

## Prohibited Transactions

Certain transactions are prohibited on procurement cards because the good or service requires additional review for reasons of tax, insurance, a contract or other regulatory issues. Prohibited transactions may result in suspension or revocation of the procurement card, or other disciplinary action.

◆ **Note:** If paying for services, consult the [Purchases with Special Procedures: Paying for Services](#) section of this manual.

Type of Purchase	Description
<b>Animals and Custom Antibodies</b>	Live vertebrates and custom antibodies require pre-transaction review per <a href="#">University Policy 1.4, Care and Use of Animals in Teaching and Research</a> . Only individuals employed in a BSC, who record these transactions in the e-Sirius system, may utilize pcard for the payment of animals.
<b>Architectural and Engineering Services</b>	In accordance with Cornell policy, authority for these transactions requires the additional review of the University Architect. Only those individuals employed in Contracts and Capital Projects, or their BSC, may execute these transactions via pcard.
<b>Audit Services</b>	In accordance with Cornell policy, authority for this transaction requires the additional review of the University Auditor. Only those individuals employed in the University Audit Office, or their BSC, may execute these transactions via pcard.
<b>Capital Assets</b>	The purchase of capital assets require recording in the capital assets system per <a href="#">University Policy 3.9, Capital Assets</a> .
<b>Cash Advances</b>	Cash advances of university funds require pre-transaction review per <a href="#">University Policy 3.2, University Travel</a> and, therefore, are not allowed on pcard. Cash cannot be obtained through an ATM, nor will cash transfers through a third-party, such as, Wester Union or Xoom, be allowed.
<b>Catering</b>	<p>Catering occurs when a vendor prepares, sets up, serves or cleans up food on Cornell controlled property, including both facilities owned by Cornell and facilities that may be rented or leased and only under Cornell's control for the period of the event, i.e., rented banquet facility. Catering should not be confused with simple food delivery where no service is provided on site, i.e., pizza delivery.</p> <p><b>Catering may not be paid via individual pcard unless the caterer has signed a University Contract.</b> To determine if your caterer has signed a University Contract, see the "<a href="#">Caterer and Restaurant List</a>" on the Procurement website and check the "Caterers and Restaurants with Pricing Agreements" section. For amounts above your pcard limit or for caterers who have not signed a University Contract, see your BSC for payment and deposit options and contract requirements.</p>

Type of Purchase	Description
<b>Conflict of Interest, Vendor</b>	Purchases from vendors where a potential conflict of interest exists require pre-transaction review, per <a href="#">University Policy 4.14, Conflicts of Interest and Commitment</a> .
<b>Controlled Substances</b>	A controlled substance is generally a drug or chemical whose manufacture, possession, or use is regulated by federal and/or state government. A purchase order and appropriate license and registration are required. See section 628, Controlled Substances.
<b>Cornell Unallowable Goods/Services</b>	Purchases identified as Cornell unallowable in <a href="#">University Policy 3.14, Business Expenses</a> , are not allowed, regardless of the source of funds or mode of payment.
<b>Deposits/Partial Payments</b>	Do not make partial payments where the total value of the purchase exceeds your procurement card transaction limit.
<b>Donations</b>	Any voluntary contribution of cash or property to any organization outside of the university, regardless of source of funds. All donations over \$500 require pre-approval by University Relations. Donations may not be paid via pcard; see your Business Service Center for payment options.
<b>Employees</b>	Per IRS tax guidelines, you may not pay: 1. A current employee via pcard 2. An individual who has been employed by Cornell at any time in the current calendar year via pcard
<b>Equipment Rental</b>	The issuance of a purchase order is required for the rental of any type of equipment that is powered by gas or other fuel, electricity, or battery, for example, lift, bulldozer, backhoe.
<b>e-SHOP Vendors</b>	Do not use your pcard to purchase from a vendor that is available in e-SHOP.  Exception: If the supplier's site within e-SHOP does not offer the needed item or a needed function (e.g., expedited shipping, bundling, or configurable products), you may use your pcard to purchase directly from the e-SHOP supplier as long as the intended purchase is otherwise allowed on pcard. Include the reason for purchasing outside of e-SHOP in your documentation.
<b>Gifts Cards/Certificates</b>	Gifts cards and /or certificates are generally classified as taxable income by the IRS and may not be purchased with a procurement card. Contact your BSC for guidance.
<b>Insurance</b>	You may not pay for insurance premiums, co-payments, deductibles, or services with your procurement card. For information on purchasing insurance, please contact Risk Management and Insurance. Only those individuals employed

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	in Risk Management and Insurance, or their BSC, may execute these transactions via pcard.
<b>Investment Services</b>	In accordance with Cornell policy, authority for these transactions requires the additional review of the university's Investment Office. Only those individuals employed in the University Investments Office, or their BSC, may execute these transactions via pcard.
<b>Legal Services</b>	In accordance with Cornell policy, authority for these transactions requires the additional review of the Office of University's Counsel. Only those individuals employed in the Office of the University Counsel, or their BSC, may execute these transactions via pcard.
<b>Medical Services</b>	Due to tax reporting requirements, medical services (i.e., physician, surgeon, ophthalmologist, etc.) may not be paid via pcard.
<b>Non-Preferred Suppliers</b>	Do not use the pcard to purchase goods and services from a non-Preferred Supplier, where the good or service is available from a Preferred Supplier.
<b>Personal Expenses</b>	Do not purchase any good or service that is primarily for personal use. Use of this card for personal expenses is governed by <a href="#">University Policy 3.6, Financial Irregularities</a> . Using the card in this manner with the intention of reimbursing Cornell is NOT an acceptable practice. <b>Caution:</b> Many items lend themselves to personal use, such as magazines and newspaper subscriptions. It is the cardholder's responsibility to provide documentation to support that the purchase of an item that lends itself to personal use is essential to fulfilling his or her job responsibilities.
<b>Pest Control</b>	These services must be coordinated with the customer service center in the Department of Facilities Management, due to the potential use of pesticides. Contact your local building coordinator. Only those individuals employed in the Department of Facilities Management, or their BSC, may execute these transactions via pcard.
<b>Radioactive Materials</b>	<a href="#">Environmental Health &amp; Safety</a> must approve all requests for radioactive materials prior to an order being placed with a vendor. See the " <a href="#">Radiation Safety Manual</a> " for further information on purchasing radioactive material.
<b>Real Estate Services, Purchase, Rental, etc.</b>	In accordance with Cornell policy, authority for these transactions requires the additional review of the university's Real Estate Office. Only those individuals employed in the Real Estate Department, or their BSC, may execute these transactions via pcard.

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<p><b>Refund or Reimbursement</b></p>	<p>The pcard is intended for the payment of good and services only and is not to be used to send funds to an individual for a refund or reimbursement. For more details on the appropriate method for initiating a refund or reimbursement, see section 203.</p>
<p><b>Security Systems, Building</b></p>	<p>Building security systems must be coordinated through the Cornell Police, and must not be purchased with a procurement card.</p>
<p><b>Services Performed on University Property</b></p>	<p>Nearly all services, regardless of where they are performed, require both a contract and verification that the vendor meets the university's insurance requirements. <b>Therefore, pcard holders may not pay for services being performed on university owned or controlled property</b>, except those services that are being performed by a vendor who has signed a university contract and whose services are not already specifically prohibited.</p> <p>Contracted vendors performing the services listed above may be found on Procurement Services' web site at <a href="http://www.dfa.cornell.edu/procurement/supplierlistview">http://www.dfa.cornell.edu/procurement/supplierlistview</a>.</p> <p><b>Contact your BSC to discuss the appropriate payment for any other service PRIOR to engaging the service provider.</b></p>
<p><b>Software, Software Licenses, Software as a Service, Cloud Services</b></p>	<p>Before any IT applications, software, or services are purchased, the university's IT Governance process must be followed regardless of dollar amount. Any purchase that requires a signed contract must be processed on a purchase order. Software purchases with click-through agreements require the completion of the IT Statement of Need (SoN) process and approval from the IT Project Management Office; once approved, the software may be purchased on a pcard.</p> <p>For purchases that require an SoN, pcard documentation must include the "next steps" email sent from the IT Project Management Office confirming what steps from the Checklist for Purchasing Administrative IT Software and Services were required, and documentation showing the outcome or results of those steps.</p> <p>For purchases allowed on pcard that don't require a SoN, please document the exception when you submit your business purpose and/or receipt.</p> <p>Refer to:</p> <ul style="list-style-type: none"> <li>• Submitting an IT Statement of Need (SoN) at <a href="https://it.cornell.edu/itgovernance-project-management/2-submit-it-statement-need">https://it.cornell.edu/itgovernance-project-management/2-submit-it-statement-need</a>.</li> <li>• Scenarios when an IT Statement of Need is or isn't required at <a href="https://it.cornell.edu/itgovernance/scenarios-when-it-statement-need-or-isnt-required">https://it.cornell.edu/itgovernance/scenarios-when-it-statement-need-or-isnt-required</a></li> </ul>

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	<p>For more guidance, please see section 618, IT Governance Process.</p>
<p><b>Travel-Related Expenses</b></p>	<p>Any travel-related purchase or rental is prohibited (e.g., hotel, motel, airline, train, bus, taxi, limousine, or cruise fare; vehicle or boat rental; gasoline; road tolls of any kind; travel agency purchase; parking lot fees). Certain travel-related merchants have been blocked from accepting procurement cards.</p> <p><b>Note:</b></p> <ol style="list-style-type: none"> <li>1. Conference registration fees may be charged to your procurement card if the fee does not exceed your transaction limit.</li> <li>2. Special exceptions have been granted to BSCs. If you are planning a group or visitor travel, contact your BSC.</li> </ol>
<p><b>Travel Meals</b></p>	<p>You may not charge meals to your procurement card while you are traveling for the university if that travel includes an overnight stay.</p>
<p><b>Vehicle Rental</b></p>	<p>The rental of any type of car, truck (including moving truck), van, bus, or limousine is prohibited on pcard. This includes both rentals while in travel status and locally.</p>