

Split Transactions

Definition

The act of splitting (dividing) a single and full amount of payment in two or more simultaneous transactions in order to avoid per transaction limits.

Example: Your transaction limit is \$2,500. You want to purchase an item that is \$3,000. You have the merchant run the purchase in 2 transactions of \$1,500 each OR you have the merchant run one transaction for \$2,500 and another for \$500.

Split transactions using a GVSU issued purchasing card are strictly prohibited and may result in suspension or revocation of your card.

Why Are Split Transactions Prohibited?

Authorization limits play an important role in fraud prevention strategies and are based on the average transaction amount for GVSU purchasing cards.

For example, if your average sale is \$20, you will typically have no problem authorizing payment amounts of \$30 or \$40. However, if you try and authorize a transaction of \$500, this would immediately raise a red flag. It just doesn't fit your transaction profile.

On the other hand, it would make perfect sense for a criminal who has managed to take control over your purchasing card account to try and maximize his profits as quickly as possible, before the break-in is discovered.

It is also strictly prohibited to knowingly make a split transaction in order to circumvent your purchasing card's authorization limits. Transaction limits are approved by your Dean and/or Appointing Officer and Procurement Services at the time your purchasing card application was submitted. You are not authorized by the University to spend beyond that limit.

How to Resolve the Issue

You can request a temporary increase by emailing a Program Administrator stating the item(s) being purchased, the merchant and the business purpose. We require an email request with your supervisor copied on the message.

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