

Procurement Card Program Handbook

Purpose

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

The Procurement Card Program is a privilege granted to faculty and staff (excluding consultants, contractors, visiting faculty, temporary employees, undergraduate and graduate students). It is to be used in a responsible and appropriate manner. Fraudulent or intentional misuse (including the use of the PCard for personal purchases) will result in revocation of the PCard, possible criminal charges, and discipline up to and including termination. Periodic audits of each cardholder's transaction file and monthly statement reconciliations are conducted by the Office of Legal Affairs, Risk and Compliance. In addition, the PCard team conducts compliance reviews using various reports and transaction audits to ensure that cardholders are adhering to WMU, Visa, and bank policies and procedures.

The WMU Procurement Card Program is managed by the Payroll and Disbursements department. The card is issued by the Bank of America Corporation (BOA) and is widely accepted by vendors that support Visa card purchases.

General Guidelines and Responsibilities

- Procurement and Travel Cards are 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.
- 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 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.
- Accountholders are required to immediately report any lost or stolen Procurement Card to BOA 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.
- Individual transactions must not exceed \$5,000 on the default-limit card (including shipping/handling). Transactions at \$5,000.01 and greater will be denied at the point of sale. The monthly limit for PCard transactions is \$5,000.
- It is not permissible to make multiple charges in the same day, or consecutive days, to the same merchant to facilitate a charge that exceeds \$5,000. A split transaction occurs when you split a purchase to stay within the per transaction or per month dollar limits of your card, circumvent WMU Purchasing procedures, or to avoid compliance with State and/or Federal procurement regulations. Splitting

transactions is strictly prohibited. Care should be taken by the Accountholder to avoid the appearance of such.

- Cardholders must follow all internal department procedures to determine if a purchase is required and authorized.
- Ensure all purchases have a clear business need and that they are reasonable, appropriate and necessary. Cardholders must determine if the price quoted is the best price for the goods or service.

Procurement and Travel Card Eligibility and Acquisition

Employees recommended for participation in the Procurement and Travel Card Program must first determine which card profile best aligns with their business responsibilities. The three available profiles are:

Understanding the Different Card Profiles

1. **Procurement Card (Procard)**

Intended for employees who are responsible for purchasing goods and services on behalf of the institution. This includes office supplies, materials, membership dues. Travel-related expenses are strictly prohibited on this card type.

2. **Travel Card**

Reserved exclusively for **coaches, recruiters, and fundraisers** who travel as a core function of their role. A business justification for travel must be clearly documented in the card application. The Travel Card is restricted to allowable travel-related expenses such as lodging, transportation, meals, etc.

3. **Hybrid Card**

Combines functionality of both Procurement and Travel Cards. Approval for a Hybrid Card requires a demonstrated **business need** for both purchasing and travel responsibilities. Use of this card must comply with the restrictions and documentation requirements of both categories.

Employees and their supervisors should carefully assess the employee's role and responsibilities to determine the most appropriate card type before initiating the application process.

Once you have determined what card profile best suits your business need, please complete a Procurement Card Program Application. The application must be approved by the cardholder's direct supervisor and a representative from Grants and Contracts, if applicable. Upon approval, submit the application to the acnt-procard@wmich.edu email box 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.

Upon receiving notification of successful completion of the application, the Program Administrator will contact the Accountholder to complete the mandatory training required for them to pick-up their card. It is the responsibility of each Accountholder to activate their card using the instructions found in the original email received regarding the card availability and establish a PIN.

New cardholders will receive a welcome email from the Program Administrator to sign into the [WORKS system](#). The [Bank of America, 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.

Card Maintenance

Proper maintenance and oversight of cardholder information and usage is essential to ensure compliance with university policy, protect institutional funds, and maintain an effective Procurement and Travel Card Program. This section outlines the procedures and requirements related to card updates, restrictions, prohibited purchases, and tax exemptions.

Card Changes

All updates or changes related to a Procurement or Travel Card must be submitted using the Procurement Card Program Maintenance Form. Completed forms must be emailed to acnt-procard@wmich.edu. Incomplete forms or missing approvals will be returned to the requestor for correction and may delay processing. This form is required to formally initiate any of the following changes:

- Cancelling a Card due to termination, department transfer or there is no longer a business need
- Changing the Default Chartfield String
- Requesting a Credit Limit Change
- Updating Primary and Alternative Approvers
- Change Card Profile
- Other Request

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's approval.

Prohibited Purchases

Cardholders must strictly avoid using the Procurement and Travel Cards for unauthorized transactions. The following lists identify purchases that are explicitly prohibited, regardless of funding source or intent.

Procurement Card

- Alcohol/Tobacco
- Automobile service/repair/rental
- Cash advances
- Contributions or donations
- Entertainment
- Flowers
- Laboratory/Medical/X-Ray Fees
- Personal Items
- Restaurants and Other Dining Vendors
- Services from an Independent Contractor (Must go through Office of Legal Affairs, Risk and Compliance)
- Travel
- Gift Cards

- Internet Auction Sites (e.g., eBay)
- Wholesale/Retail Club Discount Purchases and Memberships (e.g., Costco, Sam's Club)
- Any Purchase that Requires an Agreement or Contract
- Purchases over \$5,000 in aggregate
- Payment to ANY WMU department (e.g., Parking Fees, Tuition and Fees)

Travel Card

- Airbnb's/VRBO's
- Alcohol/Tobacco
- Cash Advances
- Flowers
- Insurance
- Medical Fees
- Services from an Independent Contractor (Must go through Office of Legal Affairs, Risk and Compliance)
- Payment to ANY WMU department (e.g., Parking Fees, Tuition and Fees)

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](#) (38-6007327). 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

Note: Western Michigan University is also Sales and Use Tax exempt in [Ohio](#) and [Illinois](#).

Card Inactivity

In the event a card is inactive for 120 days, the card will be reviewed for possible cancellations by the Program Administrator. Communication will be sent to cardholder before any cancellation of any card.

Reconciliation and Accounting

- Please see the Cardholder User Manual for step-by-step instructions on navigating the BOA Works system.
- 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.
- When goods are delivered, retain and match the packing slip to the original itemized receipt (these documents will be mandatory in the reconciliation process).
- Obtain an itemized merchant receipt with vendor name, date of purchase, item description and total purchase amount.

Transaction Documentation

All cardholders are required to maintain thorough and accurate documentation for each transaction charged to their Procurement or Travel Card. This documentation serves as the official record to support the business purpose of purchases, ensure compliance with university policy, and facilitate review by approvers and auditors.

If a receipt is lost, it is the cardholder's responsibility to request a duplicate from the merchant. In cases where a replacement cannot be obtained, the cardholder must complete and upload a Procurement Card Program Missing Documentation Form in place of the missing receipt into WORKS®. These transactions may be subject to additional review or audit.

To streamline the reconciliation process and reduce the risk of lost documentation, it is strongly recommended that cardholders immediately convert physical receipts to electronic format. Saving receipts in a designated folder on your computer as purchases occur will help ensure timely and complete reconciliation.

As part of the reconciliation process, cardholders are required to upload an itemized receipt for every transaction to the WORKS® system. This may be an itemized receipt or invoice, either is acceptable as long as it clearly shows what was purchased, the corresponding amounts, and payment in full. In some cases, other forms of documentation, such as packing slips or order confirmations may be submitted if receipts or invoices are not available. Providing as much supporting documentation as possible helps reduce follow-up questions during the review and audit process.

Failure to do so may result in the transaction being flagged for non-compliance or require further explanation during internal audits.

Reconciliation Process

All transactions made using a University-issued Procurement, Travel or Hybrid Card must be reviewed and reconciled in the WORKS® system each month by both the Accountholder and their designated Approver. This reconciliation process ensures that purchases are accurately documented, properly allocated to the correct Chartfield String, and in compliance with University policy.

Timely reconciliation provides the necessary window for both the Accountholder and Approver to complete their responsibilities, helps avoid coding errors, and minimizes the need for journal entries after the close of the billing cycle.

The University's billing cycle, administered through Bank of America (BOA), ends on the last calendar day of each month. If that day falls on a weekend or holiday, reconciliation must be completed by the preceding business day.

For Accountholders:

Accountholders are strongly encouraged to review and reconcile each transaction as it posts to their account rather than waiting until the billing cycle closes. Notifications are sent automatically via email when new transactions post, and reminder emails are issued as the cycle close approaches. These notifications direct users to their "Action Items" dashboard in WORKS®, where they can review and act on pending items.

Key reconciliation tasks for Accountholders include:

- Reviewing and updating default account allocations as needed.
- Uploading required receipts and ensuring each purchase includes a clear and complete business justification.
- Resolving any disputed or incorrect charges as soon as they are identified.
- Signing off on all transactions before the monthly deadline.

Supplier Disputes

If you notice a transaction discrepancy, contact the supplier immediately to resolve the issue. Many common issues—such as duplicate charges, incorrect pricing, or damaged goods—can be corrected directly with the vendor. If a refund or adjustment is agreed upon, request written confirmation and monitor your WORKS® account for the corresponding credit.

If the supplier does not agree to issue a correction, you may initiate a formal dispute through the WORKS® system. Disputes must be submitted within 60 days from the statement close date. Be sure to notify the Program Administrator in writing with the transaction details and your efforts to resolve the issue. The Program Administrator can assist as needed. Please note: Western Michigan University (WMU) pays all charges at the time of billing, even those in dispute. If the dispute is resolved in your favor, a credit will be issued by the bank.

Fraudulent Transactions

If you identify a transaction that you did not authorize, do not dispute it in WORKS®. Instead, take the following immediate steps:

1. Call Bank of America Fraud Department at 1-866-500-8262 to report the fraudulent activity right away to initiate card closure and reissuance.
2. Notify the Program Administrator that a new card will be arriving in your name due to fraudulent charges. They will email you when the new card arrives.

A new card account will be created, and only valid transactions will transfer over. Accountholders are not held liable for verified fraudulent charges.

Merchandise Returns

If you need to return an item purchased with your card:

- Contact the vendor for a Return Merchandise Authorization (RMA) number.
- Follow the vendor's return instructions and retain all original packaging, packing slips, and documentation until the return is finalized.
- Request a credit invoice or confirmation from the vendor and retain it for reconciliation purposes.
- If applicable, a restocking fee may be charged to the card, provided it does not exceed your spending limits.

Returned merchandise credits will appear as a separate line item in WORKS® and must be reconciled like any other transaction.

Grant Reconciliation

When using a Procurement Card to make purchases charged to grant or contract funds, additional documentation and reconciliation steps are required to comply with federal and sponsor regulations. These requirements ensure that all expenditures are allowable, allocable, and reasonable in accordance with the terms of the grant or contract.

- **Responsibilities**

The Principal Investigator (PI) is ultimately responsible for ensuring that all charges to a grant are compliant. With support from departmental staff and research teams, the PI must verify that Procurement Card transactions meet the terms and conditions of the award, as well as institutional policies and federal guidelines.

- **Monthly Documentation Process**

To facilitate proper review and billing by the Grants & Contracts department, cardholders must:

- Maintain a monthly folder containing all supporting documentation for each transaction charged to a grant or contract fund. This includes itemized receipts, business justifications, and any sponsor-specific approvals, if applicable.
- Generate and include the Monthly Statement wSign Offs from the WORKS® system as part of the documentation.
- Submit the complete folder (including the Monthly Statement wSign Offs and all receipts) to Grants & Contracts by the 10th of each month for review and processing.

Failure to submit complete and timely documentation may delay grant billing and could result in costs being transferred to departmental accounts.

- **Additional Guidance**

Grants & Contracts is available to provide technical guidance related to specific sponsor requirements, restrictions, and documentation standards. When in doubt, consult with Grants & Contracts before making a purchase to avoid unallowable charges.

For Approvers:

Approvers serve as the primary compliance checkpoint for all card transactions within their assigned group. Timely and accurate review of cardholder transactions ensures that University funds are spent appropriately, documented correctly, and aligned with applicable policies and funding source requirements.

Key reconciliation tasks for Approvers include:

- Carefully review all reconciled transactions and uploaded documentation.
- Confirm that each purchase aligns with University policy and business need.
- Verify that transactions are charged to the correct Chartfield String.
- Reject or return any transactions lacking appropriate justification, documentation, or coding.
- Take corrective action or escalate concerns when necessary.

If an Approver has questions about a charge, they may contact the Accountholder for clarification, consult with the Department Head or Business Manager, or reach out to Purchasing or the Program Administrator for policy guidance. Suspected fraud, abuse, or willful non-compliance must be reported directly to the Program Administrator and/or Internal Audit for investigation.

Approvers and secondary approvers will receive monthly email notifications alerting them to any transactions that require their review or sign-off, including delinquent items.

Approvers must log into the BOA Works system to review and approve all cardholder's transaction by the monthly reconciliation deadlines. Once the reconciliation deadline passes, changes to account coding must be processed via a journal entry, adding unnecessary workload and increasing audit risk. Timely reconciliation by both parties helps maintain financial integrity and operational efficiency.

Credit limits will not be replenished until both the Accountholder and Approver have completed sign-off on the transaction within the WORKS® system.

Approvers are also responsible for initiating card maintenance actions for the cardholders under their supervision using the Procurement Card Program Maintenance Form. This includes:

- Requesting Credit Limit Changes:
Approvers must assess the cardholder's ongoing business needs and request increases or decreases in monthly spending limits as necessary, using the Procurement Card Maintenance Form.
- Initiating Card Cancellation
If a cardholder changes roles, transfers departments, separates from the University, or no longer requires a card for their position, the Approver must promptly submit a cancellation request.
- Requesting Temporary or Permanent Card Holds
In situations involving misuse, extended leave, or pending documentation, Approvers may request that a card be temporarily suspended to prevent further transactions.

Non-Compliance

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, Controller, and/or the Accountholder's Business Manager based on the severity of the violation.

Non-compliance refers to repeated or significant violations of University procurement or travel card policies, even if unintentional. Examples include:

- Making prohibited purchases.
- Failing to upload receipts or justify business purposes.
- Repeatedly missing reconciliation deadlines.
- Not following required procedures for approvals or documentation.
- Failure to immediately report loss or theft of a card upon discovery.
- Splitting transactions to circumvent transaction limits.
- Using P-Card to purchase non-allowable items per the P-Card policy, or misuse of any temporary exception to Procurement Card restrictions.

Patterns of non-compliance may result in temporary or permanent suspension of card privileges, audit findings, or referral for further review by management or internal audit.

- **Accidental Personal Use**

The University's Procurement and Travel Cards are not to be used for personal purchases under any circumstance. If a personal transaction occurs accidentally, the cardholder must:

1. Immediately report the transaction to the Program Administrator.
2. Reimburse the University in full as soon as possible.
3. Provide documentation of the repayment.

While a single, clearly accidental charge that is reported promptly and resolved may not result in disciplinary action, repeated instances or failure to report personal use can lead to investigation and loss of card privileges.