

Kansas State University

Business Travel Account (BTA)
Manual

May 29, 2009

OVERVIEW

Kansas State University is participating in the State of Kansas and UMB Bank Visa Business Travel Account Program. The purpose of the Visa Business Travel Account (BTA) is to allow a more efficient and direct way of paying for travel related expenses, without any up-front cost to the traveler. The BTA can be used to purchase airfare, train, bus, Enterprise rental car, and registrations.

This manual provides the guidelines under which you may use your Business Travel Account. Please read it carefully. Your signature on the Business Travel Account Cardholder Agreement (see Appendix 1) indicates that you understand the intent of the program and agree to adhere to the established guidelines. You will be issued your business travel account card number after either a one-on-one training and receipt of the signed agreement by the BTA Coordinator in the General Accounting Office.

GENERAL GUIDELINES

The BTA is an additional option that may be used by University employees to pay for travel related expenses. There is one BTA per department. The individual who is in charge of the BTA in the department is responsible for making the necessary reservations or bookings. The BTA account number should not be given out to travelers to make their own travel reservations. This is not a Business Procurement Card and should not be used to purchase items that are not authorized.

Merchant codes have been restricted to vendors that relate to travel. If your card is declined please contact your Travel Section Auditor to determine why your card was declined.

Examples of Merchant codes that have been blocked are:

- Hotels and Motels
- Restaurants
- Caterers
- Insurance Services
- Package Stores

Examples of Merchant codes that may be used are:

- Enterprise Rent-A-Car
- Passenger Railways
- Travel Agencies
- Airlines

Each BTA account is assigned an expenditure dollar limit applicable for a 30-day billing cycle, which typically closes on the 5th business day of each month.

For your continued use of the BTA, as well as the overall success of the program please remember that the Business Travel Account is NOT intended:

- To replace the current Business Procurement Card.
- For Personal Use.
- As a pass-through of funds from the Foundation.

Remember that you are committing University funds each time you use the business travel card. This is a responsibility that cannot be taken lightly.

Your feedback regarding this program is important! We need to know if you have concerns and we welcome suggestions for improvement. If you have any questions about the program or need additional information, please contact the General Accounting Office at 785-532-6202.

CARD USE PROCEDURES

How to Obtain an Account

After you have read and understand the procedures involved with the Business Travel Account:

- Your supervisor must indicate approval and advise the BTA Coordinator in the KSU General Accounting Office of any dollar limits imposed upon the card by filling out the VISA Business Travel Account Action Request Form (see Appendix 2).
- Forward the Action Request Form to the BTA Coordinator in the KSU General Accounting Office.
- The BTA Coordinator will arrange for training, acquire the account number and then notify you when the number is available.

The BTA is a cardless, or ghost, account so you will not receive a card, therefore when you receive your Account Number, always keep it in a secure place. Even though the Account Number is in the Department's name, it is the property of the State of Kansas and is only to be used for University travel expenses defined in this manual.

How to Cancel an Account

The Business Travel Account Number can be canceled by completing the VISA Business Travel Account Action Request Form (Appendix 2) and submitting it to the BTA Coordinator in the General Accounting Office.

Account Renewal

A renewal account number will automatically be mailed to the BTA Coordinator. Once the online BTA Certification Survey is completed, your renewal account information will be mailed to your department.

Failure to Use Account

An unused card is considered a security risk. If the BTA is not used on a regular basis (every six months), a report is generated by the Bank notifying the BTA Coordinator of the inactive card. The department will be contacted and encouraged to use the BTA. Continued failure of not using the account, could be determined as an unnecessary need for the account and may result in the account being canceled.

Business Travel Account Security

Account numbers must be safeguarded against use by unauthorized individuals in the same manner you would secure your personal credit card.

BUSINESS TRAVEL ACCOUNT HOLDER RESPONSIBILITIES

General

The account is not to be used for commodities, repairs and installations, package delivery and shipping charges, postage, subscriptions, etc. Allowable charges include Enterprise Rental Car, airline tickets, bus tickets, train tickets, and registration fees.

Record Keeping and Documentation

Provide all necessary back-up documentation to support purchases made. Any back-up documentation not provided with the Business Travel Account Voucher needs to be kept on file with the department. Back-up documentation to support purchases needs to be available upon request.

Rejected Purchases

It is possible that your Department may experience a purchase being rejected at the vendor's place of business when the account transaction is run through the bankcard system. This could occur for the following reasons:

- Purchase exceeds the monthly dollar limit established for the account.
- Purchase has been requested from a vendor having a merchant code not included on KSU's acceptable list of codes.

If a rejected purchase occurs, this does not necessarily mean that the cardholder has followed incorrect procedures. The requested purchase could be a valid use of the account. However, the purchase could have been rejected due to the wrong assignment of merchant code by the vendor.

Additional concerns may occur if a current vendor does not currently accept VISA.

Resolving Errors, Disputes, and Credits

The Department is responsible for contacting and following up with the vendor on any erroneous charges as soon as possible. If the cardholder is unable to reach an agreement with the vendor, the next step is to contact the BTA Coordinator at 785-532-6202.

The BTA Coordinator will request the Department completes a Business Travel Account Dispute Form (see Appendix 3) and fax (785-532-1305) or mail the completed form to the General Accounting Office.

All problems resulting from the use of the BTA must be charged to the departmental account and coded as E3999 until resolution of the dispute occurs.

Penalties

Obtaining a BTA is a privilege and must be used appropriately. Failure to follow the policies and procedures of the University and BTA program could result in written warnings and cancellation of the account.

BUSINESS TRAVEL ACCOUNT DEPARTMENT RESPONSIBILITIES

General

The Department is responsible for acquiring proper back-up documentation and information to be kept on file. The Department's business office is responsible for creating, editing and approving the Business Travel Account Voucher. Funding, object codes and descriptions should be verified and corrections made before the document is approved and sent to the General Accounting Office for processing.

Before approving the posted transaction, check the following information:

- Note any sales tax charged.
 - Enter a separate log entry for the tax charged and code the charge to the E3999. Work directly with the Vendor to obtain a credit/correction.

All transactions should be supported with a clear business purpose. If transactions appear that cannot be supported then appropriate measures should be taken to receive a credit from the vendor for the purchase. During the timeframe that the credit is pending, the charge should be coded to E3999.

The approved business travel account voucher and supporting documentation should be sent to General Accounting for audit and posting to the Financial Records System.

BILLING, PAYMENT AND ACCOUNT DISTRIBUTION PROCESS

General

The statement closing date usually falls on the 5th business day of the month, which is usually on the 7th of the month. Each department will receive a statement of activity for the month at their central accounts payable office. This is to be used to reconcile your account. Concurrently, a control account statement is mailed to the General Accounting Office from which the Controller's Office will process UMB's monthly payment.

Paying the Statement

When the department receives the monthly bank statement it should be immediately given to the person in charge of reconciling the account. Department supporting documentation should be matched to the statement to verify posted transactions.

Once the proper supporting documentation is collected a Business Travel Account Voucher needs to be prepared, summarizing the transactions. The voucher must be signed by someone who has department authorized signature approval. Forward the entire package (voucher and documentation), to General Accounting within approximately two(2) weeks of the end of the BTA billing cycle. The voucher noted above will be used to reimburse the Controller's Office control account from which

payment is made to UMB. As a result, the corresponding FIS entry will not show payment information to UMB Bank.

Prompt payment is critical. With over 150 accounts in the University BTA program, reconciliation of the master bank statement can be difficult. The departments' accuracy and promptness in submitting the BTA voucher really helps in the processing of the statement and preparing for the next month.

Auditing of Business Travel Account Program

The Office of Internal Audit may conduct periodic audits to determine compliance with Business Travel Account policies and procedures.

Letters of Reprimand

The General Accounting office will issue letters of reprimand for the following:

1. Misuse of the BTA card, i.e. charging something to the card that is not allowed & does not fall under one of the categories previously mentioned.
2. Late Payments. If your department has a payment that has become past due by 60 or more days, your card will be placed on hold with UMB Bank & no further charges will be allowed until payment is received in the General Accounting office.

Each department will be allowed 3 violation notices before the BTA card is permanently revoked.