



CREDIT CARD & TRAVEL POLICY

Purpose

This policy and related procedures are to assist the MSU Foundation staff in making authorized travel arrangements or charging expenses incurred while conducting official Foundation business through use of the Foundation corporate credit card.

Process

The CEO, CFO or Senior Director of Development are responsible for approving all travel, including travel to domestic or international destinations, prior to the travel date. Travel is approved when the *Foundation Travel Estimate and Approval Form* is signed by the supervisor. The signed approval form must be attached to the expense worksheet, along with a complete travel itinerary, when documentation is submitted for the expense and reimbursement.

The MSU Foundation issues checks on Wednesdays and Fridays. Checks are issued based upon fully documented requests made by noon the day prior to issuance. It is the responsibility of the payee to submit approved reimbursement requests within this timeframe

Expenses are to be prudent and must stand the test of public scrutiny. First class airline expenses are prohibited. Personal meals and lodging are reimbursable up to the daily per diem limit unless additional expenditure is necessary for transaction of appropriate Foundation business with third parties.

Uses of the MSU Foundation Credit Card

The MSU Foundation credit card provides a means of charging expenses incurred while conducting official Foundation business. The card is a business card and, as such, is to be paid in full before the following billing cycle starts. It is not a credit card account on which the cardholder can carry outstanding balances.

The card may be used for Foundation travel-related expenses and those expenses related to Foundation business. Use of the card for personal spending is prohibited except when personal expenses cannot be reasonably separated from reimbursable expenses which are being paid with the travel charge card. Such expenses must be paid from the cardholder's personal funds within the payment terms specified by the credit card company. Two examples follow:

- A personal telephone call (not reimbursable) or in-room movie (not reimbursable) included on a lodging bill.

- A spouse's dinner (not reimbursable) that is included on the same restaurant bill as the employee's (reimbursable) dinner.
- Use of Foundation funds to pay for personal spending or expenses unrelated to Foundation business is grounds for disciplinary action.

Special Restrictions on Uses of the Credit Card

The Foundation credit card may be used for the purchase of airline tickets. Reimbursement will be made on the travel reimbursement voucher after the trip occurs. The full itinerary and receipt must be attached to the travel voucher.

Purchases of goods or services not directly related to the required travel at the time they are incurred are not permitted. However, **emergency** purchases, such as automobile repairs, and incidental costs, such as copying expenses or presentation materials purchased, will be permitted if it can be reasonably shown that the purchase was necessary and that no other procurement method would suffice. The burden of justification rests with the cardholder.

How to Obtain a Travel Charge Card

Eligibility for a travel charge card

All full-time employees of the Foundation who travel on a regular basis or who must make purchases for Foundation business on a consistent basis are eligible to apply for a Foundation credit card.

Applying for the card

An application for a travel charge card can be initiated at any time after the employee's paperwork has cleared Payroll and the employee has attended orientation.

Name on the Card

Only one card will be issued in the name of each eligible employee.

- The Foundation credit card will contain the name of the employee to whom the card is issued, the card number, the expiration date, and the year the corporate card was first issued.
- The card is authorized for use only by the employee whose name appears on the card. Other family members or individuals are not permitted to use the corporate credit card. This program does not provide for loaning a card to a third party.

Billing and Payment

- Statements from the Foundation credit card are mailed directly to the individual employee who is responsible for submitting receipts for all charges to the card.
- The cardholder is responsible for submitting receipts, with the travel reimbursement request form, to the Foundation within seven (7) business days following their return from travel. In this way, the accounting office will be able to validate charges on the credit card bill by the credit card payment due date.
- Should late fees or finance charges be assessed due to late submission of receipts, they are the responsibility of the cardholder and cannot be charged to university accounts.
- Noncompliance with credit card policies by cardholders is grounds for revocation of card privileges.

Notifying the MSU Foundation and the Credit Card Company

The card member must notify the Foundation Controller whenever any of the following circumstances occur:

- Any change of mailing address.
- A card is lost or stolen.
 - Speed is important. Call **as soon as possible**.
 - Upon **prompt** notification to the Foundation and credit card company a lost or stolen card, the card member will have no liability for charges made after a card has been lost or stolen.
- A change of name.
- A question arises about the monthly statement.

Cancellation of Cards

In the event it is necessary to cancel a credit card (for any reason); the employee must return the card to the MSU Foundation Controller.

The credit card company will generally not re-issue cards to individuals who have had their cards cancelled. Such individuals will not be eligible for a Foundation travel loan.

Termination of Employee Participation

When a cardholder terminates employment with the MSU Foundation, it is his or her responsibility to cut the credit card in half and return it to the MSUF Controller before the last day of employment.

Requests for Payments

Following is a list of information concerning payment requests: (State or federal law regulations require most of this information).

- The Foundation requires **original** receipts attached to the payment request forms; photocopies are not normally acceptable. If a copy is the only documentation available for payment, the Foundation requires that the reason be documented in writing on the face of the request for payment.
- Meals while on day travel (not overnight), must be for a business purpose in order to be reimbursed. (Please refer to Internal Revenue Service Code Sections 274 and 162). Expenses must be substantiated as to (1) amount, (2) time and place, and (3) business purpose. The business relationship of any person(s) being entertained must also be stated. Meals or travel expenses for spouses or family will be forwarded to Payroll for W-2 consideration, as the IRS generally considers such reimbursements to be taxable income to the employee.
- The business purpose for all travel costs must be documented on the request for payment, and all expenses for a particular trip should be submitted together. Following are certain items that travelers should note:
 - Travel by Car- The Foundation follows the university's guidelines concerning mileage rates.
 - The Foundation will not reimburse the traveler for mileage and fuel charges, the traveler must elect one method of reimbursement. When claiming fuel charges, original receipts are required for fuel reimbursement.
 - Airfare- Airfare charges must be at coach rates, no first class airfare charges are permitted. Travelers who wish to have airfare charges prepaid must utilize the Foundation Travel Authorization process.
 - Parking/Taxi/Shuttle/Tolls- Travelers should submit original receipts for parking, taxi, shuttle, and toll charges to be reimbursed. If receipts are unavailable, the Foundation may reimburse up to the IRS allowable limits for parking, taxi, shuttle, and tolls.
 - Meals- Business meals and personal meals while on travel status may be reimbursed by either the per diem method or actual costs substantiated by original receipts. Current per diem rates are posted at www.gsa.gov.
 - Lodging Charges- Lodging charges are reimbursed based on per diem or actual costs substantiated by original receipts. Current per diem rates are posted at www.gsa.gov.
 - Business Phone Calls, Faxes and Internet Charges-The business purpose, name of parties involved and points between which the calls are made must be stated to document the business necessity of the expense.
- An authorized user may not sign for his or her own reimbursement on Foundation funds. While alternate signatures of review may be included, the signature of an authorized user is required for processing the payment. Signature stamps cannot be accepted. For audit purposes, there must be two independent individuals to handle the request (cannot prepare the request for payment and sign as the authorized user as well). When the individual is the only authorized user their supervisor may sign.