

## CMU Business Credit Card Procedures

### Overview

The CMU Business Credit Card is an optional program designed to make purchasing by departments more convenient. The card is intended to assist cardholders in eliminating labor-intensive processes (i.e. requisitions, purchase orders, invoice vouchers etc.) while adding flexibility to departments, thus controlling their purchasing needs. Any University employee, approved by a Dean, department chairperson or direct supervisor, 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 CMU Business Credit Card is a University liability card and there is no annual fee for the card.

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 and entertainment including travel expenses for students. 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/Travel department will notify the cardholder of any amount being deducted from their paycheck prior to the payroll run.

The Payroll/Travel Services Department, in coordination with JPMorgan Chase will issue CMU Business Credit Cards. A CMU Business Card Agreement form must be completed and returned to Warriner Hall, 204 with appropriate authorization before the card will be ordered. The Agreement is available on line at:

[www.controller.cmich.edu/CreditCards/Forms/CMU\\_BusCard\\_Agreement.html](http://www.controller.cmich.edu/CreditCards/Forms/CMU_BusCard_Agreement.html)

### Receiving a CMU Business Credit Card requires Training Session attendance

All new applicants are required to attend a scheduled training session in order to obtain their new card. The schedule of training dates and times is listed on the Controller's website at:

[www.controller.cmich.edu/Training/CMU\\_BusCard.htm](http://www.controller.cmich.edu/Training/CMU_BusCard.htm).

The Payroll/Travel Services department will e-mail cardholder's upon receipt of their new CMU Business Credit Card and notify them to attend a scheduled training session in order to pickup their new card. Cards are issued to new cardholders only during monthly scheduled training sessions and photo I.D. is required to sign-out the cardholder's credit card. Cardholder's should sign their card immediately. Employees allowed to use the cardholder's credit card are required to attend training with the cardholder, as the named cardholder is responsible for the appropriate use of his/her card.

### Credit Line Selections

Supply and equipment charges have a single transaction limit of \$2,500 per invoice. The monthly credit limit will be determined by the requesting department with final approval by the FIS department, based on the using department's needs. A Cardholder can choose from the following monthly credit limits: **\$2,500, \$5,000, \$10,000, \$15,000, \$20,000 or \$25,000**. The maximum monthly credit limit allowed is **\$25,000** unless special approval has been obtained.

Cash advances from the CMU Business Credit Card, up to \$200, may be obtained in the University Cashiers 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, as well as the department's name, street address, city and zip code. The billing address must be the same as the shipping address.

## Monthly Reconciliation of JPMorgan Chase Statement / Central Retention of Receipts

The cardholder, upon receipt of their monthly statement from JPMorgan Chase, will complete the following procedures:

### Step 1

It is the cardholder's responsibility to reconcile the original charge receipts, (which must include a descriptive itemization listing items purchased, amounts, prices and vendors) to the statement to ensure that amounts charged, match the billing statement charges.

### Step 2

Fill out the CMU Business Card Reconciliation form, itemizing the following;

- All Travel & Entertainment including miscellaneous out-of-pocket travel expenditures such as tips, cab fare etc.
- All Procurement Items of \$500 or more (statement / invoice amount)

The Business Card Reconciliation form is available on the Controller's website at: <http://www.controller.cmich.edu/downloads/forms.htm#CreditCards>. The cardholder and either the cardholder's Dean, department chairperson, or direct supervisor must sign the form.

### Step 3

All original charge receipts including the JPMorgan Chase billing statement are to be attached to the Business Card Reconciliation form and mailed to the Payroll & Travel Services department, WA 204, for audit by the 15<sup>th</sup> of the following month. Example: The form for the August statement that closes on the 24<sup>th</sup> would be due September 15<sup>th</sup>.

- Itemized receipts are required for all purchases except per diem meals while traveling.

All cardholder records will be retained centrally by the Payroll\Travel Services department for three (3) years. The using 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 user department to resolve. If you have a problem with the goods or services received, or you did not make a transaction listed on your statement and you have tried in good faith to remedy the situation with the merchant/supplier, please use the following steps to dispute the item. It is the responsibility of the user department to fill out the "Disputed / Questioned Item form" located on line at:

[www.controller.cmich.edu/CreditCards/Forms/DisputePurchase.htm](http://www.controller.cmich.edu/CreditCards/Forms/DisputePurchase.htm) and fax it to JPMorgan Chase and the Payroll/Travel Services Department within 60 days of the statement date.

To determine the legitimacy of an item without a receipt, a duplicate receipt can be requested from JPMorgan Chase at a cost of \$5.00 per receipt. The vendor has 30 days to respond to a request for receipt or a dispute. To initiate either request, call Chris Zalud at (989) 774-3525.

### **Audit**

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

### **Payment Information**

The University will automatically pay all cardholder balances each month. The cost center and G/L listed on the cardholder's Agreement form will be charged in the SAP system unless allocation changes were made using SDOL by the cardholder.

### **Lost or Stolen Card**

If a card is lost or stolen or you suspect unauthorized use, the user department has the responsibility to notify all of the following immediately;

- JPMorgan at (800) 316-6056, 24 hours a day, 7 days a week
- Cindy Smith at (989) 774-7363 or Sara Yonkey at (989) 774-3797

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

Once you have notified us, your account will be canceled and a new account number and card will be issued to you within 7 business days. Transactions determined as fraudulent or not authorized will be removed from your account.

### **Refusal of Card or Account**

Should you be denied at the point of sale for any reason, please contact Cindy Smith at (989) 774-7363 or Sara Yonkey at (989) 774-3797. Every effort will be made to remedy the situation and determine why the transaction was denied.

### **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 by filling out the form located on line at: [http://www.controller.cmich.edu/CreditCards/Forms/CMU\\_BusCard\\_AuthLog.htm](http://www.controller.cmich.edu/CreditCards/Forms/CMU_BusCard_AuthLog.htm). This log should be maintained by the cardholder and kept on file in the using department.

### **Inappropriate Use of Card**

If a cardholder uses the CMU Business Credit Card inappropriately or disregards any other CMU Business Credit Card policy, they may receive a warning letter. If a cardholder disregards the policies a second time their card will 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 on line listing of items that are **not** to be purchased on the CMU Business Credit Card is available at: [www.controller.cmich.edu/Creditcards/BusCardInappropriatePurch.pdf](http://www.controller.cmich.edu/Creditcards/BusCardInappropriatePurch.pdf)

## Protecting Your Account

- Check your sales receipts for accuracy before signing them. Destroy any inaccurate or incomplete receipts.
- Destroy the carbons. Account number information can be obtained from these carbons.
- 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 Cindy Smith at (989) 774-7363 or Sara Yonkey at (989) 774-3797, for any changes in address, business structure or employment status. Forms to update your account are available at: [www.controller.cmich.edu/downloads/forms.htm#CreditCards](http://www.controller.cmich.edu/downloads/forms.htm#CreditCards)

## MasterCard Features and Benefits

MasterCard offers some benefits for using your CMU Business Credit Card. To see what benefits are available to you, visit MasterCard's website at: <http://www.mastercard.com/mcbiz/corporate/index.jsp?template=/corporate/cards&content=purchasing>

## Edit your transactions on line

Editing your transactions on-line eliminates the use of hand written journal entries. SDOL is used to edit CMU Business Credit Card transactions on-line. Using SDOL, you can edit the allocation for cost center, G/L account and/or add an internal order number to any or all of your MasterCard charges during the current statement period. At the end of the current statement period all changes made in SDOL are imported into the SAP system, which eliminates the need to submit journal entries to accomplish the same. Training is not required but available. To view a listing of scheduled training sessions on line, visit: [www.controller.cmich.edu/Training/SDOL.htm](http://www.controller.cmich.edu/Training/SDOL.htm)