

UM Procard Purchasing Card Guidelines

The UM procard may be used for purchases of \$5000 or less, without additional purchasing paper work.

The UM procard may be issued to a permanent employee of the University for the purpose of making authorized purchases on the University's behalf. ***This card is for University business only and may not be used for any personal transactions.***

These guidelines serve as a minimum requirement for cardholders and account/business managers.

To Obtain a UM Procard

After reading the guidelines and successfully completing the Procard quiz, complete and forward the application, signed by the employee, his/her supervisor and Dean/Chair/Director to the Business Service Procard Coordinator for processing.

The purchasing guidelines, quiz, as well as the cardholder application are located at <http://www.umt.edu/bussrvcs/QUIZProcard/procardquiz.html>.

Upon receipt of the purchasing card from US Bank, Business Services will contact the cardholder to pick up the card in person signing the cardholder agreement and getting activation instructions in Accounts Payable.

Guidelines for Use:

THE CARDHOLDER IS RESPONSIBLE FOR ALL PURCHASES MADE ON HIS/HER PURCHASING CARD.

1. The cardholder must ensure that the UM Procard is used for purchases in accordance with UM policies and procedures. The UM Procard ***may not be used for the following:*** a) cash advances, b) per diem meals c) personal expenses, d) special requirement items, e) purchases to be reimbursed by The UM Foundation, f) personal vehicle gas (may be used for rental car gas), g) gift cards/gift certificates, h) motor pool gas (state gas card is provided in the car)
2. The State of Montana has mandated all airline tickets, hotel/motel and taxes, and rental car purchases for employee travel must be purchased using the UM procard unless it can be documented that another payment method is in the States best interest.

3. Charges should not be split in order to avoid exceeding the individual transaction limit.
4. Purchases over \$5,000 should go thru GrizMart and be approved thru procurement. Travel and Conference expenses may be exempt but if over \$5,000 you will need to request a limit increase from the Procard Coordinator.
5. The UM procard may be used only by the Cardholder whose name is embossed on the card. Use by anyone other than the embossed cardholder is prohibited. Failure to follow this policy may result in suspension of cardholder privileges and possible cancellation of credit card.
6. Cardholders must submit all itemized receipts, invoices, UM Procard slips and/or print screens to your department Account Manager immediately after purchase.
7. If you have lost or misplaced your receipt, complete the Procard Missing Receipt declaration and submit to your department Procard Account Manager. This form should be used on rare occasions not on a routine basis.
<http://www.umt.edu/bussrvcs/files/ProcardMissing.pdf>
8. Cardholders must ensure that the UM Procard guidelines and any additional guidelines defined by your department are met. Failure to comply with University Procedures may result in termination of procard privileges. Repeated issues or grave compliance issues will result in termination of procard privileges.

Information to know when making a purchase:

1. The "Ship To" address is your department's address. If the product must be shipped to a non-University address, approval from the Dean or Director is required.
2. **The "Bill To" address is 32 Campus Drive 2304, Missoula, MT 59812.**
3. UM procard transaction should be tax exempt as we are a state agency. The University of Montana's tax exempt number is printed on your card.

Travel and Travel Assistance:

The University of Montana has two rental car rate agreements to enable us to receive better vehicle rental rates. These rates are available nationwide while conducting official University business.

Enterprise and Hertz Rental Information

As a US Bank cardholder, you have full access to the Visa Assistance Center. The Center offers worldwide support and assistance, as well as medical, travel, and emergency referral services to cardholders 100 or more miles away from home. The Center is staffed 24/7 and can be called toll free (800) 847-2911 or by international collect call 1-(410) 581-9994.

Insurance Coverage

Primary auto rental insurance, worldwide automatic travel accident insurance and excess lost or damaged luggage coverage are available to cardholders. Common Carrier Travel Accident insurance coverage up to \$500,000 is provided. Common Carrier Travel Accident Insurance is primary coverage, protecting against losses caused by (a) a common carrier accident, or (b) an accident incurred on the way to or from the terminal in a common carrier (i.e. taxi, bus or airport limousine), ***provided the air ticket was charged on the UM Purchasing Visa Card prior to departure to the terminal.*** The Travel Accident Insurance applies to the cardholder, fellow employees and authorized users of the account while traveling worldwide for business purposes, providing the entire travel fare(s) was purchased with the UM Purchasing Visa card.

Auto Rental Insurance

Full value primary Auto Rental Insurance features worldwide coverage for collision, theft, vandalism, appraisal fees, and loss of use *when the rental is booked and paid using the UM Purchasing Card.*

Do Not Accept additional Liability & Comprehensive/collision insurance. ***If you purchase additional liability & comprehensive/collision insurance this cost may not be put on the UM procard or paid by the University.***

If an accident or damage occurs:

- The damages must be reported immediately and no later than 20 days after the damage has occurred, to both Visa and University Risk Manager.
- The Cardholder who rented the vehicle will need to contact Visa to let them know that they need to file a claim for the damage. Call Visa Claims benefit services at 1-866-390-9735. They will advise you of the steps to follow to file your claim.

Personal property is not covered under the state's property insurance. When renting a vehicle from a car agency, individuals who wish to have their personal items covered during their travel may choose to do so at ***their own expense*** through the rental car agency or their personal insurance policy. This cost may not be put on the UM procard or paid by The University of Montana. If rental contract is longer than 30 days, report to Risk Management Coordinator.

Using your Procard to pay or reserve a hotel room

If after you have given the hotel your credit card information verbally the hotel requests copies of the front and back of your credit card, make a copy of the front and back ***but before you fax to the hotel***, black out all information except the last 4 digits of the account number on the front and black out the number by the signature on the back. If they request a copy of your driver's license, make a copy and again before you fax to the hotel, black out all of your personal information leaving only your picture and name

showing. ***Do not ever send complete information over the fax machine as a fax machine is not a secure transmission method.***

Travel Being Reimbursed by Outside Agency:

If you have used your UM procard for travel expenses that are going to be billed to a third party for reimbursement, you MUST retain the original receipts for the Procard purchase in your department. If the third party requests an original receipt, you may request a second original from the vendor or make a copy and state on the receipt "Original" with your signature and send to the third party. ***The University of Montana has incurred and paid for this expense, we MUST retain the original itemized receipts for this expense.***

Lost or Stolen Cards/ Security

If the UM procard is lost or stolen you must immediately notify US Bank (24 hours a day). Call US Bank at the number listed below. Notify your department Account Manager or the Procard Coordinator as soon as possible.

Customer Service (24 Hour Bank Coverage) 1-800-344-5696

Failure to report your card as lost or stolen in a timely manner will result in your department being responsible for payment of transactions that take place during that time. Departments may require that the cardholder reimburse them for such activity.

The cardholder is responsible for the security of the card and the transactions made with the card. All transactions will be the financial responsibility of your department. Security precautions must be used to ensure that no improper use is made with your card. The card number *should not* be given to a company or to a sales representative to "Keep on file" for future use.

Renewal Cards:

Upon expiration of your current card, a new chip card will be issued from US Bank if the cardholder has had spending activity. The cardholder will be notified by Business Services that a renewal card quiz on procard guidelines is due. Once the quiz has been successfully completed the cardholder will be notified to pick up their renewal card. The expired card should be destroyed. You will also be issued a PIN # by US Bank to be used for international travel. The University does not know your PIN#. If lost, call customer service at US Bank to have it replaced which will take several weeks. The customer service number is listed on your card.

Disputed Charges & Billing Errors

If a cardholder disputes a charge, the nature of the dispute and the final resolution must be documented. This documentation must be retained with the cardholder statement on which the disputed charge appears.

Whenever possible, the cardholder should try first to resolve disputed charges directly with the vendor. Most vendors prefer to resolve the dispute themselves and are willing to provide help. If the vendor agrees that an error has been made, the vendor should process a credit to your account. Future follow up is required to ensure all credits are received. Airline changes or agency fees may not be disputed.

If the dispute cannot be resolved directly with the vendor, the cardholder should first notify your Department Account Manager who will in turn contact the Business Services Procard Coordinator. The Procard Coordinator will register the dispute with US Bank and a dispute form may be forwarded to the cardholder for completion. The dispute will be credited back to your account until the transaction in question has been resolved. A charge cannot be disputed beyond 60 days past the transaction date as noted on the cardholder's statement.

Abatement of Expense

Abatements should only be used to pay back an exception to policy or third party reimbursements.

Non Compliance to Policy/Procedures

Continued failure to follow procard policy and procedure will result in suspension of cardholder privileges and possible cancellation of the Procard. Policy noncompliance has three levels. The first level of Non-Compliance to policy will be minor in nature, will be informational to the Cardholder and/or Account Manager only and may be issued in writing or verbally. Noncompliance to policy levels two and three will result in action being taken by Business Services. Level two notices of Non Compliance to policy will be issued in writing detailing the Non Compliance(s) on a case by case basis to the Cardholder, Account Manager, Dean/Director/Chair and possibly to the Internal Audit Department. A limited loss of procard use may be enforced with a level two notice. Level three notices are considered major in significance and consequence. Level three notices of Non Compliance to policy will be issued in writing detailing the Non Compliance(s) on a case by case basis to the Cardholder, Account Manager, Dean/Director/Chair, Internal Audit and the Vice President of Administration and Finance. Level three Non Compliance will result in the complete removal of procard use for the Cardholder.

UM Procard Department Account / Business Managers:

The individual person(s) assigned and responsible to redistribute all charges from the cardholders default accounts. The department Procard Account/Business Manager is also responsible for attaching receipts to the cardholder statements in the order that they appear, and having the department purchasing authority review the purchases and sign off on the statements. A cardholder may or may not be a department Procard Account/Business Manager; however a cardholder must be assigned to an Account Manager to complete redistributions before a Procard can be issued. When an existing

account manager leaves a department the cardholders accounts will be suspended until a replacement account manager can be assigned to the cardholder. UM procards cannot be active without an account manager to redistribute expenses charged.

Account Closures:

Accounts are to be closed when a cardholder leaves the department. It is extremely important that cancellations be done expediently to terminate the department's liability on the card.

Send an email indicating the cardholder's name, Banner ID number and cancellation date to the Procard Coordinator in Business Services, destroying the card once reported.

Redistribution

By the end of each billing cycle the Department Procard Account/Business Manager should have collected all original itemized receipts from the individual cardholders in their department, complete all redistribution of commodity code information, and accounting information. These original itemized receipts should be checked off on each individual cardholder statement and attached in order to be reviewed to by the department's purchasing authority who will review, date and sign statements. ***The Department Purchasing Authority's signature and date is required on all statements which indicates that all purchases were approved and are in compliance with University policies within 30 days of the statement.*** The Purchasing Authority is defined as the department dean/director or designee who understands the universities purchasing policies/procedures and can review charges to ensure that a reasonable purchase for the university/department has been made, correct account distribution for the expense and that the purchase was within the budget for the department. Once the statement and receipts have been authorized, the statements should be filed by month. The department will need to forward copies to Business Services upon request as part of department's procard reviews. Receipts can then be filed anyway the department wishes (by index, grant number, vendor name etc) as long as they can be located if a copy is requested for random review.

These records should be maintained for a period of at least five (5) years from date of input into the Banner Finance System. At the end of the five (5) years if these documents are Grant related they should then be forwarded to the ORSP office for additional retention.

It is extremely important that the redistribution activity be performed on a regular and timely basis to ensure that the monthly accounting system reports are accurate. All transactions must be recorded in the appropriate account code to insure accuracy and accountability to the State as well as budgeting purposes.

Procard Authorization to purchase/expense for another Department

If you are making a purchase for another department and only a portion of the purchase is to be expensed to the other department, you should expense the purchase to your

department index and account number, then complete a JV or Cost Transfer via U Approve to expense to the department purchased for. If the entire charge is for the other department leave the charge in 62250 and complete a JV or Cost transfer to the other department. These JV/Cost transfers should be completed before the cycle in which they were charged has ended. Paper work submitted for split payments will be returned for U Approve processing starting December 1, 2015.

Capital Purchases

If you are redistributing a capital purchase on the Banner Purchase Card Transaction Maintenance form (JAAINVT) (under \$5,000, purchasing paper work approved and expensed to 63XXX), you must include the building/room location. If you are unsure of location please contact the Business Services Capital Asset Accountant. (406) 243-6628.

Business Services Procard Coordinator

The Procard Coordinator in Business Services is responsible for ensuring that the procard applicant has completed the online procard quiz, reviewing the application for completeness and submitting the application to US Bank. Once the card is received the Procard Coordinator; ensures all information is in all appropriate systems. The cardholder will be notified to pick up their card in Business Services; ensuring the cardholder reads, understands and signs the cardholder agreement.

The Procard Coordinator will notify cardholders when renewal card quiz is due and once completed, will distribute cards.

The Procard Coordinator will conduct random reviews monthly and semiannually of your departments/index charges. This will include notification and monitoring of the Account/Business Managers annual survey. If the review uncovers Non-Compliant instances to the policy, the Procard Coordinator may complete a non-compliant letter to the cardholder and Department Account Manager as specified in the Non Compliance to policy/procedures section.

Business Services Contact Information:

Cathy Butler (406)243-2113 or Kay Lamphiear (406) 243-4935