

## Accounting Services Guide

### Purchases with a University Visa Card

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To simplify the payment process for transactions of materials and services up to \$999.99, and to reduce costs of purchasing, the University has contracted with the Royal Bank of Canada (RBC) to provide Visa Purchasing Cards (the “Card”) for eligible regular and continuing faculty and administrative staff.

This is the preferred purchasing tool for paying for low dollar transactions.

## Applying for a Visa Purchasing Card

Inquiries regarding applying for a Card should be directed to the Card Administrator in Financial Services. The Card administrator, through discussions with you and, if necessary, your department head will determine if you have a need for a Card.

Once eligibility is determined, staff can apply for a Card by:

- Completing the RBC Visa Purchasing Card Application Form (Appendix a)
- Completing the Memorandum of Agreement (Appendix b)

Once completed and signed based on the “one-over-one approval” principle the forms should be forwarded to Financial Services for the Card Administrator’s review and approval.

The Card Administrator will notify you by email when your card is received. Cards must be picked up at Financial Services in person. They cannot be distributed through either external or internal mail.

When you pick up your Card the Card Administrator will verbally review cardholder’s responsibilities and procedures for monthly reconciliation.

## Restrictions

The Card defaults to a monthly credit limit of \$5,000. The card administrator along with the department head may vary the credit limit on the Card dependent upon the requirements of The University and the cardholder’s department.

The Card remains the property of the Royal Bank of Canada (US Bank). It may not be transferred to, assigned to, or used by anyone other than the designated Cardholder.

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The Cardholder will surrender the Card upon request to the Card Administrator or any other authorized agent of the Royal Bank of Canada. The University retains the right to cancel a Cardholder's privileges at any time. Cards may be revoked for misuse or noncompliance with procedures.

The Card is not to be used to incur non-University expenses. If the Cardholder makes a non-University expenditure, in error, they must inform and reimburse the University by way of a cheque that is attached to the front of their reconciliation report. Failure to reimburse the University for a non-University related expense constitutes fraud, and may result in disciplinary action (including dismissal), and criminal and/or other legal proceedings, at the discretion of the University.

The following items cannot be purchased using the Card

- Capital assets (single item, furniture or equipment \$2500 and over)
- (approval should be obtained from Purchasing for any single item purchases over \$1000- as per Purchasing procedures, requirement for competitive quotes to be submitted with a Purchase Requisition.)
- Controlled substances/items
- Cash advances (unless approved in advance by VP Finance & Administration)
- Cylinder gas
- Catering Services where a signed contract is required
- Construction and renovation expenses
- Consulting services
- Animal/live shipments
- Radioactive and hazardous materials, including firearms and ammunition
- Telecommunication services including Cellular phones & related monthly charges
- Leasing equipment
- Temporary help
- Maintenance contracts
- Systems contracts (ie: Grant & Toy, VWR, Bee Clean)

Splitting large purchases into two or more transactions to fit under Card limits is not permitted.

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## Use of a Visa Purchasing Card

The Visa Purchasing card can be used for any purchases of materials and services, not included on the restricted list provided above, up to \$999.99 per item (excluding sales taxes, shipping and handling charges). It is the cardholder's responsibility to ensure receipt of materials and services, and resolving receiving discrepancies or damaged goods issues.

The advantages of using the University Card include:

- Limiting the need to use personal funds or personal credit cards for University business
- Reducing security risk of carrying large sums of money
- Ease of reconciliation of University expense at the end of each month
- Emergency Purchase Insurance
- Auto rental collision/loss damage insurance
- Travel and insurance assistance service
- Hotel/Motel burglary insurance
- Excellent identification for corporate discount benefits
- Assured reservations at participating hotels

When purchasing materials or services the cardholder is responsible for ensuring that:

- The purchases are for University purposes and are in compliance with all relevant University policies.
- Travel related purchases (airfare, hotel, meals etc.) using the Card are reported on University Travel Expense Claim form
- Out of province suppliers are advised to omit the provincial sales tax (Financial Services will self-assess Manitoba provincial sales tax).
- An invoice itemizing the sales taxes and a copy of the Visa receipt is obtained for each purchase.
- The supplier is instructed to forward receipts for purchases made by phone directly to the Cardholder rather than to Financial Services (to avoid duplicate payment)

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## Travelling outside of Manitoba

It is recommended that you advise RBC customer service if you will be using your Card outside of Manitoba. Failure to do so may result in a hold being put on your card until they can verify the validity of any unusual activity.

## Monthly reconciliation of purchases

University Faculty and Staff with a Card are required to go online on the 11<sup>th</sup> of each month, or the first working day after the 11th to reconcile their charges for the prior month. Each month, the Card Administrator will send an email to each Cardholder reminding them to reconcile their cards. Instructions for online access and reconciliation are provided in a package you received when you picked up your Card. Reconciliation includes:

- A comparison of transactions listed on the statement with the actual sales receipt, credit slip or invoices to ensure that the transactions and amounts on the statement agree to your records
- A description of the purpose of the expense, and in the case of meals and entertainment expenses, the names of the individuals included in the expense
- The general ledger account number to which they should be charged. Each Card is assigned a default general ledger account. Upon reconciliation it is the cardholder's responsibility to override the default account and provide the correct, most logical account coding in relation to the item purchased.

Once reconciled

- a copy of the online report generated signed by you and your supervisor in compliance with the "one-over-one approval" principle, and
- ALL original receipts

are to be forwarded to Financial Services for consolidation.

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## Resolving Billing Problems

The Cardholder is responsible for

- Settling any disputes
- Clearing erroneous charges
- Requesting credit for returned merchandise directly with the supplier.
- Advising the Card Administrator, in writing, of the problem
- Ensuring that the proper credit is given by reviewing subsequent statements

If an issue cannot be resolved with the supplier the Cardholder is responsible for reporting the dispute in writing directly with the RBC within 60 days of the statement date.

## Lost or stolen Cards

The Cardholder is responsible for reporting a lost or stolen Card to RBC immediately by calling 1-800-588-8067 or 1-416-955-5279 and following up the phone call with written confirmation by mail or fax. After advising RBC, the Cardholder is required to advise the University's Card Administrator. RBC will immediately cancel your card and forward a replacement card to the University's Card Administrator.

## Further reference

Travel, Hospitality & Business Expenditures Policy & Procedures

Purchasing Policy & Procedures