

Finance Card Violations and Consequences Procedure

Effective Date of Policy: March 15, 2013

Overview & Purpose

The University of Mary Washington (UMW) Finance Cards are credit cards that can be used by members of the UMW community to pay for certain items that are not allowed on the Small Purchase Charge Card (SPCC) such as: business meals, student/team travel, agency fund expenditures, etc. In addition, for the purposes of team travel and student clubs and organizations, the Cards greatly reduce reimbursements and eliminate most cash advances. For the purposes of travel specifically, the University does not find it reasonable to have employees pay out of pocket for team or student travel and then request reimbursement for the expenses incurred. Therefore, UMW will allow a UMW employee to use a UMW Finance Card to pay for the employees' travel expenses, as long as the employee also pays for the students' travel expenses at the same time.

UMW has to obtain an annual exception from the Department of Accounts (DOA) in order to have the UMW Finance Cards. Audits can be performed at any time by one of several different Commonwealth of Virginia agencies, the UMW Internal auditor, or members of the Finance Department.

Scope:

- Finance Department
- Faculty
- Staff
- Students

Detail

General Information:

Each department or individual that holds a Finance Card is responsible for documenting and keeping current departmental or individual specific procedures, sending updates to Finance.

UMW Finance Cardholder and/or users are required to sign a Purchasing Agreement before using a UMW Finance Card. In addition, UMW Finance Cardholders who are responsible for signing out the UMW Finance Card to others are required to sign Employee Agreements that list responsibilities of the Cardholder. The Agreements that are signed vary depending upon the type of UMW Finance Card. Within each Agreement, however, UMW Finance Card users and Cardholders agree to certain terms and conditions regarding the use and handling of the Card.

Agency Funds:

The UMW Finance Card for Agency Funds may be used to make purchases that are funded with 8 Funds (a Banner Fund that begins with an "8"). When charged to an 8 fund, travel expenses for the employee are allowed even when traveling without students.

Employees Traveling with Students:

Employees traveling with Students are generally broken down into three major categories:

1. Study Abroad
2. Team Travel
3. "Other Student Travel," to include but not limited to:
 - An employee traveling with student(s) to a conference or on a field trip
 - An employee traveling with students belonging to a student club or organization

Whenever possible, the UMW employee should place their travel expenses on the Finance Card along with the students for ease of processing. UMW employees are permitted to use a UMW Finance Card to pay for their travel expenses, as long as the employee uses the Finance Card to pay for the students' travel expenses as well. All expenses put on the Finance Card should be approved, and properly budgeted for. The following expenses must be put on the Finance Card when traveling with students:

- Airfare (Airfare can also go on the SPCC as long as the funding source is a State fund.)
- Lodging expenses
- All meals eaten with students (Only when there is funding for the students' meals AND the employee's meal.)
- Car rental expenses when students are traveling in the rental car
- Any other expense incurred as a group

An employee is NOT allowed to pay for his/her own approved travel expenses unless the student's expense is also being paid. (Exception: Agency 8 Funds)

Study Abroad Cardholders (Professors) are required to meet with Accounts Payable upon return from each trip for an exit meeting. During this meeting, all receipts and supporting documentation will be provided by the Cardholder (Professor).

Reimbursements for expenses put on the Finance Card will not be permitted

Reimbursements will only be issued up to the remaining budgeted amount for related approved expenses paid by an individual.

If a Card user or Cardholder violates any provisions stated in the Agreement that is signed, the UMW Finance Department will take action. Violations of the use and handling of UMW Finance Cards (referred to as “Card” below) are listed below, followed by consequences of failing to abide by the terms in conditions listed in the signed Agreement.

Examples of Violations for various types of UMW Finance Cards

- Writing, emailing, or faxing the entire account number
- Scanning or copying the Card
- Permitting another person to use the Card that was signed out specifically to you
- Failing to secure the card
- Using the Card for non-University purchases, even if you intend/intended to reimburse the University
- Failure to provide proper documentation (credit card approval form, detailed, itemized receipts, travel forms, business meal forms, etc.) and receipt packet to Accounts Payable by the monthly deadline posted on the UMW Accounts Payable website <http://adminfinance.umw.edu/ap/umw-finance-card-processes/billing-cycle-dates/>
- Abuse or excessive use of the Missing Receipt Violation Form
- UMW Faculty/Staff using a Card intended for student use only
- UMW Faculty/Staff traveling with students using the card for only the Faculty/Staff member’s travel expenses
- Failure to code and sign off on transactions in WORKS by the 7th business day after the 25th of the month, unless otherwise specified in an email from Accounts Payable or as indicated on the AP website <http://adminfinance.umw.edu/ap/umw-finance-card-processes/billing-cycle-dates/>
- Failure to attempt to collect sales tax inadvertently charged by a merchant
- Failure to comply with procurement regulations that apply to your funding source and purchase type. Please contact Purchasing if you have any questions regarding applicable regulations.
- Depositing funds from a cash advance into a non-UMW off campus bank account. Whether the account is domestic or abroad, this is **prohibited**.
- Splitting or split coding transactions to circumvent transaction limits

Consequences

- **1st violation*** Finance will email a warning to cardholder/card user.
- **2nd violation*** Associate Vice President of Finance and Controller will email cardholder/card-user and his/her Supervisor(s).
- **3rd violation*** Card or Card privilege will be suspended until cardholder/card user attends specific UMW Finance Card training.

*Depending upon the severity of the infraction, the violation could result in immediate Card cancellation, loss of privilege to use a Card for a determined amount of time **without** alternative purchasing mechanisms, or further Personnel action.

Approvals

This policy is issued by the Accounts Payable Department and approved by the Associate Vice President for Finance and Controller; 03/16/2013

Revision

0. By Laura Tabler-Allison, Assistant Controller - Compliance, September 5, 2011
1. By Allyson Moerman, Associate Vice President and Controller, September 30, 2011
2. By Laura Tabler-Allison, Assistant Controller – Compliance, July 10, 2012
3. By Julie R Smith, Associate Controller – Financial Reporting, March 15, 2013