

# Minnesota State University Moorhead VISA Credit Card Procedures

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## **Authority - MnSCU – Credit Cards**

*Board Policy 7.1, Authority*, delegates to the Chancellor authority to develop procedures and guidelines to implement Board policies.

<http://www.mnscu.edu/board/procedure/703p3.html>

**LOST OR STOLEN CARDS ARE REPORTED TO 1-800-932-0036**  
**This is a “WellsOne Commercial Card issued by Wells Fargo”**

## **A. Purpose**

Credit cards provide the university with a cost-effective, convenient and streamlined method of purchasing items, thereby reducing the volume of individual payments processed by the university to vendors. Reports on cardholder activity provide the university the information necessary to better manage university purchasing activities.

## **B. Definitions**

Minnesota State University Moorhead has an institutional credit card. A VISA card in the name of a university can be issued to a state employee upon approval by the employee’s supervisor and/or budget manager. The university is liable to the credit card company for all charges made in connection with the credit card issued to the individual. VISA credit cards cannot be issued to a contractor, contract employee, or student employee.

## **C. Procedures for Obtaining Credit Cards**

The VISA card with Wells Fargo is for **official university business use only**. The university receives monthly invoices from Wells Fargo. The individual cardholder receives monthly electronic statements from Wells Fargo.

Minnesota State University Moorhead has established procedures and forms for implementing and monitoring a credit card purchasing program that includes, but is not limited to, the following:

1. A dollar limitation on the credit card;
2. A dollar limitation of purchasing authority assigned to the cardholder per transaction made with the credit card;

3. A dollar limitation of purchasing authority assigned to the cardholder for the total of all charges made during each monthly billing cycle;
4. Merchant category blocking;
5. An application form is available on the Business Office web site [www.mnstate.edu/busoff](http://www.mnstate.edu/busoff)
6. A picture ID may be required when picking up your credit card at the Business Office.
7. A delegation of authority form must be completed before a card is issued to an employee. The form will be completed in the Business Office at the time you receive your card.
8. A cardholder user agreement must be read and signed at the time you receive your card.
9. A MSUM purchase card policy must be completed at the time you receive your card.

#### **D. Authorized Card Use**

Cardholders are authorized to use the card to purchase merchandise or services required as a function of their duties at the university. Unauthorized and/or inappropriate card use is addressed below.

A purchase made with a credit card may be made in-store, by telephone, fax, internet or U.S. mail. Please use with extra care on the internet by checking first to make sure that it is a secure web site. When giving your credit card number out, please be sure the vendor is legitimate. **A requisition form, as approved by the college, university, or Office of the Chancellor, is required for each purchase. This section meets the requirements of MN Stat. 16A.15 which requires the approval of all state purchases prior to incurring a state funded obligation.** Please discuss this with your budget manager and Carol Kilsdonk (ext. 2059) or Mark Rice (ext. 2062) before using the VISA card.

Approval may take place in a number of ways, including, but not limited to:

1. Standard requisition form developed by the division, college or unit cost center indicating the item to be purchased, the estimated cost, the date of purchase and the authorized signature of the credit card holder and budget manager. (See attached sample form.)
2. E-mail acknowledgement from the budget manager indicating the item to be purchased, the estimated cost and the date of purchase.
3. Travel requisition indicating which items are to be charged to the credit card, the dates of travel, the time of the event(s) and approval by the budget manager.
4. A special expense form indicating which items are to be charged to the credit card, the date and time of the event(s) and approval by the budget manager. This form must be filed with the Business Office prior to the actual event.
5. Approval as granted under the authority for local purchase as determined for a particular cost center, college or university division.

It is the responsibility of the cost center budget manager and cardholder to ensure compliance with Minnesota Statute. The approval documents should be kept with the cost center records of credit card use by the employees covered in that cost center. IT, AV/TV, central stores or other university service departments making VISA purchases on behalf of another cost center or for restocking inventory should retain a copy of the document (e-mail, requisition, inventory tally, etc.) requesting and authorizing that purchase.

#### **E. Unauthorized and/or Inappropriate Card Use**

Credit cards must never be used to purchase items for personal use or for non-university purposes, even if the cardholder intends to reimburse the university.

Unauthorized and/or inappropriate card use includes, but is not limited to:

1. Items for personal use;
2. Items for non-university purposes;
3. Cash or cash advances;
4. **Food and beverages for an individual employee** as provided for in the labor agreements and reimbursed on an employee expense report. Authorized cards may allow for food and non-alcoholic beverages for business-related meetings in compliance with system procedures and **after** obtaining approval for **special expenses** by completing the form "Approval to Incur Special Expense". The names of those that ate, title or connection to the university and the reason for the purchase of food need to be included on the form. The form is on the Business Office web site.
5. Alcoholic beverages;
6. Weapons of any kind or explosives;
7. Relocation expenses;
8. **Travel excursion/group expenses unless an approved business plan is on file with the appropriate Vice-President and/or Dean. Costs charged are for those covered by student credit hours and the instructor's expenses. (Athletic team travel see section G.);**
9. Vehicle rental insurance for vehicles used within the United States;
10. Equipment defined as having a value of \$5000.00 or more *per unit*, not the total order;
11. Entertainment, movies;
12. Recreation;
13. No payment of personal services to an individual.

**A cardholder who makes an unauthorized purchase with the card or uses the card in an inappropriate manner** will be subject to revocation of the VISA card and disciplinary action including restitution to the university for unauthorized purchases, possible card cancellation, termination of employment at the university and criminal prosecution, as well as reimbursement of the unauthorized use.

If any item purchased with a VISA card is not acceptable, arrangements must be made for a return for credit or an exchange. **A cash refund or check is prohibited** unless the vendor insists that a refund must be by cash or check, and then the funds must be deposited immediately with the university. Notification must be made to a VISA card administrator in the MSUM Business Office so the receipt number and a proper notation can be made on the VISA card statement. The proper cost center and object code must also be credited when deposit is made.

## **F. Responsibility and Accountability**

It is the responsibility of each individual cardholder to:

Safeguard the VISA card and VISA card account number at all times. **Lost or stolen VISA cards** must be reported immediately to Wells Fargo credit card division AND to the MSUM Business Office. **LOST OR STOLEN CARDS ARE REPORTED TO 1-800-932-0036.**

1. Keep VISA card in a secure location at all times.
2. **Do not allow anyone else to use the VISA card and/or VISA card account number.**



transactions before submitted to the Business Office for entry to the accounting system. The approver may reject any particular credit card purchase and return the item to the cardholder for payment, notify the Business Office of possible fraud in the use of the credit card or suspend/terminate credit card use by any particular employee at any time. The university has the right to suspend or terminate the credit card program at any time.

### **G. Special Credit Cards Procedure for Athletics**

In addition to the procedures set forth above, these special conditions apply to athletic team and recruiting expenses.

1. Student Funded Activities Expense
  - a. Team Travel. Credit card may be used for any team travel expenses including but not limited to transportation, lodging, meals and entry fees when in travel status and credit cards are accepted.
  - b. Equipment and Supplies. Credit card may be used when purchasing team uniforms, sport-related equipment costing less than \$5,000 per unit and other small supplies.
2. Recruiting. Credit cards may be used to incur recruiting expenses as follows:
  - a. Off campus recruiting trips (meals, lodging, transportation, registration fee, etc.)
  - b. Official/Unofficial visit expenses including meals if necessary.
  - c. When meals with recruits are charges, list the names of the people who ate, either on the statement or on the receipt.

Rationale: Efficiency and ease of accountability is the main reason coaches should use credit cards for most all expenses. Using credit cards for travel expenses reduce the risk associated with carrying a large amount of cash on the road. One team sometimes could be carrying as much as \$2000 in cash for meals and related expenses. Using credit cards for meals when recruiting is more efficient because off-campus recruiting schedule fluctuates and is done sometimes at the last minute. Also, a lot of recruiting is done by part-time coaches. It is unreasonable for MSUM to require them to spend their own money up front for legitimate business-related expenses.

### **H. Professional Development Travel**

Credit card may be used for transportation, lodging and registration fees when traveling for professional development. No meals are to be charged. Cash advances may be made as allowed under employee expense policy.

### **I. From MnSCU System Procedures, 5.19.3 Travel Management, Part 9. Travel Advances.**

The use of state credit cards for authorized business expenses is strongly encouraged. An employee and any other individual authorized to travel including students may be issued a travel advance subject to minimum amounts determined by his/her bargaining agreement or compensation plan. The amount of the advance should not include any expense that will be directly billed. Advances should be requested using the Employee Expense Report a minimum of 14 days before departure. An employee or any other individuals authorized to travel including students may not have more than one outstanding travel advance due to failure to settle the advance for a trip that has been completed. The advance must be submitted with an Employee Expense Report with appropriate receipts and documentation within five (5) days of returning from the trip. Advances not settled within 28 days of return date will be deducted in their entirety from the employee's paycheck.



## MSU Moorhead VISA Credit Card Purchase Requisition

Date: \_\_\_\_\_

Cost Center #: \_\_\_\_\_ Cost Center Name: \_\_\_\_\_

Vendor: \_\_\_\_\_ Address: \_\_\_\_\_

City/State: \_\_\_\_\_ Phone: \_\_\_\_\_

<u>Item</u>	<u>Quantity</u>	<u>Description of Item Requested</u>	<u>Unit Price</u>	<u>Total</u>
1				
2				
3				
4				
5				

Requested By: \_\_\_\_\_ Date of Request: \_\_\_\_\_

Purchasing VISA Card Assigned to: \_\_\_\_\_

Sufficient funds are available for this purchase.

Approved By : \_\_\_\_\_ Date \_\_\_\_\_  
(Budget Supervisor or  
Appropriate Administrator)

**SAMPLE FORM - VARIATION MAY BE DEVELOPED FOR COLLEGE**