PROCUREMENT CARD PROGRAM HANDBOOK

Process manual for the WMU Procurement Card program, including roles and responsibilities of program participants, P-Card purchase and policy guidelines, and procedures for reconciling P-Card transactions.

Western Michigan University

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1. INTRODUCTION

The purpose of the WMU Procurement Card (P-Card) Program is to simplify procurement and payment processes for selected low dollar, high volume business commodities and services. The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures, such as purchase requisitions/orders, direct pay requests, and expense reimbursements.

The WMU P-Card Program is managed by the Payroll & Disbursements department. The card is issued by Bank of America Merrill Lynch (BAML) and is widely accepted by vendors that support Visa card purchases. This reference guide will provide you with details of the P-Card, including roles and responsibilities, general information, card security, purchasing guidelines, documentation requirements, and reconciliation. It is important to read the following information carefully, as Cardholders, Secondaries and Approvers are responsible for adhering to the established policies and procedures.

2. BENEFITS OF THE PURCHASING CARD

2.1 BENEFITS TO ACCOUNTHOLDER

- Eliminates need for reimbursement of personal funds used for business purchases.
- Provides convenience, security, and flexibility to make small dollar purchases.
- Empowers employee with choices and immediate access to goods and services.

2.2 BENEFITS TO WMU

- Significant cost savings in the procure-to-pay cycle.
- Increased expense analysis power.
- Increased ability to concentrate on value-added services.

3. ROLES AND RESPONSIBILITIES

University employees and management play key roles in support of the P-Card Program. A summary of each role and its responsibilities follows.

3.1 ACCOUNTHOLDER

- Ensures compliant use of the Purchasing Card according to University policies, purchasing guidelines, and the Procurement Card Program Handbook.
- Always maintains the Procurement Card in a secure location.
- Never allows anyone else use of the Procurement Card assigned to them.
- Ensures transactions are not split to circumvent spending limits or University guidelines.
- Initiates reconciliation and sign-off of P-Card transactions, unless a secondary has been assigned to manage reconciliation activities on their behalf.
- Ensures Michigan Sales and Use Tax is not charged on purchases if relevant.
- Clarifies transaction item description or business purpose of expense.
- Ensures each purchase transaction has a valid receipt and that the receipt clearly states vendor name, date of purchase, item description, and total amount of purchase.
- Assists with resolution of billing discrepancies, disputes, and credits.
- Contacts BAML and the Program Administrator immediately if their card has been lost or stolen.

3.2 APPROVER

- Ensures the Accountholder uses their Procurement Card in compliance with University policies, purchasing guidelines and the Procurement Card Program Handbook.
- Reviews transactions in Works® to verify purchases are documented and charged to the correct fund and cost center.
- Ensures the Accountholder has not exceeded the spending limits or budget on any transaction.
- Reviews that the Accountholder has not split transactions to circumvent spending limits or the University guidelines.
- Reviews correctness of receipts uploaded in Works®.
- Approves monthly reports generated by cardholders to keep on file in case of audits.
- Ensures transaction review and signoff is completed by the last day of the month.
- Ensures a Procurement Card Account Maintenance Form is submitted if an employee transfers to another department or terminates employment, or if card use is non-compliant with policy.

3.3 PROGRAM ADMINISTRATOR

- Provides program management and oversight.
- Assist the University training department in developing effective training tools for users.
- Ensures program compliance and quality assurance.
- Assists cardholders with account maintenance functions such as: resetting passwords, unlocking accounts and adding Chartfield accounts.

4. GENERAL INFORMATION

The Procurement Card is a corporate Visa credit card, issued to WMU through BAML. The card is to be used for WMU business transactions only. Personal use of the Visa card by an employee is strictly prohibited.

4.1 CORPORATE LIABILITY

WMU's Procurement Card is a Visa credit card with corporate liability. Corporate liability is defined as follows:

- The University is liable for all charges made by University employees.
- The University is not liable for charges made by a terminated employee once notice of termination is provided to BAML.
- The University is not liable for charges made with the Procurement Card resulting from card theft or other fraudulent use by third parties not employed by the University.

4.2 ACCOUNTHOLDER LIABILITY

The Procurement Card is a corporate charge card that does not affect the Accountholder's personal credit; however, it is the Accountholder's responsibility to ensure the card is used only to make purchases at the request of, and for the legitimate business benefit of WMU.

The Procurement Card must be used in agreement with policies and procedures established by WMU for the procurement of goods and services. Violations of these requirements may result in revocation of P-Card privileges and/or disciplinary action, up to and including termination of employment. Employees who are found to have inappropriately used their Procurement Card will be required to reimburse WMU for all costs associated with such improper use.

4.3 ACCOUNTHOLDER ELIGIBILITY

Eligibility for the Procurement Card program is limited to non-temporary full and part-time faculty and staff of Western Michigan University. Students, contractors, consultants, and visiting faculty are not eligible to receive a card. A card application for an eligible employee may be refused at the discretion of the Program Administrator, if the employee has committed a past procurement policy violation.

4.4 CARD ACQUISITION

Employees recommended for participation in the Procurement Card Program must complete a Procurement Card Application. The application must be approved by the cardholder's direct supervisor and a representative from Grants & Contracts if applicable. Upon approval the application will route to the Payroll & Disbursements office for processing. To avoid delay, each section of the application must be completed as directed on the form. Incomplete forms will be returned to the requestor for follow-up.

The University accepts liability for all allowable purchases made with the Procurement Card. Upon receiving notification of successful completion of the application, the Program Administrator will contact the Accountholder to indicate for them to pick-up their card. It is the responsibility of each Accountholder to activate their card using the instructions found in their packet upon pick up and select a PIN.

4.5 WEB ACCESS

The BAML, Works® Application allows users to view P-Card authorization logs, review transaction details, upload receipts, reconcile P-Card transactions and view reporting, according to their user access level. Available Works® user roles are Accountholder, Group Proxy Reconciler, and Scoped Auditor. A secondary approver can be assigned to cards as the need arises. Group Proxy Reconciler and additional Scoped Auditor users are dependent on business needs.

While no formal training is required in order to obtain or maintain a Procurement Card, users are encouraged to take advantage of the resources found on the WMU Procurement Card page for helpful job aids, links and other materials that may assist in maintaining proper use of the Procurement Card.

To terminate a Works® user account, the cardholder or approver must submit a Procurement Card Maintenance Form requesting the user's access be revoked. Terminations should occur only for users no longer involved in P-Card reconciliation or reporting activities on behalf of the University. Users transferring to another department but still involved in the P-Card process should not be terminated from Works®, but their access requirements change must be communicated to the P-Card Office by submitting an approved maintenance form.

5. CARD SECURITY

As an Accountholder you assume personal responsibility for the protection and proper use of your Procurement Card. Follow the points below to assure card security.

5.1 CARD STORAGE

Each Procurement Card is assigned to a specific Accountholder, and as such becomes that Accountholder's personal responsibility. The only person entitled to use the card is the person whose name is embossed on the card. Accountholders should never lend their card to another person for any reason.

Accountholders should always treat their Procurement Card with at least the same level of care as one does their own personal credit cards. The card should be maintained in a secure location and the card account number carefully guarded. The account number should not be posted, photocopied, left in a conspicuous place, recorded on a payment form for any reason, or sent electronically. **Always speak directly with a merchant representative to communicate P-Card information for payment.**

5.2 CARD USAGE

Accountholders are tasked with ensuring they receive the best quality goods and services at reasonable costs. It is the responsibility of the Accountholder to certify all purchases have a valid business purpose and goods and services purchased support operations or further the mission of the University. Purchases charged against University funds that are NOT in accordance with policy are the responsibility of the Accountholder.

5.3 ACCOUNTHOLDER EMPLOYMENT CHANGE

If you leave the University, transfer to a new department, or no longer use your card in the performance of daily job duties, you must complete and submit the [Procurement Card Maintenance Form] to immediately cancel your account.

Upon transfer from your current department within the University, you must return your card for immediate cancellation and obtain approval for a new one, if needed.

Regardless of the type of employment change, the P-Card remains the property of WMU and must be surrendered immediately upon request from an authorized person (such as the Department Head or the Program Administrator), for any reason.

5.4 CARD INACTIVITY

In the event a card is inactive for 120 days, the card will be reviewed for possible cancellation by the Program Administrator.

5.5 LOST OR STOLEN CARD

Accountholders are required to immediately report any lost or stolen Procurement Card to BAML toll-free at 1-888-449-2273 (24 hours a day, 365 days a year). The Accountholder must also immediately notify their Program Administrator and Business Manager/Department Head about the lost or stolen card at the first opportunity during normal business hours. It is extremely important to act promptly in the event of a lost or stolen card, to avoid company liability for fraudulent transactions.

You will no longer be able to use the account number after notifying the bank of a lost or stolen card. BAML will automatically reissue a new card, and the Program Administrator will notify you as soon as the new card is received. A card subsequently found after being reported lost should be sent to the Program Administrator.

6. PURCHASING CARD GUIDELINES

The Procurement Card represents WMU's trust in you as a responsible employee who will safeguard and protect University assets. As an Accountholder, you assume the responsibility for proper use of your card. P-Card purchasing does not change or alter current purchasing policies and departmental approval processes. Your card serves only as an optional method of payment.

6.1 SPENDING LIMITS: PER TRANSACTION AND PER MONTH

Each card has individually established limits on the amount that can be spent per transaction and the amount that can be spent per month. Spending limits are established by the Accountholder's Business Manager/Approver based upon an analysis of the department's spending practices. If a monthly and/or per transaction limit increase or decrease is needed after spending limits have been established, Accountholder's must submit an approved Procurement Card Maintenance Form to acnt-procard@wmich.edu.

6.2 CARD RESTRICTIONS

All P-Cards issued by the University contain standard industry restrictions against the purchase of certain commodities, unless an exception has been requested and approved. Attempts to process transactions for these commodities will result in a declined transaction. If an attempted purchase is declined, please log into Works® and check your account authorization log for additional information. Three (3) consecutive card declines may result in a hold placed on your P-Card.

To request the temporary removal of a restriction, Accountholders should send an email to their supervisor, copying the Program Administrator. The email should include the following information:

- The Accountholder's first and last name.
- Last 4 digits of the account
- A business justification for exception.
- Type of commodity restriction to remove (gas, food, flowers, etc.).
- The date the restriction should be replaced.

The supervisor must reply to all with approval, so the Program Administrator can document the request.

Accountholders should be aware there may be additional restrictions placed on their Procurement Card by the Program Administrator. For example, Accountholders are subject to possible restrictions at the departmental level and grant holders may be subject to additional restrictions as part of the terms of their grant. Individual Accountholders must be knowledgeable of and compliant with all restrictions, as applicable.

6.3 ALLOWABLE AND NON-ALLOWABLE PURCHASES

The Procurement Card allows for a more efficient payment process for low value purchases needed during the normal course of business. Please refer to the Procurement Card Allowable Transactions document for the list of Allowable and Non-Allowable Procurement Card expenses.

If you have any questions about a purchase, please contact your Program Administrator.

6.4 SPLIT TRANSACTIONS

A split transaction occurs when you split a purchase to stay within the per transaction or per month dollar limits of your card. **Splitting transactions is strictly prohibited.** Care should be taken by the Accountholder to avoid the appearance of such.

EXAMPLE 1

Accountholder has a Single Transaction Limit of $5,000. Accountholder purchases similar or complementing items at a total cost of $6,000. The sale is divided into two separate transactions of $3,000 each. This is considered a split transaction to avoid exceeding the Single Transaction Limit, an action in violation of Procurement Card policy.

EXAMPLE 2

Accountholder has a Monthly Credit Limit of $5,000. Accountholder purchases an item with a total cost $10,000 and pays the vendor $5,000 at time of purchase, and the remaining $5,000 the following month. This is considered a split transaction to avoid exceeding the Monthly Credit Limit, an action in violation of Procurement Card policy.

If you are uncertain as to if a transaction would be considered “split,” contact the Program Administrator.

6.5 SALES TAX EXEMPTION

Western Michigan University is exempt from Michigan Sales & Use Tax for qualifying purchases. It is the Accountholder’s responsibility to claim this exemption whenever using their Procurement Card, by providing the University’s tax exemption number. The University will not accept liability for such overpayments. It is the Accountholder’s responsibility to contact the vendor to recover all tax incorrectly charged, and forward tax reimbursement to the Departmental Business Manager.

Accountholders should be aware that the University is NOT exempt from:

- Prepared food and beverage taxes levied and administered by various local governments in the State.
- State sales taxes levied on electricity and/or local, private, or toll telecommunication services.
- Occupancy taxes.
- Highway use taxes paid on the purchase, lease, or rental of motor vehicles.
- Merchandise paid for and received in another state.
- Scrap tire disposal tax on new tires.
- White good disposal tax on new white goods

7. MAKING A PURCHASE

This section addresses the application of general procurement guidelines to Procurement Card transactions.

7.1 CARD PURCHASE STEPS

To make a card purchase, follow the steps below. If in doubt about any part of the process, contact your Program Administrator for clarification.

1. Follow the internal procedures of your department to determine if a purchase is required and authorized.
2. Determine if the price quoted is the best price you can obtain.
3. Tell the vendor you are making the purchase on behalf of WMU and that we are exempt from MI Sales and Use Tax. Provide the MI Sales and Use Tax exemption number and ensure tax is not included on the invoice or receipt.
4. Provide payment with your P-Card, either in person or by speaking directly with a merchant representative. **DO NOT send P-Card information electronically through email.**
5. Obtain an itemized merchant receipt with vendor name, date of purchase, item description and total purchase amount.
6. If goods are to be delivered, provide the vendor your name, department, phone number, and complete delivery instructions. It is recommended you have purchases shipped directly to your campus address whenever possible. Purchases should never be shipped to a home address.
7. When goods are delivered, retain and match the packing slip to the original itemized receipt (these documents will be mandatory in the reconciliation process).

8. MERCHANDISE RETURNS

Items purchased with the Procurement Card will periodically need to be returned. When this occurs, a vendor usually offers a Return Materials Authorization (RMA) number and issues a credit invoice upon receipt of the goods. Make certain to document the RMA number and keep the credit invoice to use in the reconciliation process at the end of the billing cycle.

When receiving goods that you may need to return, consider the items below.

- Always retain boxes, containers, special packaging, and packing slips, until certain that you are going to keep the items. Items that are fragile or computer-related generally cannot be returned without the original packing materials.
- Read all enclosed documents carefully. Often a critical phone number and other instructions about how to return items are included.
- Contact the vendor and obtain a Returned Materials Authorization (RMA) number for the return.
- To facilitate the return of goods, follow vendor shipping instructions, if applicable.
- In some cases, you may encounter a restocking fee. The Procurement Card may be used to pay this fee if it does not exceed any of the card limits.

9. PURCHASE DOCUMENTATION

You must retain an electronic copy of all required documentation related to each Procurement Card transaction. Random transaction reviews will be conducted by your Program Administrator and/or Internal Audit to assure compliance with all program requirements.

9.1 PURCHASING CARD MONTHLY STATEMENT

Procurement has elected to discontinue hard copy monthly billing statements for all Accountholders. To review monthly activity, Accountholders can create a Billing Statement using the **Monthly Statement** report template in Works. Charges on this billing statement are for your review only and do not require Accountholder payment. The Accountholder's P-Card charges received by the University during the monthly billing cycle appear on this statement. The monthly Accountholder statement must be reviewed promptly to ensure a receipt and/or other acceptable documentation supports each purchase. The Program Administrator will conduct compliance reviews to view purchases and supporting documentation.

9.2 RECEIPT RETENTION

As purchases are made, Accountholders must retain their original receipts and other supporting documentation. At a minimum, receipts must contain the merchant name, transaction date, purchase amount, and item description. If receipts are lost, the Accountholder should contact the merchant to request a replacement. If a duplicate receipt cannot be obtained, the Accountholder must submit a description of such when signing off signed by the Department Head or Business Manager and potentially be subject to further audits.

It is best practice to immediately convert paper documentation to electronic format and save all receipts to a folder on your computer to expedite the reconciliation process. Accountholders must upload a receipt for ALL purchase (debit) transactions, as part of the complete reconciliation process.

10. UNDERSTANDING RECONCILIATION

Reconciliation consists of Accountholder/Approver review and sign-off of all Purchasing Card transactions in the WORKS system. Accountholders are strongly urged to reconcile transactions as they post to their account. Waiting until the cycle closes may not allow ample time for transactions to be reconciled by both the Accountholder and Approver and may result in transactions posting to the wrong account.

The BAML billing cycle ends on the last day of each month. All transactions should be reconciled and approved by then or, if the date falls on a weekend or holiday, by the previous business day. Once final review and approval dates have passed, the only method to reallocate a Chartfield String charge is by processing a journal entry. Timely and accurate approval is essential to avoid non-value-added work after the cycle close date.

10.1 RECONCILIATION RESPONSIBILITIES

You will receive automated email notifications from the BAML Works® system containing a list of transactions pending action. Each new transaction triggers an initial notification, and reminders are sent prior to the end of the billing cycle. Clicking on the email link will prompt you to log in to Works® where you can access "Action Items" on your dashboard.

Reconciliation responsibilities consists of:

ACCOUNTHOLDERS

- Confirming default/auto-matched allocations and updating as needed.
- Uploading receipts and providing a business justification for each purchase transaction in Works®
- Signing off on transactions prior to the end of the month.
- Resolving all transactions that should be flagged for dispute.

If an Accountholder cannot fulfill their duties in Works®, their department must assign a Group Proxy Reconciler to act on their behalf. Group Proxy Reconcilers are responsible for completing the same tasks as an Accountholder.

APPROVERS

- Reviewing transactions and attached documentation to ensure business purchase adheres to University guidelines.
- Checking the allocation of each transaction to ensure the charge has been coded correctly.
- Flagging transactions for rejection or to request additional action of the Accountholder.

The Approver acts as the authority for every Purchasing Card transaction, therefore at least one Approver is required for each Accountholder, unless an exception is granted by the Program Administrator. If, as the Approver, you do not understand a charge or have reason to believe a charge is not proper, the following options are available:

- Contact the Accountholder for an explanation.
- Contact the Department Head or Business Manager to verify if the charge is appropriate.
- Contact Purchasing to verify the charge is within applicable laws and University policies.
- Notify the Procurement Administrator, if a violation has occurred.

If you suspect fraud or abuse, please send notice to the Program Administrator for further review.

10.2 SUPPLIER DISPUTES

If there is a discrepancy with a transaction, it is imperative the issue is addressed immediately with the supplier and/or the Program Administrator. If you believe the supplier has charged you incorrectly or there are problems with your order, you must first contact the supplier and try to correct the error. If the error involved an overcharge and the supplier agrees, a credit adjustment should be requested and applied. If the supplier disagrees an adjustment is warranted, you have sixty (60) days from the statement close date to initiate a dispute in Works®. Be sure to also notify your Program Administrator in writing, providing details of your attempts to correct the problem. Your Program Administrator will assist in every way possible to resolve the dispute.

WMU pays all charges as billed on each statement, including those with a dispute status. If a dispute is declared valid by BAML, the bank will issue a credit and consider the dispute resolved. Although BAML acts as the arbitrator in any dispute, you should never assume a dispute will resolve in your favor.

10.3 FRAUDULENT CHARGES

Fraudulent transactions should NOT be marked for dispute in BAML Works®. **Accountholders must immediately report a fraudulent charge (e.g., a charge not initiated by the Accountholder) to BAML Fraud Department at 1-866-500-8262 and to the Program Administrator.** Cards with active fraud transactions must be closed and a new account activated. The bank will only transfer valid charges to the new account and the Accountholder will not be held liable for any fraud charges.

11. PROCEDURES FOR RECONCILIATION

Procurement Card transactions included in the nightly upload to Works® are available for Accountholder review the next day. The following procedures detail required activities for Accountholders and Approvers within Western Michigan University's Procurement Card Program, including transaction review, receipt upload, disputes, flagging, and sign-off. If an Accountholder cannot fulfill their duties in Works®, their department must assign a Group Proxy Reconciler to act on their behalf. Group Proxy Reconcilers are responsible for completing the same tasks as an Accountholder.

If you need assistance with or have questions about navigating Works®, please email the Program Administrator at acnt-procard@wmich.edu.

11.1 ACCOUNTHOLDER

ACCESS WORKS

- Log into Works® at https://payment2.works.com/works/home
- Enter your Login Name (WMU email address) and Password

If the user forgets their password, they will need to send an email request to the Program Administrator who can assist in sending a reset password email. Click the "Forgot Password" option in the system will not work. Upon clicking the option in the reset password email, the system will guide you through the steps necessary to reset your password and get logged in. The system prompts users to reset their password every 90 days.

REVIEW AND ALLOCATE TRANSACTIONS

- From the Home page Action Items section, click the Pending link to access the transactions screen.
- Click the transaction document number then choose Allocate/Edit from the drop-down menu.
- Review the Purchase Amount for accuracy.
- Review the default codes in each required GL segment and enter any missing codes, if necessary. Please contact your Business Manager with questions regarding appropriate code use.
- If additional allocation lines are required, click the Add button and choose the correct number of lines from the drop-down menu.
- Complete allocations and confirm the Allocation Total equals 100% and there is no Variance.
- Make sure the Line Description clearly states what was purchased.
- If applicable, enter related invoice number in the Reference field section of Reference & Tax. (Alternatively, the invoice number can be included in comments along with the business justification)

- If sales tax was applied to a tax-exempt eligible purchase, it is up to the Accountholder to attempt to obtain a sales tax credit. Regardless of the Tax Status and Tax Total indicated for a transaction, neither field should be edited during reconciliation. Applicable tax is included in the "Purchase Amount" and any agreed upon sales tax credits will appear in a future transaction.
- Click on the Add Comments link to provide a business justification, which is required prior to sign-off. Business justification must provide a detailed purpose for the expense. (If applicable, you may opt to include the related invoice number along with the business justification)
- Click OK, Save, and Close to return to the Allocation Details screen.

UPLOAD RECEIPTS

- From the transaction screen, click the transaction Document number then choose Manage Receipts from the drop-down menu.
- Click Add to either Attach a New Receipt or Attach a Stored Receipt.
- Click Attach and a confirmation window displays. You will not be able to sign-off on a transaction without uploading a receipt.

International transactions incur a fee of 1% of the total transaction amount, known as an International Transaction Fee. These fees typically appear as a separate line item, for which there is no receipt. Best practice is for users to upload the original transaction receipt and note "International Transaction Fee" as the receipt description and business justification.

For best results, scan images in black & white with a resolution of 300 DPI or lower. Works® supports files in the .pdf, .png, .jpg, .gif and .jpeg formats. Uploaded files will be compressed, except for PDF, which must be less than 1MB natively. The compressed file must also be less than 1MB. Mobile users may elect to install OneDrive and scan or capture photos of their receipts for immediate upload into Works® or for future access from their desktop.

DISPUTE TRANSACTIONS

- From the transaction screen, click the transaction Document number and choose Dispute from the drop-down menu.
- Complete the Dispute Transaction screen details and click OK.

Fraudulent transactions should NOT be marked for dispute in BAML Works®.

SIGN-OFF

- From the transaction screen, select check box(es) next to the desired transaction(s).
- Click Sign Off. **Once this is completed no further allocations can be made**

11.2 APPROVER

ACCESS WORKS

- Log into Works® at https://payment2.works.com/works/home
- Enter your Login Name (WMU email address) and Password

If the user forgets their password, they will need to send an email request to the Program Administrator who can assist in sending a reset password email. Click the "Forgot Password" option in the system will not work. Upon clicking the option in the reset password email, the system will guide you through the steps necessary to reset your password and get logged in. The system prompts users to reset their password every 90 days.

REVIEW TRANSACTIONS

- From the Home page Action Items section, click the Pending link to access the transactions screen.
- Review each transaction to confirm items purchased are within policy guidelines, purchases do not include split transactions, selection of appropriate allocation codes, detailed descriptions are included, and business purpose is clearly stated, if applicable.
- Click the plus sign (+) to the left of the transaction document number to display the transaction details.
- Review the Transaction tab for comments on business justification of purchase.
- Click on the Allocation tab to confirm appropriate allocation has been provided.
- Review contents of Reference and Tax tab, where applicable

FLAG TRANSACTIONS

- From the transactions screen, select the transaction document number and then choose Raise Flag from the drop-down menu.
- Enter comments detailing the issue and action required.
- Click OK. The Flagged transaction will be returned to the Accountholder for resolution.

APPROVE TRANSACTIONS

- From the transaction screen, select the check box(es) next to the desired transaction(s).
- Click Sign Off (if applicable)

11.3 APPROVAL DELEGATION

If an Approver is expected to be away from the office for an extended period **and there are no other approvers within their group**, it may be necessary for the Approver to delegate their approval authority.

Two important items to remember when selecting an approver delegate:

- Your Approver representative must have Works® access. If Approver registration is required, please send an approved Procurement Card Maintenance Form to your Program Administrator.
- Your Approver representative should be an approver within your business unit who's familiar with the procedures for reconciling Works® transactions.

12. TRANSACTION SWEEP AND PAYMENT PROCESS

Approval reminders are sent prior to the end of the billing cycle. Once the final approval period has passed, the WORKS system will sweep all unapproved transactions in Works® and initiate payment.

12.1 SWEEP OF UNAPPROVED TRANSACTIONS

To assure BAML is paid in a timely manner, the WORKS system will sweep all unapproved transactions into the payment process at the end of the approval period. Transactions not reconciled prior to this time will charge the Accountholders default Procurement Card Chartfield String. The Accountholder and Approver are still required to sign-off on all swept transactions in Works®, but they can no longer edit the default allocation code before charges post to GLOW. After the GLOW feed, charges can only be reallocated by processing a journal entry.

12.2 ACCOUNTHOLDER TRANSACTION LIMITS

An Accountholder's available credit is reduced by the dollar amount of transactions not reconciled in Works®. Thus, the Accountholder's purchasing power is decreased until the approval process is complete. Only funds from each transaction signed off by Accountholder or Approver will restore to the account at the end of the billing cycle. Repeated delinquent approvals are considered a cause to suspend or revoke an Accountholder's privileges.

13. SPECIAL NOTES

13.1 INTERNAL CONTROLS

A separation of duties must be followed with the Procurement Card, as with all other financial transactions. The person placing the order ("Accountholder") cannot be the person who approves the order. This is the reason an Accountholder and Approver have been assigned for each card.

13.2 GRANT AND CONTRACT FUNDS

The Procurement Card is a purchasing tool. Grants & Contracts requirements to support cost allocation and document retention must be met for all Procurement Card purchases against grant and contract funds.

The Principal Investigator (PI) of a grant or contract is responsible for guaranteeing all expenses paid from the grant or contract are allowable, allocable, and reasonable. The PI, with assistance from his or her research team and designated departmental support staff, ensures all expenses are permissible per Grants and Contracts Administration procedures and federal guidelines. Sponsor regulations may provide additional restrictions.

Grants and Contracts is responsible for providing detailed technical advice regarding sponsor regulations and business procedures pertaining specifically to sponsored programs.

14. COMPLIANCE VIOLATIONS

All transactions made with the University Procurement Card are subject to audit. Accountholders in violation of compliance may have card privileges suspended or permanently revoked and could face additional disciplinary actions up to and including termination of employment. Disciplinary action will be enforced at the discretion of the Program Administrator, Payroll & Disbursements, and/or the Accountholder's Business Manager based on the severity of the violation.

14.1 P-CARD MISUSE AND ABUSE

Accountholders who misuse or abuse P-Card funds will be subject to notification and disciplinary action.

- **Misuse** is the intentional or unintentional violation of P-Card policies and procedures for work-related gain. Three or more P-Card misuse violations within a six-month or audit review period will result in suspension of P-Card privileges.
- **Abuse** is the intentional or unintentional violation of P-card policies and procedures for personal gain. Abuse violations are cause for immediate cancellation of your P-Card.

14.2 ACCOUNTHOLDER INFRACTIONS

General descriptions of Accountholder infractions include:

- Failure to reconcile transactions by the first business day of the month following the end of the billing cycle. **The account can be subject to suspension until all outstanding transactions are reconciled**.
- Failure to provide a valid business justification for purchase (i.e. reason for purchase).
- Failure to immediately report loss or theft of a card upon discovery.
- Splitting transactions to circumvent transaction limits.
- Failure to supply valid receipt, invoice, or other support documentation.
- Using P-Card to purchase non-allowable items per the P-Card policy, or misuse of any temporary exception to Procurement Card restrictions.
- Other infractions warranting disciplinary actions, as deemed appropriate by the P-Card Program Administrator or the Accountholder's Business Manager or Department Head.

1ST OFFENSE

Courtesy email warning to Accountholder and Accountholder's direct supervisor

2ND OFFENSE

Email notification of infraction to Accountholder, Accountholder's direct supervisor, unit Business Manager, and Dean (if applicable)

3RD OR GREATER OFFENSE

Thirty (30) to ninety (90)-day suspension of Accountholder's P-Card

***Infractions will be tracked on a rolling 12-month basis. The P-Card team reserves the right to reduce or escalate corrective actions at their sole discretion.**

14.3 CRIMINAL ACTIVITY

Personal purchase made intentionally

1. Immediate revocation of P-Card. The Accountholder, Group Proxy Reconciler, Direct Supervisor, Dean or Department Head will receive an email notification.
2. Department Head or Dean is responsible for taking appropriate disciplinary action after consulting with Human Resources, up to and including termination of employment.

Any Accountholder who intentionally makes a personal purchase on their University issued Procurement Card has committed theft of state property. Appropriate disciplinary actions could include but may not be limited to immediate card revocation without eligibility for future Procurement Card use, and possible termination of employment. The University reserves the right to pursue criminal charges against any Accountholder suspected of unlawful activity.

APPENDIX I: PROCUREMENT CARD PROGRAM CONTACTS

If you need assistance with or have questions about navigating Works®, please email your Program Administrator at acnt-procard@wmich.edu. Contact the Payroll & Disbursements office for matters concerning the P-Card program policies and procedures.

PAYROLL & DISBURSEMENTS OFFICE

PROCUREMENT CARD PROGRAM ADMINISTRATOR

Ann McNees
ann.mcnees@wmich.edu
269-387-2135

PROCUREMENT CARD GENERAL CONTACT

acnt-procard@wmich.edu
269-387-4253

BANK OF AMERICA MERRILL LYNCH (BAML) CARD SERVICES

To contact BAML, call the number on the back of your card. Any time BAML is contacted, you should also contact the Procurement Card Program Administrator.

Appendix II: Revision History

REVISION DATE	APPROVED BY	REVISION DETAILS
12/10/21	P&D	Established document