

Western Michigan University
Grants and Contracts Procurement Card Procedures
Funds 25 – 30

All University Policies and Procedures regarding the use of procurement cards apply to cards issued to grant funds and departments. The following additional policies and procedures apply to procurement cards issued to grant funds and departments and to reallocations made to grant funds and departments from non-grant cards.

Application Process for New or Replacement Grant Procurement Cards:

- 1) Complete the application available online at <http://www.wmich.edu/payroll/accounts-payable/procard>
 - a. The department will be required to provide a non-grant fund and department that will be charged if any charges are determined to be unallowable according to University Policies and Procedures or the provisions of the grant agreement.
- 2) Other grant funds and departments **may not** be listed on a grant funded application for reallocation purposes.
- 3) Request for a new pro-card will not be approved if the cardholder is not current with documentation on an existing pro-card or is not compliant with University or agency regulations.

Charges to **Grant** Procurement Cards:

- 1) Unallowable charges are those that are unallowable under University Policies and Procedures or the provisions of the grant agreement. Your grants administrator can help you determine if certain charges are allowable.
- 2) If unallowable charges appear to have been charged to the grant procurement card, Grants and Contracts will contact the department and request additional explanation or documentation.
 - a. If a satisfactory and timely response to this request is not received, or if the charges are still deemed to be unallowable after receiving additional explanation, Grants and Contracts will notify the University Procurement Card Administrator that timely and complete documentation for grant expenses has not been provided.
 - b. The unallowable cost to the grant/contract will be charged against the reserved fund and cost center indicated on the application form.
- 3) All procurement card charges will continue to post to the 4570 (supplies) account within the grant fund and department. Reallocation to other accounts (object codes) can be done via the Bank of America Works online system within the statement period or using JES (Journal Entry Spreadsheet) after the statement period.
 - a. The accounts used for reallocation should correspond as closely as possible to the category where the expenses were originally budgeted. Your grants administrator can help you determine the appropriate accounts to use when reallocating expenses. The specific account codes available for grant funds can be found on our website <http://wmich.edu/grantscontracts/policies>
 - b. If gift cards will be purchased using the procurement card you will need to first receive preauthorization by filling out the Authorization for the Purchase of Gift Cards and Cash Payments form <http://wmich.edu/grantscontracts/forms> After preauthorization approval you can purchase gift cards on the procurement card and then these

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charges will need to be reallocated to object code 1790 prepaid expenses. After the gift cards are distributed please refer to the Research Participation Compensation Policy on proper documentation to send to Grants and Contracts <http://wmich.edu/grantscontracts/policies>

- c. If you are unable to reallocate the account code during the statement period please forward a copy of the JES and accompanying backup documentation stating the business purpose of the expense with the approved statement to Grants and Contracts.
- 4) Sales Tax-WMU is tax exempt therefore sales tax should not be charged on items purchased within the states of the exemption (See Corporate Reporting and Taxation forms section on the Office of Business and Finance website for other exemption certificates <http://www.wmich.edu/businessandfinance/forms>). It is the responsibility of the card holder to notify the vendor at the time of purchase of the exemption. Federal regulations do not allow sales tax on federally funded projects in which exemptions are available. If sales tax is charged on purchases within the states of exemption the tax will be charged to the fund and department indicated on the procurement card application.

Reconciliation Process for Grant Procurement Cards:

- 1) The business purpose should be documented for each transaction according to University Policies and Procedures.
- 2) A monthly statement containing the business purpose, approved signatures, and proper receipts should be sent to Jacob O'Berry in the Grants and Contracts office within 20 business days after the statement date. The documents can be emailed or sent through campus mail.
 - a. If the proper documentation is not received within 20 business days after the statement date, Grants and Contracts will send a notice to remind the cardholder.
 - b. If the proper documentation is not received within 10 business days of the date of the first reminder, Grants and Contracts will send a second notice to the cardholder and copy the cardholder's supervisor.
 - c. If the proper documentation is not received within 5 business days of the date of the second notice, Grants and Contracts will notify the University Procurement Card Administrator that timely and complete documentation for grant expenses has not been provided. The card will be suspended until outstanding documentation is received.

Reallocations from **Non-Grant** Procurement Cards

- 1) Charges from **only** non-grant procurement cards can be reallocated to grant funds and departments via the Bank of America Works online system during the statement period.
 - a. See the reconciliation process for grant procurement card above for timely submission of proper documentation of procard reallocations
- 2) If reallocations could not be completed within the statement period a JES can be done to move the expenses.

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- a. Prior to completing the JES, a cost transfer form must be approved. The form can be located on our website <http://wmich.edu/grantscontracts/policies>
- b. If the cost transfer is approved please forward a copy of the JES and the signed statement containing the business purpose and proper receipts to Grants and Contracts.

Procurement Cards for Multiple Year/Extended Grants:

Termination letters are sent by Grants and Contracts to all Principal Investigators to advise them that the award period for a grant is scheduled to end. These letters are sent approximately 120 days before the end of the award period. If the project work will continue beyond this date, it's important for the Principal Investigator to take the actions outlined in this letter to ensure that available grant funds can continue to be spent in order to complete the project. Your grants administrator can assist you with obtaining the continuation/extension.

If the Principal Investigator does not provide documentation of the continuation/extension of the end date or complete a pre-award spending form by the end of the award period. Grants and Contracts will notify the University Procurement Card Administrator to suspend the grant procurement card. Once documentation of the continuation/extension or the pre-award spending form is received, the card will be reinstated.

Procurement Card Destruction at End of Grant Period:

It's important for grant procurement card holders to destroy their cards when the grant ends and provide written confirmation that they have done so to both Grants and Contracts and the University Procurement Card Administrator.

Contact Information

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