate when available. Please see [Purchasing Policies and Procedures](#) for specific discount and booking rules.
- Reimbursement requests must be documented by an original itemized hotel bill and receipt, and is limited to room and tax (if exemption cannot be obtained), business phone calls and fixed-rate Internet service if necessary to complete University business. **For travel within Florida, the sales tax exemption should be requested.** Please see the [Employee Reimbursement Policies](#) for specific guidance on acceptable documentation.
- Normally, the University will not reimburse items and services such as dry cleaning or other incidentals. If the individual is away for more than five days, reasonable laundry costs may be reimbursed if approved in advance by the appropriate Dean or Vice President.

Meals

To subsidize the cost of food while traveling on approved Stetson business (not including faculty members teaching in Stetson study-abroad programs), travelers may receive reimbursement for qualified meal expenses, in accordance with the *away from tax home* rules and the following policies:

- Meal reimbursements should be documented with original itemized receipts. If paid for with credit card, both credit card and itemized receipts are required. Costs incurred for meals should be reasonable, and include the business purpose. If reimbursement is for more than self, please include the names of guests besides the employee being reimbursed. (as of May 1, 2010)
- Reimbursement will not be granted on any day in which the faculty or staff member does not pay for any meal.
- Reimbursement will not be provided when meals are covered by conference or registration fees.
- Unless approved in advance by the President, respective Dean or Vice President, the cost of alcoholic beverages will not be reimbursed. *Please note, any reimbursed alcohol expenses MUST be charged to Entertainment, rather than Travel Expenses, per our [Federal indirect cost guidelines](#).*

Please see the [Employee Reimbursement Policies](#) for specific documentation and receipt substantiation requirements.

Entertainment (as distinguished from Travel Expenses)

Entertainment is defined as meals, beverages, and event admission costs for non-employees deemed to be in the best interest of the University (visit by an external candidate for a University position, potential donor functions, vendor meals, alumni events, etc.). Entertainment expenses are separate from employee travel expenses incurred directly for the employee's use or benefit during University-related business travel. Entertainment costs should be classified and charged separately.

Entertainment expenses may either occur while on travel or locally. Authority to incur entertainment expense must be properly approved in advance by the appropriate Dean or Vice President and documented by receipts and records indicating name(s) of guest(s) and justification for the expenditure. Please see [Employee Reimbursement Policies](#) for further clarification on substantiation.

Expenses incurred primarily for the benefit of University faculty or staff members are considered personal expenses and are not reimbursable. Business meals are allowable if the individual establishes that the meal is directly related to the active conduct of University business. Expenses for business meals will not be allowed for food or beverages to the extent that such expense is lavish or extravagant under the circumstances.

Special Travel

Travel and business expense reimbursement for individuals other than University employees, such as guest speakers, consultants, and prospective employees (recruiting expenses) are subject to these travel policies, including the requirement of advance approval and bona fide business purpose. Please see separate policy on Employee Moving Expenses, which are subject to different requirements and limitations.

As stated earlier, the University will NOT reimburse travel expenses for spouses, dependents, other family members, friends or other guests of the employee unless approved in advance in writing by the appropriate Dean or Vice President, and all conditions for bona fide business purpose are met (see earlier section on non-employee travel expenses).

Non-Reimbursable Travel Expenses

The following expenses will not be reimbursed. The following list is not to be considered all-inclusive, and a rule of reasonableness will be applied by the President, appropriate Dean, or Vice President for any additions or exceptions.

- Entertainment expenses for faculty and staff members when only faculty and staff members are involved and not otherwise justified as necessary travel. Exceptions may be recognized if specific

advance approval is requested and granted, e.g., for approved recognition events such as a retirement, or when committee meetings are scheduled during the lunch hour and a meal is served on campus.

- Repair or insurance of personal automobiles.
- Home internet service.
- Theft, loss or damage of personal luggage, property and effects or theft/loss of cash advance money.
- Passenger insurance (flight insurance) or other non-compulsory insurance coverage, unless the policy specifically requires the insurance to be elected.
- Alcohol, unless specifically approved in advance.
- Personal credit card annual fees, interest charges or delinquency fees.
- Day-care or babysitting fees for children.
- Boarding or kennel charges for pets.
- Fees for upgrades of air, hotel, or automobile or other mode of travel.
- Golfing, green fees or golfing cart rental, unless part of approved development or athletic activity.
- Personal grooming or spa services, such as barbers, nail services, hairdressers, massages and shoe shines.
- Medicine or toiletries.
- Movies (either in-room, in-flight or at the theater) and movie expenses, such as headphones on airlines.
- Expenses for travel incurred by companions or family members, except as approved in advance, as noted above.
- Expenses related to vacation or personal days while on a business trip.
- Excess baggage charges, except as noted above.

- Avoidable "no-show" charges for hotel or car service.
- Tips exceeding 20%, and, in most instances, tips in addition to pre-applied gratuity.

Cash Advances

Cash to meet a portion of the expected travel expenses for employees can be requested by submitting a check requisition. The request must be approved by the employee's supervisor and the appropriate Dean (if over \$300). Allow at least one week for processing. The cash advance must be reported on the Travel Expense Report and documented by appropriate receipts. See [Employee Reimbursement Policy](#) for specific guidelines.

Cash advances are to be reconciled via submission of the Travel Expense Report no later than 30 days after the end of the individual's trip. If the cash advance exceeded the actual expense incurred, the return of excess funds must accompany the Travel Expense Report. Expense advances not accounted for by cash within 30 days after the end of the trip will be treated as compensation to the individual via the payroll process. The individual may also be disqualified from receiving future advances.

A cash advance is not appropriate for items that can be covered with a University direct pay or credit card.

Sales Tax Exemption

As a not-for-profit organization, the University is exempt from certain sales taxes and it is the employee's responsibility to be familiar with this exemption. It is also the employee's responsibility to indicate to the vendor that the University is a tax-exempt organization.

Employees are expected to claim exemption from payment of state sales tax on all purchases. Tax exemption certificates are available in the Finance Office and should be presented prior to purchase or travel. Florida sales tax expense, from which the University is exempt, is NOT reimbursable under this policy, and if paid by the employee, remains the obligation of the employee. *Only travel meals will be specifically exempted from this policy, due the difficulty in obtaining the sales tax exemption in most establishments.*

Following the University Purchasing policies for obtaining goods and services will help insure the sales tax exemption is fully utilized for University business within

the state of Florida. Using the certificate to avoid sales tax on personal transactions is forbidden. Please see the [Purchasing Policies and Procedures](#) manual for further guidance in obtaining a sales tax exemption for University purchases, travel and rentals.

Use of University Credit Cards

Please see the University's separate policy for the [Stetson Travel Visa Card](#), and the [Direct Pay Credit Card Procedures](#), as well as the [Employee Reimbursement Policy](#), for specific guidelines.

Exceptions

The President, appropriate Dean(s) and/or Vice President(s) have the sole authority to approve exceptions to this policy, in compliance with audit standards. Approved exceptions must be explicitly justified as beneficial to the University, must be justified in writing (and typically in advance), and generally require the recommendation of the individual's department head or supervisor.

Enforcement

FAILURE TO COMPLY WITH THE POLICIES PERTAINING TO DOCUMENTATION OF EXPENSES IN THIS POLICY WILL RESULT IN NON-PAYMENT OF EXPENSES TO EMPLOYEES, IN ADDITION TO OTHER POSSIBLE CONSEQUENCES, AS APPROPRIATE.

5.4 Employee Reimbursement Procedures

Per IRS regulations, under the accountable plan rules, ALL reimbursement payment requests must have a detailed itemized receipt documenting the purchase. Proper documentation of all University expenses is also mandated by Generally Accepted Accounting Principles (GAAP). All receipts, along with the appropriate form ([Check Request Form](#), [Travel Reimbursement Form](#) or [Procurement Card Allocation Form – credit card direct pays only](#)), must be submitted. Individuals who receive a corporate credit card are responsible for completion and submission of the monthly reimbursement or reconciliation within the timeframe necessary to pay the billing by the designated due date. Please see the [Stetson Travel Visa Card Policy](#) for further guidelines.

Responsibilities

It is the responsibility of the purchaser to obtain any missing receipts from vendors, as well as dispute an inaccurate/or unauthorized credit card charges which occurred. The purchaser has first-hand knowledge of the purchase transaction, is therefore better equipped to handle the disputes or locating of lost receipts. Purchasers will be financially responsible for any credit card purchases where the receipts and/or proper documentation have not been submitted.

Substantiation

Only **original receipts** will be accepted. Please do not submit copies or facsimiles of receipts, as these will be returned. The following guidelines relate to specific types of reimbursement, where additional documentation may apply:

Air or Hotel Travel – Where airfare or other accommodations are not booked directly through Purchasing, the original itinerary, along with the form of payment on the actual ticket (e-ticket) or the internet booking receipt should be attached. (The original itinerary itself is NOT an adequate receipt.) Hotel charges should be substantiated by the hotel portfolio, showing all charges paid in full. Any miscellaneous charges included on the hotel bill should be reasonable, itemized and explained to justify business purpose.

Travel Meals – Should be documented with original *itemized* receipts. **Credit card receipts** must include the original itemized receipt. Costs incurred for meals should be reasonable, and include the names and business purpose if they include additional people besides the card holder. Please note these rules apply only to meals *away from home*, and not meals for University business while in town – please see “Entertainment Meals” substantiation requirements.

Entertainment Meals and Expenses – Under the IRS “entertainment” rules, the meals must meet the business requirement test to be paid with University funds. Otherwise, the meal is deemed a personal expenditure. To meet this test, the purpose of the meal must be the active conduct of business for the general expectation of getting some specific business benefit at some future date (i.e. meetings with potential donors, vendors, prospective faculty or staff, etc.) Meals with outside parties generally meet the IRS requirements. Along with the itemized receipt(s), you should provide the purpose of the meal or event, as well as the attendees.

Office Supplies, Equipment or Internet Purchases – Supplies or capital acquisitions should *a/ways* be processed through the Purchasing

Department, using a Stetson Purchase Order form with the appropriate budget and approval. This allows Purchasing to fully utilize Stetson's vendor relationships for price economies and to insure our sales tax exemption is enforced. In those cases where items must be purchased and paid with an employee credit card, an original invoice or itemized receipt should be attached. In the cases of Internet purchases, a prepaid invoice (sent with the item) or website order form (showing full payment), should be attached.

Other Expenses, Incidentals – Generally, all expenses will require an original receipt; however certain expenses, due to their nature and amount will be exempted from this requirement – parking fees and tolls less than \$5.00, and any other item of tip or service expense less than \$25.00. Note that these types of expenditures should be fully disclosed in the Travel Expense Report.

Expense Codes for Completing Check Request Form

All employees submitting the required documentation should allocate the costs to the appropriate Banner Fund-Org-Account-Prog (FOAP) line. For the Travel Reimbursement Form the account codes are listed by the expense description, only the Fund, Org and Prog code (if applicable) is required. The correct fund, org and program code should designate the correct department or other restricted/endowment fund for charging the expenses. The form(s) should also include the appropriate Budget Supervisor approval prior to submission. *Please note that the individual signing the form will be held accountable for any issues presented during audit.*

The receipts should be subtotaled by expense classification; according to the following possible *account* codes (please note this list is not all-inclusive):

- Travel (including travel meals) – 70604
- Meals & Entertainment – 71705
- Conferences registration fees – 70501
- Memberships & dues – 71706
- Office Supplies (non-capital) – 71101
- Other supplies (non-capital) – 71106
- Classroom supplies (non-capital) – 71102
- Capital expenditures – please leave blank, to be filled in by A/P

Sales Tax Reimbursement

Stetson University is a tax exempt organization and has a sales tax exemption in the State of Florida. **Reimbursement of sales tax on purchases is generally not permitted.** This applies to both employees and students. Sales tax on purchases can be avoided by using a Purchase Order or other pre-approved University purchasing procedures. With a University credit or procurement card, and/or cash purchases (employee-purchased), please note the purchaser is responsible for identifying the purchase as tax-exempt at the initiation of the sale. Removal of the sales tax is not automatically done by the vendor, you must request it. If you need a copy of our tax-exempt certificate and information, please make a request with the Finance Office, Elizabeth Hall, Room 110.

5.5 Stetson Travel Visa Corporate Credit Card Policy

About Travel Visa Corporate Credit Card

Stetson Travel Visa cards issued by Bank of America are provided, free of charge, to university travelers. The University's Purchasing Office should be used to the fullest extent possible to pay all travel-related costs. However this Travel card is available as a convenience during an employee's travel. Stetson Travel Visa cards can be used to pay travel-related charges, such as hotel costs, rental car costs, and meals.

Each individual cardholder is responsible for all charges placed on the Stetson Travel Visa card. Accounts Payable will reimburse employees immediately after receiving a completed and approved Travel Expense Report (usually within 5 working days). Timely filing of the report will ensure that reimbursement checks are issued well in advance of the due date of the individual's credit card bill.

Obtaining a Stetson Travel Visa Card

The request for a Stetson Travel Visa card is initiated from the employee's Dean or Vice President. The card can only be assigned to a Stetson University employee and is prohibited to students or contract vendors.

The request for a credit card will need the following information:

1. Employee name
2. Email address
3. Department & campus Unit #
4. Campus phone number
5. Cell phone #
6. Credit limit

7. Immediate supervisor email address
8. Dean/VP email address

The Stetson University Employee Responsibility Agreement between Stetson and the employee will be signed upon receipt of the credit card.

Nita Ellis, located in the Finance Office, Elizabeth Hall, is the University contact person for card assignment, termination or general questions for the Stetson Visa Travel credit card.

Nita Ellis -Unit 8318 - (Ex. 7023) - nellis@stetson.edu

Personal Purchases

The University's agreement with Bank of America, the issuing bank, requires that the card be utilized for ***Stetson business purposes only*** and that it should not be used for personal purchases of any kind. The Stetson Travel Visa Program was developed to assist employees who are required to travel on behalf of the university. It is not intended to be used for personal purchases. Failure to strictly adhere to this policy will jeopardize the tax exempt status of the Travel Card Program, or possibly the tax exempt status of the University.

If personal purchases are discovered on an individual's credit card statement, a warning will be issued to the individual cardholder as well as that individual's immediate supervisor and Dean or VP. A second violation of this rule will result in the cancellation of the individual's credit card account within ten days of the second notification.

Reimbursement

Requests for reimbursements will be submitted to the Finance Office using the Travel Expense Report. All requests must be accompanied with the current month's ***original credit card statement*** and ***original supporting receipts*** for each item included in the request. Failure to submit proper supporting documentation will result in a delay of the reimbursement payment (see [*Employee Reimbursement Procedures*](#))

Failure to Pay

Travel cardholders and Stetson University share joint/several liability on the Stetson Travel Visa card. Should the cardholder not make payment and default on their account, the university assumes responsibility for the account balance. Once the university assumes responsibility, prompt and corrective action will be taken by the university to recover all amounts owed.

Cardholders should be aware that in an effort to make accounts current, the bank will take appropriate action to collect any delinquent balance. Also, should accounts become past due, reminders to pay will be sent by the Finance Office to the cardholder, their immediate supervisor and their Dean or VP. If the cardholder is consistently late, or if the card is suspended for non-payment, the card will be revoked and the account closed.

Failure to pay past due balances will result in the bank suspending the card until the entire amount due is paid in full. Allowing a card to suspend for non-payment will result in the university canceling the card. Fraudulent and/or misuse of the card are grounds for revoking Travel card privileges and may lead to disciplinary action, up to and including termination of employment. The university reserves the right to turn defaulted accounts over to a collection agency and pursue legal action.

Termination

Upon separation from the University, the cardholder's account will be closed and a balance outstanding amount will be reported to the Human Resources Office. All cardholder employees will agree to authorize the University to deduct any unreimbursed outstanding balance due on their Stetson Travel Visa card account from their final paycheck.

5.6 Direct Pay Credit Card Procedures

Stetson University provides corporate credit cards to certain officers and Deans that are directly paid by the University (rather than through reimbursement). In accordance with the IRS Regulations for the accountable plan rules, these employees should use the **Bank of America Procurement Card Allocation** form each month to allocate the costs to the appropriate Banner Fund-Org-Account-Prog (FOAP) line. The expenses charged to the credit card each month should be classified according to the type of expense, totaled, and input to the form. The correct fund, org and program code should designate the correct department or other restricted/endowment fund for charging the expenses.

Please see the [Employee Reimbursement Policy](#) for a complete explanation of the types of acceptable receipts to attach to the form. Only **original receipts** are accepted, and additional information may also be required.

The attached receipts should be subtotaled by expense classification; according to the following possible *account* codes (please note this list is not all-inclusive):

Travel (including travel meals) – 70604
Meals & Entertainment – 71705

Conferences registration fees – 70501
Memberships & dues – 71706
Office Supplies (non-capital) – 71101
Other supplies (non-capital) – 71106
Classroom supplies (non-capital) – 71102
Capital expenditures – please leave blank, to be filled in by A/P

Please note any *credits* on your credit card statement on the attached form, along with the appropriate FOAP where the credit should be applied (based on the original charge or purchase submitted).

Only ONE form should be used per credit card billing. If additional pages are needed, please make copies and attach to the documentation. **You may specify different funding sources for the charges, but these should all be on one form, with the total of all pages matching the total of the attached receipts and the credit card statement.** If there are charges on the credit card statement that will not be paid by the University (personal charges), please note this directly on the statement or with the documentation. A check for these charges, payable to Stetson University, should be attached.

The completed Procurement Allocation Form, attached receipts and any additional documentation should be submitted directly to the Office of the Vice President for Finance, Unit 8278, Elizabeth Hall, Room 103. The form and receipts should be submitted no later than the due date of the credit card billing. **Please keep a second copy of the completed report and all receipts for your records.**

5.7 Red Flag Policy

Data Security and Identity Theft Program

Stetson University is concerned about the serious issue of identity theft. Thus, the University developed this Program to establish a cohesive and integrated set of policies and practices to protect sensitive information and to detect, prevent, and mitigate identity theft in connection with covered accounts. The Program encompasses the Federal Trade Commission's "Red Flags" rule requirements and Florida data breach law requirements, with cross-references to other applicable policies that concern privacy and data security.

A. Definitions

1. **"Identity theft"** means fraud committed or attempted by using the identifying information of another person without authority.
2. A **"covered account"** means an account that the University offers or maintains— primarily for personal, family, or household purposes—and that involves or is designed to permit multiple payments or transactions.

The term also encompasses any other account that the University maintains and for which there is a reasonably foreseeable risk—including financial, operational, compliance, reputation, or litigation risk—to members of the campus community or to the safety and soundness of the University regarding identity theft.

3. A “**red flag**” means a pattern, practice, or specific activity that indicates the possible existence of identity theft.
4. “**Sensitive information**” is confidential or proprietary information that, if compromised through alteration, corruption, loss, misuse, or unauthorized disclosure, could cause serious harm to the individual to whom the information belongs, or to the University.

B. Program Overview: This Program:

1. Designates responsibility for program administration, including establishing processes for training and periodic updating to reflect changes in risks to students and others, and to the safety and soundness of the University;
2. Provides guidance in protecting sensitive information;
3. Delineates specific covered accounts subject to red flag scrutiny;
4. Delineates processes for identifying relevant red flags for covered accounts the University offers or maintains;
5. Establishes processes to prevent and mitigate identity theft by detecting and responding appropriately to red flags; and
6. Incorporates—as appropriate—existing policies and procedures that control reasonably foreseeable risks.

C. Program Adoption and Updates

1. **Adoption:** This Program has been adopted by the University’s Board of Trustees.
2. **Responsibility to implement and update:** The Vice President for Finance is responsible for updating and implementing this policy. The College of Law’s Executive Director of Business and Finance will work with the Vice President for Finance and the Dean of the College of Law to ensure local conformance at the Gulfport and Tampa campuses.

3. **Program Administrators:** The Vice President of Finance and the College of Law's Executive Director of Business and Finance are designated as Program Administrators. The Program Administrators are responsible for the following:
 - a. **Staff training:** The Program Administrators are responsible for arranging for appropriate staff training. Training will encompass general data security practices, covered accounts, methods for detecting red flags, and reporting and response obligations. Training updates will be conducted as reasonably needed and when material program changes are made. Training processes will be implemented for new hires or current employees who transfer into positions in which they may have red flag detection responsibilities.
 - b. **Report review and response:** The Program Administrators are responsible for reviewing any staff reports regarding red flag detection and the steps for preventing and mitigating identity theft. In addition, the Program Administrators, in consultation with the Director of Internal Audit, will determine which prevention and mitigation steps should be taken in particular circumstances.
 - c. **Program updates:** The Program Administrators are responsible for recommending future Program updates and changes to the President, who has been delegated authority by the Board of Trustees to manage the Program. This Program will be periodically reviewed and updated to reflect changes in risks related to identity theft, including any instances of identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the University maintains and changes in the University's business arrangements with other entities. After considering these factors, the Program Administrators will recommend whether changes to the Program, including changes to the listing of red flags, are warranted.
 - d. **Other general program administration:** The Program Administrators are responsible for any other aspects of Program administration, including developing reporting forms and processes, training content and delivery methods, and coordinating Program activities with other legal or policy requirements or obligations, including but not limited to University or College of Law policies on confidentiality, privacy of student and employee records, and computer and network use.

- D. Data Security for Sensitive Information:** Each employee is responsible for protecting sensitive information, including using appropriate security controls to eliminate a significant source of risk. The repercussions of data security breaches that stem from lax attention to security, carelessness with passwords, theft or loss of electronic devices, laptops, and USB flash drives are significant in both cost and reputation. In addition, unauthorized use or release of sensitive information by any member of the campus community may subject the violator to personal, civil, and criminal liability, and legal penalties in addition to corrective action up to and including termination of employment or student status.
1. **Types of sensitive information:** Sensitive information may be stored electronically or in paper format. University students and personnel are encouraged to use common sense judgment in securing sensitive information. If a student is uncertain about the sensitivity of a particular piece of information, he or she should contact the Program Administrator for the campus. If an employee is uncertain about the sensitivity about a particular piece of information, the employee should seek guidance from his or her supervisor.
 2. **Examples of sensitive information:** Examples of sensitive information include—but are not limited to—the following:
 - Credit card information;
 - Tax information numbers, including Social Security Numbers (SSNs), Business Identification Numbers, and Employer Identification Numbers;
 - Payroll information;
 - Cafeteria plan check requests and associated paperwork;
 - Medical information for any student or employee;
 - Other personal information that belongs to a student, employee, or contractor and that is either protected by law from disclosure, or if improperly disclosed could cause potential harm or compromise identity security.
 3. **Relationship to FERPA:** Notwithstanding the examples above, this policy does not preclude disclosure of student “directory information” or other information the University is permitted to disclose under the Family Educational Rights and Privacy Act.

4. **Security of paper records:**

- a. **Security controls:** Departments and offices that store confidential paper records will use standard security controls to avoid inadvertent disclosure. These controls include (i) supervising file cabinets, desk drawers, overhead cabinets, and other storage spaces containing documents with sensitive information, (ii) locking these areas and spaces when not in use, when office staff are absent, and when the office is closed; and (iii) keeping desks, workstations, work areas, printers and fax machines, and common shared work areas clear of documents containing sensitive information when the documents are not in use.
- b. **Document disposal:** To help avoid issues of identity and data theft, and to meet confidentiality requirements, the University follows uniform and appropriate disposal processes for all sensitive information records. On a routine basis, using local shredders within an office or department will meet this requirement. In addition, the University has placed secure bins in various offices across campus to facilitate the centralized on-site records destruction process. In accordance with the requirements of the Fair and Accurate Credit Transaction Act of 2003, the University also requires that a “due diligence” review be conducted for all vendors to whom the University outsources the disposal of sensitive material.

5. **Security of Electronic Data:**

- a. **Computers:** Offices and departments that use computers will implement standard security controls, such as ensuring that employees use passwords for logging into the network and screen locks when an employee is away from his or her desk. In addition, offices and departments will stress that employees must keep passwords confidential to avoid improper access. Sensitive data that is transmitted externally should be sent only to qualified recipients and should be password-protected.
- b. **Laptop computers and small electronic devices:**
 - i. Laptops and personal digital assistants (PDA) like BlackBerry devices and iPhones warrant special attention. In general, sensitive data should not be maintained on laptops or PDAs, which can be lost or stolen. For electronic devices that can and are frequently taken off campus, users should consider using password protection

and other similar steps to avoid improper access if the device is lost or stolen.

- ii. The loss or theft of a device linked to the network should be reported immediately to the Office of Information Technology so the access connection can be terminated.
 - iii. Information stored electronically on items such as old computers, computer discs, flash drives, or hard drives, must be overwritten or wiped clean using tools provided by the Office of Information Technology before these items are disposed of.
- c. **USB flash drives:** A USB flash drive (also known as a thumb drive, jump drive, or key drive) is a small device that can store vast amounts of data. Although highly beneficial, these devices pose high security risks if proper controls are not followed. The following are some key points to remember about USB flash drives:
- USB flash drives are susceptible to viruses and malware. If an employee uses a USB flash drive in a public or foreign computer system, the flash drive can become infected.
 - USB flash drives can be configured to be bootable and run programs. If you plug a USB flash drive configured by someone seeking improper access into a PC running Windows, the device can take over the machine, search for confidential documents, copy them back to the USB's internal storage, and hide them as "deleted" files.
 - USB flash drives can become corrupted.
 - USB flash drives can be used by employees to remove sensitive data from the workplace.
 - USB flash drives can be easily lost or stolen.

To avoid the most pronounced of these risks, the following protocols have been established:

- i. Store sensitive information on the University server. Unless absolutely necessary, do not copy sensitive data to a USB flash drive. If you must download sensitive information, use only USB flash drives that include built-in security features such as encryption and password protection, and be sure to use these functions. Contact the Office of Information Technology for assistance.

- ii. Have USB devices configured by the Office of Information Technology with anti-virus applications that can be run directly from the flash drive to ensure that it will not become infected by a public or foreign computer system that may have a virus.
 - iii. Always keep any USB flash drive or other removable media (such as CD-ROM discs) physically secure.
 - iv. If you find a USB flash drive that someone lost, do not plug it into your computer, as it could be infected or contain malicious software.
 - v. Because flash drives and other removable media can become corrupted, always backup your data to the network server. No flash drive or other removable media should be the sole location for important data. If you lose or destroy your flash drive, the data should exist in another location, such as the network server.
6. **Banner Access:** Banner—the University’s database system—is managed through a series of controls. New hires can be given system access only by the Office of Information Technology after official notification of hire by the Office of Human Resources. Only employees who need access to perform their jobs are granted access to specific areas of information. Under the Banner standards, the University has assigned various offices with specific module responsibility (i.e., the Finance Department is the module owner of the Finance component in Banner). Within a given department, the department head determines the proper level of access for its employees. An employee seeking access to a Banner module outside his or her department’s control must obtain the module owner’s approval. All new employees to be granted Banner access must attend a training session with Office of Information Technology to learn the proper Banner security measures.
7. **Data Breaches:** Florida law provides steps to be followed if certain data breaches occur. In general, because the University maintains computerized data in a system that includes personal information, a Program Administrator or his or her designee must notify individuals whose personal information may be at risk as a result of an information system breach.
- a. Electronically maintained personal information for purposes of a Florida law data breach is the combination of (1) an individual's name (first name or initial and last name, or middle name and last name) and (2) one of several data elements that are not encrypted,

such as SSN, driver's license or state identification card number or account, credit or debit card number, along with the password or other information allowing access to an individual's financial account.

- b. Under this provision, the University must notify Florida residents if there is a “breach of the security of the system,” which is the “unlawful and unauthorized acquisition of computerized data that materially compromises the security, confidentiality, or integrity of personal information.” Depending on the scope of the breach and who is affected, other notification requirements may also apply.
- c. If any member of the campus community becomes aware of a potential or active breach of any University computer or electronic system (regardless of whether data has been compromised), he or she immediately must report the potential or actual breach to the Office of Information Technology, which in turn is responsible for immediately notifying the Program Administrator for initiation of applicable breach notification requirements.
- d. Depending on the nature and scope of the breach, the Program Administrator will also coordinate compliance with other state and federal requirements as applicable. If a breach requires outside assistance to effectuate compliance with all applicable breach laws, the Program Administrator may retain vendors to assist.

E. Covered Accounts for Red Flag Purposes: The University offers or maintains the following covered accounts:

- 1. Accounts related to the Federal Perkins Loan Program, which provides low-interest loans to help needy students finance the costs of postsecondary education;
- 2. Refund of credit balances from Parent Plus loans;
- 3. Refund of other credit balances from student accounts;
- 4. Deferment of tuition or housing payments; and
- 5. Cash advances or emergency loans.
- 6. Red flags may also arise in the context of employment and applicant screening processes.

F. Identifying Relevant Red Flags: To establish a framework for identifying relevant red flags, this section first identifies the methods by which covered

accounts are opened and then accessed, which allows the University to understand the information that may be on file and the potential vulnerabilities that may exist. This section is followed by a general description of the categories of red flags that have been considered by the University in conjunction with each covered account.

1. **Methods of Opening Covered Accounts:** University admission, acceptance and enrollment—which is a prerequisite to open a covered account—requires some or all of the following information, depending on the academic program:
 - a. Application with personally identifying information;
 - b. High school transcript, undergraduate, or graduate transcripts, as applicable;
 - c. Official test scores (e.g., ACT, SAT, GRE, LSAT, MCAT, GMAT);
 - d. Letters of recommendation, as applicable;
 - e. Entrance Medical Record, for undergraduates;
 - f. Medical history, for undergraduates;
 - g. Immunization history, for undergraduates;
 - h. Insurance card, for undergraduates;
 - i. TOEFL scores, as applicable; and
 - j. Immigration information and visa application, as applicable.

2. **Methods Provided to Access Covered Accounts:**
 - a. Online view access and the capacity for online payments;
 - b. Disbursements obtained in person requires picture identification; and
 - c. Disbursements obtained by mail can only be mailed to an address on file.
 - d. In assessing vulnerabilities, the University will also consider any previous history of identity theft.

3. **Types of Red Flags:** In general, red flags typically fall into one of the following five categories, the first four of which relate to covered accounts; the last category relates to employment and applicant screening:
- a. **Suspicious Documents:** This category encompasses documents available for physical review. Examples of items to watch for include:
- Documents provided for identification that appear to have been altered or forged;
 - The photograph or physical description on the identification is not consistent with the appearance of the applicant presenting the identification;
 - Other information on the identification is not consistent with information provided by the person presenting the identification, like a signature card or a recent check; or
 - An application appears to have been altered or forged, or torn up and reassembled.
- b. **Suspicious Personal Identifying Information:** On occasion, identity thieves may use personally identifying information that is suspicious. Examples of items to watch for include:
- Personal identifying information provided is inconsistent when compared with external information sources (Examples include where the address does not match any address in the credit report; the SSN has not been issued¹ or is listed on the Social Security Administration's Death Master File; or personal identifying information provided by the person is not consistent with other personal identifying information provided by the person with whom the University is dealing);
 - A lack of correlation between the SSN range with the Social Security Administration's issuance tables and date of birth;
 - Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources;

¹ To determine if a Social Security number has been issued, see www.ssa.gov/employer/ssnvhighgroup.htm.

- Personal identifying information provided is a type commonly associated with fraudulent activity as indicated by internal or third-party sources (Examples include when the address on an application is fictitious, a mail drop, or to an address appearing to be a prison; the phone number is invalid or is associated with a pager or answering service; the SSN provided is the same as that submitted by other persons; or the address or telephone number provided is the same as or similar to the address or telephone number submitted by an unusually large number of other persons.);
 - The person opening the covered account fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete; or
 - The person cannot supply any information beyond what would typically be available in a wallet or credit report.
- c. **Suspicious Account Activity:** A red flag may arise in the context of how an account is used rather than through the actions or inactions of the specific individual with whom the University is dealing. The following are examples of account activity that may be significant:
- Shortly following the notice of change of address for a covered account, the University receives a request for new, additional, or replacement goods or services;
 - A new account is used in ways associated with fraud (for example, purchased goods are converted to cash, refund on pre-paid rent or meal plan, etc.);
 - Mail sent to the person is returned repeatedly as undeliverable, although transactions continue to be conducted in connection with the person's covered account;
 - The University is notified that the person is not receiving paper account statements; and
 - The University is notified of unauthorized charges against an account.
- d. **Notices from Other Sources:** In this category, the University receives notice from members of the campus community, victims of identity theft, law enforcement authorities, or other persons

regarding possible identity theft in connection with a covered account.

- e. **Alerts, Notifications, and Warnings from a Credit Reporting Company:** In the context of a University setting, this category does not involve a covered account. Rather, this category of red flag encompasses screening processes used for employment where a consumer or credit report has been obtained. To the extent screening is performed for student applicants using a third party, this issue may also arise. Examples of activity that may signal identity theft include:

- A fraud or active duty alert included with a credit report;
- A notice of credit freeze from a credit or consumer reporting agency in response to a request for a consumer report;
- A notice of address discrepancy from a credit or consumer reporting agency; or
- A credit or consumer reports that indicate a pattern of activity inconsistent with the history and usual pattern of activity of an applicant—such as a recent and significant increase in the volume of inquirers, an unusual number of recently established credit relationships, or a material change in the use of credit—especially with respect to recently established credit relationships.

- G. **Detecting Red Flags:** Using the types of red flags listed above, each covered account has been assessed and this Program established to identify and detect red flags relevant to each type of covered account. Detecting red flags in the screening process is also addressed.

1. **Participation in the Federal Perkins Loan Program:** All institutions offering Perkins loans are subject to the red flag rule. Possible red flags relevant to Perkins loan activity are:
 - Picture ID not appearing to be authentic or not matching the appearance of the student presenting it;
 - Requests in connection with account originating from other than a University-issued e-mail account; or
2. **Refund of credit balances from Parent Plus Loans:** Under applicable federal regulations, these balances are required to be refunded in the

parent's name and mailed to the parent's address on file within the time period specified. No request is required. Parents may elect in writing that the University refund the balance to the student. Possible red flags relevant to Parent Plus refund activity are:

- An address change submitted before refund disbursement is fictitious, a mail drop, or to an address appearing to be a prison, or is the same as or similar to the address or telephone number submitted by an unusually large number of other persons;
 - Shortly following the notice of change of parental address for a covered account, the University receives a request for new, additional, or replacement refund check;
 - Mail sent to the parent is returned repeatedly as undeliverable, although transactions continue to be conducted in connection with the student's covered account;
 - The University is notified that the parent is not receiving paper correspondence or loan information;
 - A student requests a refund check when no parental election form is on file;
 - An election form authorizing the student to be refunded the balance appears suspicious;
 - Where a refund check is picked up in person, a picture ID is offered that does not appear to be authentic or does not match the appearance of the person presenting it; or
 - The University receives a fraud alert from an external source.
3. **Refund of other credit balances from student accounts:** In general, refund check requests from current students must be made in person by presenting a picture ID or in writing from the student's University issued e-mail account. The refund check typically can be mailed only to an address on file or picked up in person by showing picture ID. Requests from students not currently enrolled or graduated from the University must be made in writing. Possible red flags relevant to other refund activity are:
- An address change submitted before refund disbursement is fictitious, a mail drop, or to an address appearing to be a prison, or is the same as or similar to the address or telephone number submitted by an unusually large number of other persons;

- Shortly following the notice of change of address for a covered account, the University receives a request for new, additional, or replacement refund check;
 - Mail sent to the student is returned repeatedly as undeliverable, although transactions continue to be conducted in connection with the student's covered account;
 - The University is notified that the student is not receiving paper correspondence or loan information;
 - A student requests a refund check after creating a balance through a credit card payment;
 - A student requests a refund check from an email address other than the one issued by the University;
 - An election form authorizing someone other than the student to pick up the refund check appears suspicious;
 - Where a refund check is picked up in person, a picture ID is offered that does not appear to be authentic or does not match the appearance of the student presenting it; or
 - The University receives a fraud alert from an external source.
4. **Deferment of tuition or housing payments:** Requests are typically made in person only and require the student's signature. No red flags relevant to tuition deferment have been identified. For housing payments, possible red flags are likely to arise only in the context of a requested refund of a portion of pre-paid housing fees as a deduction from financial aid. When this occurs, possible relevant red flags are:
- An address change submitted before refund disbursement is fictitious, a mail drop, or to an address appearing to be a prison, or is the same as or similar to the address or telephone number submitted by an unusually large number of other persons;
 - Shortly following the notice of change of address for a covered account, the University receives a request for new, additional, or replacement refund check;
 - Mail sent to the student is returned repeatedly as undeliverable, although transactions continue to be conducted in connection with the student's covered account;

- The University is notified that the student is not receiving paper correspondence or loan information;
 - A student requests a refund check from an email address other than the one issued by the University;
 - An election form authorizing someone other than the student to pick up the refund check appears suspicious;
 - Where a refund check is picked up in person, a picture ID is offered that does not appear to be authentic or does not match the appearance of the student presenting it; or
 - The University receives a fraud alert from an external source.
5. **Cash advances or emergency loans:** Requests are typically made in person only and require the student's signature. In hardship cases, requests may be processed electronically. Possible red flags relevant to cash advances or emergency loans are:
- An address change submitted before the advance or loan request is fictitious, a mail drop, or to an address appearing to be a prison, or is the same as or similar to the address or telephone number submitted by an unusually large number of other persons;
 - Shortly following the notice of change of address for a covered account, the University receives a request for a cash advance or emergency loan;
 - A student requests a cash advance or emergency loan from an email address other than the one issued by the University;
 - An election form authorizing someone other than the student to pick up the cash advance or emergency loan appears suspicious;
 - Where a cash advance or emergency loan is picked up in person, a picture ID is offered that does not appear to be authentic or does not match the appearance of the student presenting it; or
 - The University receives a fraud alert from an external source.
6. **Red flags in employment screening processes:** Red flags in the employment screening process can arise during the background check process when consumer reports indicate a fraud alert, address discrepancy, or other indicia of possible fraudulent activity in connection with the applicant's identity.

H. Red Flag Responses to Possible Fraud

1. **When potential fraud affecting a covered account is detected:** This Program provides for appropriate responses to detect red flags to prevent and mitigate identity theft. Once potentially fraudulent activity is detected, the employee detecting the activity must act promptly. A rapid and appropriate response is the key to protecting the campus community and the University from damages and loss. The employee who detects the potential fraud should take the following steps:
 - a. Gather all related documentation and write a description of the situation. Present the information through the chain to the Program Administrator for determination.
 - b. The Program Administrator will complete any additional authentication reasonably needed to determine whether the attempted transaction was fraudulent or authentic.
 - c. The Program Administrator will also contact the University's Director of Internal Audit to assist in the investigation process.
 - d. Interim measures such as changing passwords or security codes that permit account access may be suspended pending investigation to reduce possible risk.

2. **When a transaction related to a covered account is determined to be fraudulent:** If a transaction is determined to be fraudulent, the Program Administrator or designee will take appropriate actions immediately. Actions may include, but are not limited to:
 - a. Denying access to the covered account;
 - b. Canceling or reversing the transaction;
 - c. Notifying the affected person that fraud has been attempted or has occurred;
 - d. Notifying and cooperating with appropriate law enforcement;
 - e. Assessing possible liability for the University;
 - f. Taking additional mitigation actions where required based on the circumstances, such as state law data breach notification requirements;

records and data falling within the definition of “educational records”
covered under the Family Educational Rights and Privacy Act.

Adopted and approved by the Stetson University Board of Trustees on Friday, October 23, 2009.