

## CMU Business Credit Card Procedures

### Payroll and Travel Services

Warriner Hall 205 – Phone: 774-6944 or 774-3797 – Email: [Travel@cmich.edu](mailto:Travel@cmich.edu)

#### Overview

The CMU Business Credit Card is an optional program designed to make purchasing by departments more convenient. The card is intended to assist in limiting labor-intensive processes (i.e. requisitions, purchase orders, invoices vouchers etc.) while adding flexibility to departments, thus controlling their purchasing needs. Any University employee with responsibility for traveling on university business, entertaining guests, and/or purchasing supplies or equipment is eligible to apply for the CMU Business Credit Card. The request must be approved by someone administratively senior to the employee.

The CMU Business Credit Card can be used to purchase anything permitted under the CMU expenditure policy. The card may be used as an option to pay for university business expenses including equipment, supplies, travel (including travel expenses for students), and entertainment. Travel expenses for employees other than the named cardholder may not be charged to the CMU Business Credit Card except for conference fees and airfare.

Charges to the CMU Business Credit Card that exceed University policy or are considered inappropriate use of university funds, will be payroll deducted from the cardholder's paycheck. Likewise, credits due back to the cardholder will be direct deposited to the cardholder's bank account. The Payroll and Travel Services department will notify the cardholder of any amount being deducted from their paycheck prior to the payroll run.

The Payroll and Travel Services department, in coordination with PNC, will issue CMU Business Credit Cards. A CMU Business Card Agreement form must be submitted and approved with appropriate authorization before the card will be ordered. The Agreement is available on the Payroll & Travel Services website.

#### Receiving a CMU Business Credit Card Requires Training Session Attendance

All new applicants are required to attend the online Business & Travel Expense training in order to obtain their new card. The online training instructions are available on the Payroll & Travel Services website.

The Payroll and Travel Services department will e-mail the cardholder upon receipt of their new CMU Business Credit Card. The card can only be picked up after the cardholder has affirmed that they have attended the online training. Photo I.D. must be presented when picking up the card.

## **Credit Limit Selections**

Supply and equipment charges have a single transaction limit of \$4,999.00 per invoice. The monthly credit limit will be determined by the requesting department with final approval by the Payroll and Travel Services department, based on the cardholder's usage needs. A cardholder can choose from the following monthly credit limits: \$1,000, \$2,500, \$5,000, \$10,000. The maximum monthly credit limit allowed is \$10,000 unless special approval has been obtained.

Cash advances from the CMU Business Credit Card, up to \$200, may be obtained in the OneCentral office. Cash advances are not available at an ATM.

## **Billing / Shipping Address**

The billing address for the CMU Business Credit Card will be the cardholder's department, and should include the building and room number, city and zip code. The billing address must be the same as the shipping address.

## **Monthly Reconciliation of PNC Statement**

The cardholder, upon receipt of their monthly statement from PNC, will be responsible for completing the following procedures:

### **Step 1**

Reconcile the receipts to the statement to ensure that the amounts charged match the billing statement and that no fraudulent charges have posted on the statement.

### **Step 2**

Edit the allocation for cost center, WBS Element, G/L Account and/or internal order number in Spend Clarity prior to the month-end deadline posted on the Payroll & Travel Services website. After the deadline, all changes made in Spend Clarity are imported into the SAP system, which eliminates the need to submit journal entries to accomplish the same. Training is not required but available by contacting Payroll and Travel Services.

### **Step 3**

Create a Spend Clarity expense report that includes receipts (which must be itemized with a descriptive listing of items purchased, quantities, prices and vendors) and descriptions for all charges that are on the monthly statement as well as any out-of-pocket expenses incurred during the statement period that the cardholder is claiming for reimbursement.

- Itemized receipts are not required for per diem meals while traveling.

The expense report must be submitted and approved in Spend Clarity by a CMU employee who is administratively senior to the cardholder by the 15<sup>th</sup> of the month following the close of the statement period. Example: The expense report for the August statement period, which closes on August 24<sup>th</sup>, is due by September 15<sup>th</sup>.

### **Receipt Retention**

All cardholder records will be retained centrally by the Payroll and Travel Services department for three (3) years. The cardholder's department should keep copies of their bank statements for reconciling their budget but does not need to keep copies of receipts unless directed by their Dean, department chairperson or direct supervisor.

### **Resolving Disputes/Discrepancies**

Discrepancies are the sole responsibility of the cardholder and/or their department to resolve. If there is a problem with the goods or services received, or a transaction listed on the statement was not authorized by the cardholder, and a good faith effort was made to remedy the situation with the merchant/supplier, the charge can be disputed by completing the PNC Dispute Form that can be found on the Payroll & Travel Services website. The cardholder will choose the reason that best fits the dispute and add any additional comments or documentation that might help in the investigation of the dispute. The form must be submitted directly to PNC using the contact information that is listed on the form.

### **Audit**

The Payroll and Travel Services department will audit charges monthly. Periodically the Internal Audit office will audit the cardholder's charges and will review monthly summaries.

### **Payment Information**

The University will automatically pay all cardholder balances each month. The default cost center and G/L that the cardholder assigned to the card will be charged in the SAP system unless allocation changes were made in Spend Clarity by the cardholder or their department.

### **Lost or Stolen Card**

If a card is lost or stolen or you suspect unauthorized use, the cardholder or their department has the responsibility to notify the following immediately:

- The Payroll and Travel Services department at (989) 774-6944 or (989) 774-3797, during normal business hours

or

- PNC Customer Service at 1-800-685-4039, 24 hours a day, 7 days a week

In addition, if the card is stolen (not lost), the cardholder has the responsibility to notify the Campus Police at (989) 774-3081.

Once notified, your account will be cancelled, and a new account number and card will be issued to you within 7 business days. Transactions determined as fraudulent or not authorized must be disputed in order to be removed from your account.

### **Card Declines**

Should the card be declined at the point of sale for any reason, the cardholder can contact PNC at 1-800-685-4039 for the decline reason. If asked to provide an activation code, it is the last four digits of the cardholder's campus ID number.

Alternatively, the cardholder can contact Payroll and Travel Services at (989) 774-6944 or (989) 774-3797 for assistance. Every effort will be made to remedy the situation and determine why the transaction was denied.

### **Tax Exempt Status**

CMU is tax exempt and the federal tax ID number is located on the front of the CMU Business Credit Card. It is the cardholder's responsibility to inform the vendor BEFORE making a purchase that the transaction should be tax exempt.

### **Chip and PIN Cards/International Travel**

A Chip and PIN Card has a microchip embedded in it ensuring that it is compatible with domestic and international merchants. Chip-embedded credit cards are nearly impossible to duplicate which significantly reduces opportunities for card payment fraud. All CMU Business Credit Cards are Chip and PIN enabled. If you are traveling internationally it is in your best interest to contact PNC directly or the Payroll and Travel Services department with your dates of travel and destination to prevent a hold being put on your card due to suspicion of fraud.

### **Returns and Refunds**

If you are entitled to a refund for any reason for goods or services obtained with the card, you agree to accept credits to your account in place of cash.

### **One Card per Cardholder**

A cardholder can have only one CMU Business Credit Card in their name. This card is intended for use by the named cardholder. Should the card be loaned to another employee, the named cardholder maintains responsibility for communicating its proper use to the employee. The named cardholder shall also keep a

log of the authorized users. This log should be maintained by the cardholder and kept on file in the using department.

### **Inappropriate Use of Card**

If the cardholder uses the CMU Business Credit Card inappropriately or disregards any other CMU Business Credit Card policy or university policies, they may receive a warning letter. If a cardholder disregards the policies a second time their card may be canceled.

Segmentation of an order is not allowed with your credit card. Do not split a transaction to avoid the single purchase limit set for your credit card.

An online listing of items that are **not** to be purchased on the CMU Business Credit Card is available on the Payroll and Travel Services website.

### **Protecting Your Account**

- Check your sales receipts for accuracy. Destroy any inaccurate or incomplete receipts.
- Always keep your card in a secure place.
- When making purchases be aware of the environment around you. Thieves often memorize account number information.

### **Cardholder Account Changes**

Please notify the Payroll and Travel Services department at (989) 774-6944 or (989) 774-3797, for any changes in address, business structure or employment status. Forms to update your account are available on the Payroll and Travel Services website.