



**University of Massachusetts Lowell
PROCUREMENT CREDIT CARD (PROCARD)
PROGRAM**

USER GUIDE

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This guide is available on-line at <http://www.uml.edu/procurement/procard.htm>

The cardholder is required to read the ProCard User Guide and adhere to all ProCard policies and procedures. Prospective cardholders must be present at cardholder training and may not send a proxy.

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I. Introduction:

Welcome to the University of Massachusetts Lowell - Procurement Credit Card (ProCard) Program. The ProCard is a purchasing tool, which provides an efficient and effective method of purchasing and paying for consumable items totaling up to \$2,500 and small equipment up to \$1000. The card is a Master Card credit card, backed by Citi Bank.

This User Guide outlines the benefits of the ProCard program to you (the cardholder), as well as to your department and the University. It also provides you with the information that you will need to use the card. The ProCard concept is designed to delegate authority and responsibility, to enable you to quickly and conveniently purchase approved commodities directly from those vendors that accept the Master Card credit card. This program is designed to meet your needs and those of the University.

The benefits of the UMass ProCard to you and the University are significant.

Benefits to the Cardholder:

- Allow you to obtain consumable supplies faster and easy.
- Reduces workload related to the purchase and payment of consumable supplies.
- Allows you to be more efficient, thereby enabling you to better focus on the value added aspects of your job.
- Eliminates the need for you to obtain W9 documentation.

Benefits to the University:

- Enables the Procurement Office and the (Departmental Service Centers) to focus on higher yield, more value added activities, such as the creation of more and better contracts and the timely processing of invoices and payments.
- Dramatically reduces the number of purchase orders, invoices, and checks.
- Reduces the number of vendors in the University Vendor File.

The ProCard is to be used for purchases related to University business only. ***Use of the card for personal purchases is strictly prohibited.*** The Comptroller's Office is responsible for monitoring the ProCard Program. If you have any questions regarding the program, or the appropriate use of the ProCard, please contact Allison Richards, ProCard Manager, in Comptroller's Office at Ext. 3456.

A. How It Works:

The ProCard simplifies the purchase and disbursement process by facilitating point-of-demand purchases. Purchasing authority is delegated to the ordering department, thus enabling the authorized cardholder to place an order directly with the supplier. The ProCard Program provides enhanced control for all transactions by producing immediate decisions on the six specific authorization criteria listed below.

The Master Card system validates the transaction against pre-set limits established by the University. All transactions are approved or declined (instantaneously) based on the following ProCard authorization criteria:

1. Number of transactions allowed per day.
2. Number of transactions allowed per month.
3. Single transaction limit. Splitting of purchases to avoid the single transaction limit is prohibited.
4. Monthly credit limit. (16th of month through the 15th of next month) If you reach your monthly credit limit before the monthly cycle ends on the 15th, your purchases will be declined until the new cycle begins on the 16th.
If you wish to have a temporary increase in your credit limit, you must send an email request to the Procard Manager with a CC to your Supervisor or ORA Financial Administrator (for grants and OH). If you wish to have a permanent increase to your limit, you may submit a procard change form.
5. Approved merchant category code (MCC) (limiting the types of approved vendors)
6. Expiration Date

Please note: In addition to these criteria set with the bank, the University has established a list of restricted purchases. (Please refer to section II of this guide). It is the cardholder's responsibility to ensure that purchases are made for non-restricted commodities only, regardless of whether the purchase is approved at the point-of sale.

B. Accounting:

The University will pay Citi directly and charge the budget assigned to your ProCard. ***Use of the ProCard will in no way affect or change your personal credit history.***

Use of the ProCard is restricted to non-appropriated accounts (i.e. trust funds). ***The ProCard cannot be used for purchases against state appropriated accounts, or for any purchases against Professional Development accounts***, which are also state funds, as the accounting procedures required by the state cannot be replicated with the ProCard reimbursement process.

Your card is associated with a single Funding Source (i.e. fund, department ID, and account number). There may be multiple cards associated with a single Funding Source. If you need to make purchases from more than one Funding Source, you may need to obtain an additional ProCard for each.

For cards associated with a project/grant, if that grant number or speedtype is revised to reflect an extension please notify the procard manager.

If you are a user of the Empac Finance System, you may view information on your charges online.

The queries that are useful for you to monitor your ProCard activity are:

PO_PCD_BY_EMPLID (using your employee ID number)

PO_PCD_POSTED_BY_DEPTID. (using your department ID number)

The navigation to the queries from the empac Finance Services page: Finance Reporting⇒Reporting Tools⇒Query Viewer.

It is the cardholder's responsibility to ensure that s(he) does not exceed the funds available in the budget assigned to the card.

II. Allowable and Restricted Purchases:

The Procard may be used for the purchase of most business related consumable commodities, with the exception of those contained in the list of Restricted Purchases below. Cardholders will be informed of any changes to policy, as they may occur.

Purchases of restricted commodities, i.e., purchases that are not allowed to be made via Procard, and any purchase that exceeds the single transaction limit (including shipping), must continue to be processed in accordance with established procurement and accounting methods that are appropriate for the particular type of purchase.

Please note only purchases appropriate for the budget charged are allowed and absolutely ***no personal purchases are ever allowed***. All purchases made with a procard must be in accordance with the University Policy for Management of University Funds-Doc.T92-031. In addition, all purchases made with a procard linked to a project/grant, must be in accordance with all specific spending guidelines of that particular contract. For Federal and State Research Grants please review the ORA Allowable Cost Guidelines.

ALLOWABLE PURCHASES

The following is a sample of types of items that may be purchased with the Procard:

- Office supplies (**WB Mason is the University's official supplier of general office supplies (desktop consumables), copy paper, and printer toner. All purchases of these items must be made through WB Mason.**)
- Lab supplies (other than chemicals- see list of Restricted purchases below)
- Books (specifically related to the budget charged)
- Software
- Small Equipment (under \$1,000). Equipment > \$1000 must be purchased via Purchase Order.
- Professional membership dues
- Subscriptions to professional Journals
- Printing
- Conference Registration Fees
- Shipping
- Short Term Rentals
- Non-contract services and contract services if contract is pre-approved and signed by the Purchasing Office. Examples of such services include equipment repairs, UML vehicle repairs, maintenance agreements <=1yr. Trades work i.e. plumbing, HVAC repair, for University Buildings is not allowed.
- Cell phones and related monthly charges for cardholders who are pre-approved to have a cell phone and have an approved affidavit on file with the Controller's Office.

RESTRICTED PURCHASES

The Procard shall **not** be used to purchase the following commodities:

- Alcoholic Beverages (exception may be sought when purchase is deemed to serve the University interest and is pre-approved by the appropriate Dean or Vice Chancellor)
- Animals (live) and animal related purchases (including feed, bedding)
- Cash Advances of any type
- Catering and other food purchases (with the exception of Aramark) The only allowable food purchases for on-campus events are through ARAMark; food purchases for on-campus events from supermarkets, bakeries, and restaurants are not allowed without pre-approved exception.
- Computer Systems, i.e. any type of configurable device: pc, network server, laptop, netbook, and, iPad.
- Construction and Renovations
- Contributions and Donations
- Debit Cards/Gift Cards/Phone Cards
- Ebay and other Internet Auction Site Purchases
- Employment Ads
- Entertainment Related Expenses*
- Firearms of any type
- Flowers, Gifts and Cards (limited circumstances per Business Expense Policy Administrative Announcement #15 12/20/05)
- Gifts showing gratitude to another employee, awards, or gifts in recognition of service
- Leases and Lease-Purchases
- Long term Equipment Rentals
- Maintenance agreements for > 1 yr period
- Personal Purchases of any Type
- Personal Violations or Fines
- Prescription drugs and controlled substances
- Professional Services that require a UML Contract for Services Form
- Radioactive Materials, Hazardous Materials, all Chemicals, all Biological Materials (including media and enzymes), and Radiological Products
- Reimbursements of any Type
- Time Payments of any Type
- Travel Expenses of any Type *(including, airline, hotel, gasoline, restaurant food and beverages etc.)
- UML parking decals or parking fines

* For ProCards with Travel Privileges please refer to the Travel Addendum

Exceptions to ProCard Policy require prior approval of the Vice Chancellor for Administration and Finance or designee. All exceptions must be documented. Please initiate your request by contacting the Procard Manager.

III. How to Activate Your ProCard:

You must telephone MasterCard at the number indicated on your ProCard to activate your card, before you use it. MasterCard will verify your identity and your mother's maiden name or password, to ensure that you are indeed the legitimate cardholder. Please sign the back of your card.

Remember that only the Cardholder is authorized to use the ProCard. You are responsible for all activity against the card and **may not share your ProCard with anyone**. For managers who wish to delegate purchasing responsibilities to designated staff members, the staff member should apply for a separate card in his/her name.

IV. Ordering Process:

The ProCard may be used to purchase consumable commodities in person at the supplier site, over the phone, by mail, or via the Internet. When making purchases on-line please use your discretion in ordering from a reputable site to help ensure the security of the card number.

The card should not be shared with anyone. The cardholder should make all purchase transactions.

When placing your order, please be sure to provide the vendor with the following information:

- Identify yourself as a University of Massachusetts Lowell employee.
- State that you wish to make a University purchase using a University of Massachusetts Master Card.
- Request any educational discounts that may be offered by the vendor
- Provide your name (Cardholder name).
- Give your ProCard number (located on the front of the card).
- Furnish the expiration date of your card.
- State that the University is tax exempt and give the vendor the University's tax-exempt number, which is listed on the front of the card. (See also Section V., Tax Exemption)
- Request discount, if applicable, for purchase being made.
- State the quantities and descriptions of the consumable supplies that you require.
- Furnish any other information that is necessary to make the purchase.
- Verify the total cost of the purchase with the vendor.

A. Shipping Instructions:

Please have items shipped directly to you if possible. Tell the vendor that the address label/packing list that accompanies the package(s) **must** contain the following information:

Attn: Cardholder Name
Cardholder Title
Department, Building, Room #
University of Massachusetts Lowell
Street Address (i.e., University Ave, Broadway St., etc.)
Lowell, MA 01854-(4 digit code)

All items must be shipped to a University address. Purchases should not be shipped you home address.

Under no circumstances should the vendor indicate the cardholder's ProCard number on any address labels or packing lists, which would threaten the security of the card.

Please note that, by law, vendors are not permitted to bill your credit card for purchases until the items have been shipped. In most instances, your account will be debited within 48 hours after the vendor ships your merchandise.

Please instruct the vendor to have any receipts or other documentation sent directly to you.

Receipts related to your procard purchases that are received in the Accounts Payable Office will be forwarded to you for you to maintain with your records.

V. Tax Exemption:

The University of Massachusetts Lowell is exempt from paying Massachusetts State Sales Tax. The tax-exempt number appears on the front of each ProCard. This number must be given to all vendors by the cardholder at the time of the transaction to exempt payment of state sales tax. It is the cardholder's responsibility as an agent of the University to ensure proper use of the University's tax-exempt number.

If sales tax is billed incorrectly to the cardholder's account, it is the responsibility of the cardholder to dispute the charge with the vendor.

If a vendor requires a tax exemption certificate, it is the responsibility of the cardholder to fax a copy of the tax exemption certificate. (Provided in Appendix II)

VI. Receipt of Goods:

The cardholder is responsible for ensuring receipt of goods and to follow-up with the vendor to resolve any delivery problems, discrepancies or damaged goods.

Upon receipt of your goods, keep the documentation received from the vendor (typically a sales receipt, order confirmation, or packing slip) for later reconciliation (see section VIII, Purchase Documentation and section X, Monthly Reconciliation)

VII. Returning Item(s):

The steps for returning item(s) should be as follows:

1. Contact vendor for any specific instructions.
2. Return item(s) by least expensive means (i.e., inquire as to whether vendor may pay).
3. Inquire as to whether vendor may send return address label.
4. Retain any and all documentation.
5. Verify that proper credit is posted for any returned item(s) on cardholder statement each month.

VIII. Disputing a Transaction:

Please contact the vendor to attempt to resolve any issues of incorrect charges (failure to receive goods, incorrect amounts, duplicate charges, credits not processed, etc.). Most of these issues can be resolved directly with the vendor. If you are unable to resolve any dispute with the vendor or if there is a charge on your statement from a vendor that you have not done business with, please contact the ProCard Manager as soon as possible. The ProCard Manager will initiate the dispute and forward the information to the bank.

IX. Purchase Documentation:

It is your responsibility to maintain proper documentation for all ProCard purchases.

You will receive a cardholder statement listing all your purchases for each monthly cycle. The statement is for review and reconciliation purposes only. Please note that the monthly bank cycle closes on the 15th of each month. You will not receive a statement if you have not made any purchases during the monthly cycle.

Retain all supporting documentation relating to your purchases. Examples include:

- Copies of vendor order forms or applications
- Any internal documentation regarding order information
- Cash register receipts (Make note of the detail of purchase if not detailed on the receipt.)
- Order confirmations (When placing phone orders, please request an order confirmation containing dollar amounts)
- Packing slips
- E-mail confirmations
- Document the business use of all purchases.

All procard purchases are **required** to be tracked on the ProCard Purchases Log. (See section X, Monthly Reconciliation)

X. Monthly Reconciliation:

It is your responsibility to reconcile (monthly) your bank statement to your purchase documentation. **The reconciliation is imperative to ensure your continued use of the ProCard.**

The reconciliation documentation consists of the procard log, bank statement, and receipts.

Monthly Reconciliation Procedure:

1. Check the bank statement against your purchase documentation to ensure that all charges are proper and that the goods for which you were charged have been received.
2. Prepare your monthly procard log: list all charges from the bank statement onto the log, fully document the business purpose of each charge, total the charges and sign and date the log. The total of charges on the log must match the total on the statement.
3. Attach your procard statement and related receipts to the procard log. You may also attach further documentation if needed to support the business use of procard charges. For security purposes please black out all but the last four digits of any reference to the card number on the bank statement.
Note: there must be a Procard Log for each bank statement you receive.
4. Submit your completed Procard Monthly Reconciliation (procard log, bank statement and receipts) to your supervisor for review and signature. You may submit copies of the statement and receipts in lieu of the originals along with the original log.
For Procards linked to Research Grants or Overhead: You must submit the Procard Monthly Reconciliation to your ORA Financial Administrator (Kevin Mascoll or Suzanne Mahoney). All cardholders (regardless of whether they are the PI or not) must send the Procard Monthly Reconciliation to the ORA Financial Administrator. They will return the signed Reconciliation to you. Supervisory signoff indicates review and approval on a departmental level and an awareness that all transactions fall within University policy.
5. You must ensure you receive the back the signed copy and maintain the completed and signed Procard Monthly Reconciliation on file: the **original** Procard Log (including supervisory signature), with attached bank statement, and receipts.

If you misplace any support documentation, contact the vendor and request a copy. It is imperative that you obtain all proper support documentation.

If your statement contains charges that you feel are in error please follow the steps in the next section (Section IX., Disputing a Transaction).

Failure to maintain proper documentation and/or failure to reconcile your account will result in penalties, which may include suspension or the cancellation of your ProCard.

XI. Record Retention:

Please retain all documentation for at least seven years. For Research Projects/Grants, retain documentation for seven years after the close date. When discarding the records that are beyond seven years, you must shred all documents that contain your procard number.

XII. Credit Card Administration:

A. Acquiring a ProCard:

Only University employees designated as responsible for a budget (cost center) or their direct designee(s) may be permitted to receive a ProCard. An individual may only receive a card after:

- Submitting a ProCard Application form that has been completed and signed by the applicant and the responsible budget signatory/immediate supervisor as applicable (see Appendix I, Cardholder Forms).
- Attending a formal ProCard Training Session.
- Signing the Cardholder Agreement Form (see Appendix I, Cardholder Forms).

B. Canceling a ProCard:

To cancel a ProCard, you must:

- Notify Citi by telephoning (800) 248-4553 (this line is staffed 24 hours a day, 7 days a week)
- Dispose of the card
- Inform the ProCard Manager

C. Lost or Stolen ProCard:

It is the responsibility of the cardholder to *immediately* report a lost or stolen ProCard. You must report a lost or stolen ProCard by telephone directly to Citi at 800-248-4553 (outside the US and Canada call collect 904-954-7314) and to Allison Richards, ProCard Manager, at Ext. 3456. You must call as soon as you are aware your card has been lost or stolen. The 800 number is staffed 24 hours a day, 7 days a week.

A replacement card will be sent to the procard manager.

D. ProCard Security:

Only authorized cardholders may use the ProCard. You must safeguard cards and card numbers against use by unauthorized individuals within or outside the University. Unlike personal credit cards that limit liability to \$50 for a lost or stolen card, the cardholder's account (not the cardholder personally) is liable for all charges that are made to the ProCard (up to the monthly cardholder limitations that are set on the card), until the card is reported lost or stolen.

The bank will never email you asking for account information. Never give out account information over email. Also, never send your full card number in an email; use only the last four digits.

E. Misuse of the ProCard:

The ProCard represents the University's trust in you and your empowerment as a responsible employee of the University to safeguard and protect the University's assets. As a cardholder, you assume the responsibility for the protection and proper use of the ProCard.

Purchases must all be in compliance with the University Procard Policies and Procedures as referenced in this manual.

The following situations are a few specific examples of "misuse" of the ProCard:

Examples of Personal misuse categories:

- Purchases made for the sole personal benefit of the employee
- Assignment or transfer of an individual's card to another person
- Use of card to purchase restricted commodities, or for purchases that are inappropriate for the account charged

Examples of Administrative misuse categories:

- Lack of proper and timely reconciliation of the individual cardholder's account
- Failure to maintain the Procard Purchase Log
- Failure to sign and date the ProCard Purchase Log
- Failure to forward the ProCard Purchase Log to your supervisor for review
- Failure to sign and date all procard statements
- Use of card for purchases unrelated to the account charged
- Use of card in excess of assigned cardholder limits or available budget

F. Consequences of Misuse:

ProCard activity is monitored as described in Section XIII, ProCard Compliance Audit Reviews. The consequences of misuse of the ProCard will be handled promptly and uniformly for all cardholders.

- The Procard Manager has the duty to report potentially significant misuse and non-compliance findings to the UML Director of Purchasing. The Director of Purchasing is bound by University Policy to escalate the review of the findings to the University Director of Audits and the University Police, as appropriate.
- Disciplinary measures may include a reduction in the cardholder's authorization limits, the cancellation of the ProCard, or termination of employment and legal action in accordance with the terms and conditions of the Cardholder's Agreement form.

XIII. ProCard Compliance Audit Reviews:

All ProCard activity is reviewed to ensure compliance with University Procard Policies and Procedures. We wish to ensure continued success of the ProCard Program and to meet audit requirements of the University and various government agencies.

The ProCard Manager monitors and performs reviews of transaction activity via the Citi web-based application tool, CitiManager. The activity is also monitored via the University's Empac Financial System. The Cardholder will be notified of any apparent misuse or non-compliance and of any corrective action needed. On a regular basis, samples of transactions are selected for further review. Cardholders may receive a request, from the Procard Manager, to forward a copy of the receipt and a notation of business purpose for a particular transaction.

The ProCard Manager also performs periodic on-site (at the cardholder's office) reviews of all cardholder charge activity and record keeping. The objective of these reviews is to determine that items purchased have been received, that proper records are being maintained, and that ProCard policies and procedures are being followed. These reviews are scheduled in advance with the cardholder and generally take 45 – 60 minutes. The frequency with which cardholders are audited varies based upon risk criteria such as: transaction activity, transaction size, types of purchases made, non-typical vendor use i.e. cards used for business purposes at vendors where personal purchases are more likely to be made.

Upon the discovery of any irregularities due to potential misuse, the finding will be escalated to the UML Director of Purchasing as described in the prior section, XII F, Consequences of Misuse.

Copies of the audit review report are sent to the cardholder and his/her supervisor (or funding source authority). These reports note any recommendations made, which must be followed to ensure continued use of the card.

Cardholder activity and records are also open to review by internal, external, state and federal auditors.

XIV. SUMMARY OF CARDHOLDER RESPONSIBILITIES:

- 1) All cardholders must sign the Card Application Form.
- 2) All cardholders **MUST** attend a mandatory training session.
- 3) All cardholders must sign and accept the terms and conditions of the University of Massachusetts Lowell ProCard Cardholder Agreement Form.
- 4) All purchase transactions processed against the ProCard must be made by the individual to whom the card is issued. The cardholder is responsible for all activity against the card.
- 5) The ProCard shall not be used for any of the restricted commodities (See Section II).
- 6) All purchase transactions for non-restricted items cannot exceed the single transaction limit. (Purchases can not be split to avoid the single transaction limit.)
- 7) Purchase transactions may not exceed the monthly transaction limit assigned to the card.
- 8) Purchase transactions may not exceed the available budget in the funding source assigned to the card and purchase must be appropriate for that funding source.
- 9) Purchases must be for the use and benefit of the University. No personal purchases are allowed.
- 10) It is the responsibility of the cardholder to ensure that adequate documentation is maintained for all transactions. (See Section VIII, Purchase Documentation, Section X, Monthly Reconciliation, and Appendix II, ProCard Log).
- 11) It is the responsibility of the cardholder to reconcile the cardholder statement and maintain the Procard Purchase Log.
- 12) It is the responsibility of the cardholder to have the ProCard Log reviewed and signed by his/her immediate supervisor or the Research Administration Financial Administrator as applicable.
- 13) It is the responsibility of the cardholder to safeguard the security of the ProCard. Should the ProCard be lost or stolen, it is the cardholder's responsibility to report it immediately to Citi and the University ProCard Manager (see section XII, C. Lost or Stolen ProCard).
- 14) It is the responsibility of the cardholder, as an agent of the University, to ensure proper use of the University's tax-exempt number.
- 15) Violation of the policies and procedures contained in this User Guide will result in actions being taken in accordance with the procedures established in this User Guide and also stated on the Cardholder Agreement Form (See Section XII. F, Consequences of Misuse, and the Cardholder Agreement Form in Appendix I).

APPENDIX I

CARDHOLDER FORMS

UMASS LOWELL PROCARD APPLICATION/ CHANGE FORM

Application Form

Change Form (last 4 digits of card _____)
(Only complete name and fields to be changed.)

First Name _____ Middle Initial _____

Last Name _____

E-mail Address _____

HR Employee ID # (ID number on your paycheck - it may be found at <http://www.uml.edu/hr/hrdirect/>) _____
(The last four digits of the above HR Employee ID is the verification ID you will use in all communications with the bank)

Employee Status (please circle one) Permanent Employee or Contracted Employee

Department _____

Univ. Address _____

City, State, Zip _____

Work Phone Number (978) _____

Fund Number _____ Dept. Number _____ Program Number _____

Project/Grant Number _____
(If Applicable)

Speedtype Number _____

Requested Single Transaction Limit _____
(You may request a Single Transaction Limit up to \$2500 – may not be used for equipment >\$1000) (If not filled in will default to \$1000)

Requested Monthly Credit Limit _____
(If not filled in will default to same amount as single transaction limit)

Applicant/Cardholder Signature Date

***Funding Source Signatory Date**

Authorization for Applicant to Obtain Procard
(if applicant is authorized signor of the funding source, the signature is required of the applicant’s immediate supervisor, or if applicable, the Office of Research Administration)

* Signature indicates agreement to review the cardholder’s Monthly Reconciliation (procard log, statement, receipts) and indicate approval by signing off on the Procard Log. Sign-off will indicate an awareness that all transactions fall within University policy. Also, sign-off will indicate ownership of the associated expenses on a departmental level.

Please send to: Allison Richards/ProCard Manager, Purchasing Office, Wannalancit 415, fax 3004.

ProCard Program

**UMASS LOWELL
LOST OR STOLEN PROCARD FORM**

It is the cardholder's responsibility to immediately telephone Citi if his/her ProCard is lost or stolen. Telephone, 24 hours a day, 800-248-4553 (outside U.S. and Canada call collect 904-954-7314. Please also report it to Allison Richards, ProCard Manager at ext. 3456 as soon as possible. The cardholder's account is liable for any charges that are made against the ProCard, up to the cardholder's limitations that are set on the card, until the card is reported as lost or stolen.

Cardholder Name: _____

Cardholder Departmental
Address: _____

Card was: _____ Lost

_____ Stolen

_____ Bank/Procard Mgr. contacted you for fraudulent or possible
fraudulent use of your card by a third party.

Card Number Ending: - ____ _

Date called into Bank or Bank/Pcard Mgr. contacted you: _____

Cardholder Signature: _____

Date: _____

ProCard Manager
Signature: _____

Date: _____

UML PROCARD
CARDHOLDER AGREEMENT

The University of Massachusetts Lowell is pleased to present you with the ProCard Procurement Credit Card. It represents the University's trust in you and your empowerment as a responsible employee of the University to safeguard and protect our assets.

I, _____, hereby acknowledge receipt of a University of Massachusetts Lowell Procurement Credit Card (ProCard), Card number _____.

As a Cardholder, I agree to comply with the terms and conditions of this Agreement and the applicable provisions of the Procurement Credit Card User Guide (The "Guide") provided, and as such Guide may subsequently be revised. I have attended a ProCard training session, acknowledge receipt of the Guide, confirm that I have read and understand its terms and conditions. I understand that the University of Massachusetts Lowell is liable to Citi Bank for all charges made by me.

As the holder of the ProCard, I agree to accept responsibility for the protection and proper use of this credit card as outlined in this Agreement, including the reverse hereof, and the Guide. I further agree to use this card for official University purchases only, and **WILL NOT** use it for personal purchases. I also agree to maintain proper documentation supporting the legitimate business purpose of all charges. I understand that the University **WILL** audit the use of the ProCard, and that I **CANNOT** use the ProCard for the restricted commodities listed in the Guide.

I further understand that improper use of this credit card may result in disciplinary action, up to and including **TERMINATION OF EMPLOYMENT**. If I use this credit card to make charges which are improper in whole or in part, I understand that I will be responsible out of my own personal resources for any such improper charges. I agree to repay any such improper charges promptly upon receiving from the University a written notice and demand for repayment of any such improper charges. Further, I hereby authorize the University of Massachusetts Lowell, Payroll Office, to deduct from my pay an amount equal to any outstanding improper charges in the event that the University of Massachusetts Lowell, does not receive repayment of such improper charges from me within ten (10) calendar days after my receipt of said notice and demand. I also agree to allow the University of Massachusetts Lowell to collect any amount owed by me even if I am no longer employed by the University. I further understand that the University will initiate legal action against me should I so fail to pay. If the University of Massachusetts Lowell initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay legal fees incurred by the University of Massachusetts Lowell in such proceedings.

I understand that the University of Massachusetts Lowell may terminate my right to use this credit card at any time for any reason. I agree to return the credit card to the University of Massachusetts Lowell immediately upon request or upon termination of employment.

Signature: _____

Date: _____

IMPROPER USE OF THE PROCARD

Categories that May Result in a Reduction in Cardholder's Transaction Limits or Cancellation of the ProCard:

The following categories of improper use may result in a reduction in the cardholder's transaction limits or the cancellation of the cardholder's ProCard. Any subsequent penalties to the cardholder's ProCard will be determined by the ProCard Administrator and their respective department head (or designee). The following categories of improper use are contained in the Guide:

- * Use of the ProCard for the purchase of restricted commodities,
- * Use of the ProCard by an unauthorized individual (someone other than the "Official" cardholder),
- * Use of the ProCard for purchase(s) that are unrelated to the account charged,
- * Use of the ProCard for purchases that are inappropriate,
- * Failure to comply with the record keeping and reconciliation procedures outlined in The Guide.

Categories that will Result in Disciplinary Action, Up to and Including Termination of Employment and the Repayment to the University of any Improper Charges:

The following categories of improper use will result in disciplinary action and possibly legal action, up to and including termination of employment and the repayment to the University of any improper charges, based upon an extensive investigation by University Administration and any other parties that are deemed appropriate:

- * Use of the ProCard for fraudulent purposes;
- * Use of the ProCard for personal purchases that solely benefit the employee.

The ProCard shall not be used by a suspended or terminated employee. Use of the ProCard by a suspended or terminated employee after said individual has been notified of such suspension or termination by an authorized University official, will result in legal action by the University of Massachusetts Lowell against said individual.

APPENDIX II

OTHER DOCUMENTATION

8/24/11

ST-2

MASSACHUSETTS DEPARTMENT OF REVENUE

CERTIFICATE OF EXEMPTION



Certification is hereby made that the organization herein named is an exempt purchaser under General Laws, Chapter 64H, Sections 8(d) and (e). All purchases of tangible personal property by this organization are exempt from taxation under said chapter to the extent that such property is used in the conduct of the business of the purchaser. Any abuse or misuse of this certificate by any tax-exempt organization or any unauthorized use of this certificate by any individual constitutes a serious violation and will lead to revocation. Willful misuse of this Certificate of Exemption is subject to criminal sanctions of up to 1 year in prison and \$10,000 (\$50,000 for corporations) in fines. (See reverse side).

University of Massachusetts
Lowell Campus
One University Avenue
Lowell, MA 01854

EXEMPTION NUMBER E 043-167-352

ISSUE DATE 11/18/92

CERTIFICATE EXPIRES ON NONE

NOT ASSIGNABLE OR TRANSFERABLE

COMMISSIONER OF REVENUE
Mitchell Adams

**UMASS LOWELL
AUDIT REVIEW PROGRAM/REPORT
FOR PROCARD PURCHASES
CARDHOLDER AUDIT**

Cardholder Name:		Record Keeper Name:	
Cardholder Department:			
Chartfield String Number(s):		Travel on Card (Y/N)	
Period Reviewed:	From:	To:	
Total Number of Transactions During Period Reviewed:		Total Dollar Amount of Transactions During Period Reviewed:	
Reviewed By:			Date:

AUDIT TASK	Yes	No	N/A	Findings, Comments, and Recommendations
Security Procedures				
1. Are the monthly statements and related records that may contain cardholders Master Card Account number kept in a secured location?				
2. Is the ProCard kept in a secured location?				
Ordering Procedures				
3. Has the cardholder not made any purchases of restricted commodities (including personal purchases)?				
4. Has the cardholder not dovetailed any purchases to avoid the single transaction limit?				

AUDIT TASK	Yes	No	N/A	Comments and Recommendations
Documentation and Reconciliation Procedures				
5. Does the cardholder have all appropriate monthly statements from bank?				
6. Do the cardholder's statements reconcile to the Empac Finance System?				
7. Have the individual cardholder statements been reconciled to the receipts and/or other appropriate supporting documentation?				
8. Has the cardholder logged all charges in the Procard Purchase Log?				
9. Are the receipts and/or other appropriate supporting documentation retained with the statements and logs?				
10. Are all receipts and/or other appropriate supporting documentation accounted for?				
11. Does the documentation include appropriate line item detail of purchase? (If not itemized on receipt, cardholder has noted line item detail of purchase.)				
12. Does the documentation support the legitimate business purpose of all transactions?				
13. Have there been no Massachusetts sales taxes charged to account (or if charged, have been appropriately credited)?				

