

MEMORANDUM OF AGREEMENT

Between

THE UNIVERSITY OF MANITOBA

(the “University”)

and

(The “Cardholder”)

Position

Department

Employee Number

Default Account – FOAP (Operating Fund only)

The University has arranged for US Bank Visa Purchasing Cards to be issued to qualifying employees of the University to acquire low-dollar purchases on behalf of, and as instructed by the University’s Financial Services unit. The Purchasing Cards will be issued on the basis of a limited delegation of authority in accordance with the following guidelines and procedures (subsequent written amendments may be issued by the University’s Financial Services unit periodically).

Throughout this agreement, the term “Purchasing Card” refers to either a physical card or card account number.

The Cardholder acknowledges that he/she is entrusted to make financial commitments on behalf of the University. Therefore, the Cardholder will ensure that the Purchasing Card’s use is in accordance with the Governing Documents and Administrative Bulletins of the University including, but not limited to those referring to acquisitions and financial commitments:

- Financial Commitments
- Administration and Control of Operating Funds
- Financial Administration and Control of Research and Special Funds
- Signing Authority for Accounts
- Gifts & Gratuities offered to University Employees
- Petty Cash
- Purchasing and Receiving
- Travel & Business Expense Claims

In addition to University Policies, the Cardholder agrees to use the Purchasing Card in accordance with the following summary of guidelines and procedures, designed specifically for the Purchasing Card program:

Cardholder _____
One over One _____

A) **PURCHASES**

- 1) Purchases can only be made by the Cardholder. The Purchasing Card or account number cannot be assigned to others for their use. It is the Cardholder's responsibility to safeguard the Purchasing Card and ensure the card number is kept confidential. _____ and _____
CARDHOLDER ONE OVER ONE
- 2) The Purchasing Card is restricted for University purposes only. Any other use is strictly prohibited, and subject to disciplinary and/or legal action, at the discretion of the University. The purchasing card must not be used for personal purchases. _____ and _____
CARDHOLDER ONE OVER ONE
- 3) The cardholder must complete a Visa Order Form / Requisition to Purchase prior to placing the order with the merchant / supplier. The signing authority of the FOAP being charged must verify the order prior to the order being placed. The Visa Order Form / Requisition to Purchase must be retained on file for matching with the monthly Cardholder Activity statement along with any other original proof of purchase documents.
- 4) Every effort must be made to obtain supporting documentation for every transaction. Each Purchasing Card transaction, including credit transactions, must be supported by valid, complete and original documentation.
- 5) Purchases must not exceed the daily limit (including taxes and currency exchange if applicable) per merchant / supplier.
- 6) Cumulative purchases must not exceed the monthly credit limit. This limit is cleared to zero on the 6th day of each month.
- 7) The Purchasing Card must not be used for:
 - Purchases of goods, and/or services that are not otherwise available through Distributed Purchasing Systems, such as Systems Contracts, Preferred Supplier Agreements, Standing Orders, etc.
 - Payments to an individual for services
 - Purchases funded by the Canada Foundation for Innovation
 - Dangerous goods or any other goods requiring permits or licenses.
 - Imports of dangerous, controlled or restricted goods
 - Recurring monthly payments
 - Cell phone, Internet and telephone charges
- 8) Annual agreements and subscriptions with suppliers resulting in monthly charges should be paid up front as one annual payment (i.e. Free Press).
- 9) Cell phone, Internet and telephone charges are covered by the Travel and Business Expense Claims procedures and are not permitted with the Purchasing Card.
- 10) The Purchasing Card must be used in place of the Low Dollar Purchase/Payment Program where the supplier accepts Visa as a method of payment.
- 11) Gifts for staff are not authorized purchases with the Purchasing Card under any circumstance.

- 12) Splitting purchases to circumvent credit limits on this card are not authorized. If your need exceeds the limits of the Purchasing Card, you are not authorized to split the transaction to satisfy the limit. Please send your request to Purchasing Services on a Requisition to Purchase form.
- 13) Payments of Purchase Order related invoices are not permitted with the Purchasing Card.
- 14) This card must not be used for any travel-related expenses. Expenses such as hotel accommodations and / or deposits, meals, taxis / limousines, entertainment, etc. must be incurred by out-of-pocket expenses (or via the University's American Express Corporate Card) and claimed for reimbursement in accordance with the Travel and Business Expenses policy. Airfare purchases are strictly prohibited on this card.

 Note: Conference registration fees and concurrent expenses such as special events and / or dinner tickets etc. (excluding hotel accommodations) are permissible Purchasing Card Purchases and approved exceptions to the above.
- 15) For imports, the Cardholder will advise the merchant/supplier to include their FOAP on the commercial invoice, for customs clearance and applicable charge purposes.
- 16) When making purchases, the Cardholder will provide the merchant / supplier with the following:
 - a) Purchasing Card account number (16 numeric digits)
 - b) Cardholder's name
 - c) The University's full name
 - d) Expiry date of the Purchasing Card
 - e) Cardholder's phone and fax numbers
 - f) Full "ship to" address, including the designated recipient's full name
 - g) Cardholder reference number (i.e. AA1234)
 - h) Card Verification Value (CVV2)
- 17) The Cardholder will request out-of-province suppliers not to charge their province's PST. The Manitoba Provincial Sales Tax will be assessed by Supplier Payment Services and remitted to the Province of Manitoba as an additional charge to the Cardholder's purchase. If out-of-province PST is charged by the merchant / supplier, contact the Purchasing Card Coordinator for assistance.
- 18) GST and the applicable rebate will be assessed by Supplier Payment Services and reflected in the net charge to the University FOAP, as taxes are not currently captured separately on Visa data.
- 19) The use of the Internet, telephone, fax and mail are recognized and approved methods of making purchases with the Purchasing Card.
- 20) All refunds, or any other credits, must be credited to the Purchasing Card. The receipt of cash, or any other settlement, is not permissible and subject to disciplinary action.
- 21) Purchases are limited to the Purchasing Card's expiry date. Any renewal beyond this date must be accompanied by an amended agreement in writing.
- 22) Cash advances against the Purchasing Card are not permitted.

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B) RECORD KEEPING

- 1) The Cardholder is responsible for maintaining a current file of all purchase and credit activity to the Purchasing Card. The cardholder is responsible to obtain and submit supporting documentation for all types of purchases. Each Purchasing Card transaction, including credit transactions, must be supported by valid, complete and original documentation including the:
 - a) Original signed Visa Order Form or Requisition to Purchase (the signing authority on the FOAP being charged must verify the order prior to the order being placed)
 - b) Original receipted invoices / credit notes
 - c) Original packing slips
 - d) Original cash register receipts

- 2) Allowable original proof of purchase documents for the following products / services is as follows:

Conference Registrations

- Original signed Visa Order Form or Requisition to Purchase (the signing authority on the FOAP being charged must verify the order prior to the order being placed).
- Original application form or printout of the on-line application form indicating the cost details.

Memberships and Subscriptions

- Original signed Visa Order Form or Requisition to Purchase (the signing authority on the FOAP being charged must verify the order prior to the order being placed).
- Original application form or printout of the on-line application form indicating the cost details.

On-line Visa Order Purchases

- Original signed Visa Order Form or Requisition to Purchase (the signing authority on the FOAP being charged must verify the order prior to the order being placed).
- An electronic receipt / confirmation of order or a print-out of the website showing the cost of the product / service and other transaction details or any other email correspondence supporting the transaction.

Note: If the above required documentation is not available, please contact the Purchasing Card Assistant at 474-7960 for assistance.

C) CARDHOLDER ACTIVITY STATEMENT ADMINISTRATION

- 1) On or about the 7th day of each month, the Cardholder will be provided electronically with a Cardholder Activity statement of all purchases / charges made to the Purchasing Card. The Cardholder is responsible for:
 - a) Reconciling the monthly Cardholder Activity statement (see Access Direct web instructions at http://umanitoba.ca/admin/financial_services/suppay/visa_purchasing.html).
 - b) Ensuring the Cycle Date is used to generate a Cardholder Activity statement.
 - c) Ensuring the Visa Order Form / Requisition to Purchase is signed by the signing authority of the FOAP being charged.

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- d) Ensuring all purchases / charges on the Cardholder Activity statement are verified for correctness.
 - e) Affixing all original supporting documentation (authorized Visa Order Form / Requisition to Purchase, detailed packing slips, cash register receipts or receipted invoices) as an attachment to the reconciled Cardholder Activity statement.
 - f) Signing the Cardholder Activity statement and obtaining one-over-one approval for each monthly statement.
 - g) Ensuring the reconciled Cardholder Activity statement is submitted to Financial Services by the 28th day of each month. Failure to submit timely monthly Cardholder Activity statements will result in revoking of card privileges and cancellation of the card. Disciplinary actions may be taken.
- 2) Upon receipt of the reconciled Cardholder Activity statement, Financial Services will review the documentation to ensure proper procedures have been applied. The charges corresponding to the Cardholder's statement will be allocated to the noted FOAPs with reference to the Cardholder's assigned reference number as specified in the Cardholder's statement. The actual charges to the FOAPs will often differ from the statement amount, as PST and / or GST values and applicable rebates will have been assessed by Supplier Payment Services and reflected on these accounts. If for any reason the purchase cannot be charged to the Cardholder's assigned FOAP (i.e. insufficient funds, incorrect or inactive FOAP element) the purchase will be charged to the Cardholder's default account.

If the Cardholder's Activity statement is not completed and submitted to Financial Services by the 28th day of the month, the full statement amount will be paid by Supplier Payment Services to US Bank Canada, debiting the Cardholder's Default account (as stated on page 1 of this agreement). The Cardholder will then be responsible for allocating the charges from the Default account by means of journal entries. This would also require the manual calculation and allocation of applicable PST and / or GST values and applicable rebates.

D) DISCREPANCIES

The Cardholder must immediately identify and communicate any purchases / charges to the Purchasing Card, as identified on the monthly Cardholder Activity statements, which the Cardholder believes are not authorized purchases / charges (such as failure to receive goods and / or services charged, defective merchandise, incorrect transaction amounts, duplicate processing, failure of a provider of goods and / or services to process a credit upon request, fraud, forgery, altered charges, and charges incurred by telephone order where the authenticity of the charge is in question, or any other discrepancy or error). Immediately upon identification of any such charges, the Cardholder will first attempt to resolve the discrepancy with the merchant / supplier. If the merchant / supplier agrees to process a credit, ask for written confirmation or a copy of the credit, it normally takes at least 2 days once submitted to reach a Visa account. Do not put these items into the Visa dispute process. If you are questioning a Visa charge and need a copy of the transaction, you have up to 60 days from your statement date to contact Visa customer service directly at 1-800-588-8065 and request a copy of the item. The merchant / supplier has up to 45 days to respond or provide a copy of the sales draft together with a letter requesting the validity of the charge to be confirmed to which the Cardholder must respond within a specified time frame (currently 15 days). A fax response is acceptable. In either case, if Visa is not initially advised within 60 days of the statement date, Visa cannot charge the item back to the vendor. Also, if a response is not received within the specified timeframe an item cannot be charged back to the vendor and will be removed from dispute forming part of the balance on the next statement. There is no further recourse to the Cardholder or Visa. Failure to comply with the above

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may result in the University's liability for the unauthorized purchases / charges and is subject to disciplinary action against the Cardholder.

Note: The Cardholder's Default account will initially be charged with the discrepancy until the chargeback is received. Supplier Payment Services will pay full statement amounts to US Bank Canada. Adjustments will be reflected as credits on subsequent statements.

E) CHANGE IN CARDHOLDER'S RESPONSIBILITIES OR CESSATION OF EMPLOYMENT

The One over One signing authority shall give the Purchasing Card Coordinator at least 10 business days advance written notice of the Cardholder's cessation of employment or change in employment duties with respect to the Purchasing Card.

In the event of cessation of employment or change in employment responsibilities with respect to the Purchasing Card, the Cardholder will surrender the Purchasing Card and all rights associated. The card is not transferable to any other individual and must be returned to the Purchasing Card Coordinator for cancellation.

Administrative Requirements

Prior to a Cardholder's cessation of employment or change in employment responsibilities with respect to the Purchasing Card, the Cardholder will be required to perform the following:

- Complete the final interim activity statement on-line through the US Bank system
- Submit the final approved interim statement reconciliation with supporting documentation to Financial Services.
- Submit to the Purchasing Card Coordinator any Visa orders that have been placed and paid with the Purchasing Card but have not been billed to the final interim statement.

If these requirements are not performed by the Cardholder prior to cessation of employment or change in employment responsibilities with respect to the Purchasing Card, it will be the responsibility of the One over One signing authority to fulfill the above noted requirements.

F) CANCELLATION OF CARD

The University and / or US Bank Canada may cancel the Purchasing Card at any time at their discretion.

G) LOST OR STOLEN CARD

The Cardholder must immediately notify the University's Purchasing Card Coordinator at 474-6090 and US Bank Canada Customer Service at (800) 588-8065 in the event that the Purchasing Card is either lost or stolen. The Cardholder is responsible to ensure that the Purchasing Card is retained in a safe and secure location.

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H) MISCELLANEOUS

- 1) For merchants / suppliers that do not accept Visa, Cardholders may request through the University's Purchasing Card Coordinator to invite potential merchants / suppliers to participate in the Purchasing Card program.
- 2) The Purchasing Card does not affect your personal credit rating in any manner, nor does it register or provide the Cardholder with any personal Visa charge card benefits or privileges.
- 3) There are no card fees or transaction fees charged to the Cardholder or University units for the use of the Purchasing Card. The University's Financial Services unit is responsible for fees associated with the Purchasing Card program.
- 4) The Purchasing Card is the property of US Bank Canada and is assigned to the University and entrusted to the Cardholder as the University's Agent for its proper use.
- 5) The Cardholder acknowledges the University's Financial Services unit has provided the use of the Purchasing Card on the basis of a limited delegation of authority and will review Cardholder activity by means of reports provided by US Bank Canada.

I) ONE OVER ONE SIGNING AUTHORITY RESPONSIBILITIES

- 1) Ensure the Purchasing Card is properly used and used for University purposes only. Immediately report to the Purchasing Card Coordinator any suspected or known misuse or unauthorized use of the Purchasing Card.
- 2) Ensure that all purchases are properly accounted for on the monthly Cardholder Activity statement together with the required supporting documentation.
- 3) Sign the monthly Cardholder Activity statement as per #1 and #2 above.
- 4) Ensure that the reconciled monthly Cardholder Activity statements are returned to Financial Services by the 28th of each month. Failure to do so may result in the cancellation of the Purchasing Card.
- 5) Immediately report the cessation of employment or any changes to the responsibilities of the Cardholder which may affect the use of the Purchasing Card.
- 6) Immediately report the cessation of employment or any changes to the responsibilities of the individual who has one-over-one signing authority on this card which may affect the use of the Purchasing Card.
- 7) Immediately report the cessation of employment or any changes to the employment responsibilities of the alternate Purchasing Card reconciler which may affect the use of the Purchasing Card (if applicable).

Note: Failure to comply with the above requirements may result in the cancellation of the Purchasing Card.

J) DELEGATING AN ALTERNATE RECONCILER

By completing the Delegation of Cardholder Activity Statement Administration section on page 9 of this agreement, the Cardholder may authorize an alternate individual to perform the monthly reconciliations required by Section C of this agreement.

Responsibilities of Alternate Reconciler

- Compile the supporting documentation for transactions.
- Complete the monthly reconciliations.
- Must keep the card number confidential.
- Must not use the card number to make purchases.

Responsibilities of the Cardholder

- Review the work of the Alternate Reconciler ensuring the validity and accuracy of each transaction.
- By the 28th of each month, sign and submit to Financial Services the monthly reconciliation prepared on your behalf by the Alternate Reconciler.

LIST OF CONTACTS

US Bank Canada 120 Adelaide Street West PO Box 2300, 23 rd Floor Toronto, Ontario M5H 1T1 Attention: Customer Service Phone Number: (800) 588-8065 (if card lost or stolen call (800) 588-8067) Fax Number: (888) 974-3464
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The University of Manitoba Supplier Payment Services Room 412, Administration Building Winnipeg, Manitoba R3T 2N2 Attention: Purchasing Card Coordinator Phone Number: 474-6090 Fax Number: 474-7637

Cardholder _____
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Send signed and completed Cardholder Activity statements to:

The University of Manitoba
Budgets and Grants, Visa and Travel Services
Room 416, Administration Building
Winnipeg, Manitoba
R3T 2N2

Attention: Purchasing Card Assistant
Phone Number: 474-7960
Fax Number: 474-7504

DEPARTMENT HEAD OR HIGHER

I authorize the issuance of a Purchasing Card to the above named employee of our department and agree to enforce the proper use of the Purchasing Card in accordance with the procedures contained in this agreement and the policies of the University of Manitoba. I will take appropriate steps as necessary to correct any misuse or unauthorized use of this Purchasing Card program. I have read this agreement and understand this agreement and will comply with all terms of this agreement. Failure to do so may result in the card being cancelled without notice.

_____	_____	_____	_____
Name (Please Print)	Position	Signature	Date

ONE-OVER-ONE SIGNING AUTHORITY (Cardholder's Supervisor - Administrative Assistant or higher)

In accordance with Section I of this agreement, I agree to review all Cardholder Activity statements to ensure that all transactions are valid and accurate; that all necessary supporting documentation is attached; and that all purchases / charges to the above named Cardholder's Purchasing Card are made in accordance with the policies and procedures of the University of Manitoba and this agreement. I have read this agreement and understand this agreement and will comply with all terms of this agreement. Failure to do so may result in the card being cancelled without notice.

_____	_____	_____	_____
Name (Please Print)	Position	Signature	Date

CARDHOLDER

I agree to utilize the Purchasing Card entrusted to me in accordance with the procedures outlined in this agreement and the policies of the University of Manitoba, and to immediately bring to the attention of both the above one-over-one signing authority and the University's Purchasing Card Coordinator, any suspected misuse or unauthorized use of this Purchasing Card. I have read this agreement and understand this agreement and will comply with all terms of this agreement. Failure to do so may result in the card being cancelled without notice.

_____	_____	_____	_____
Name (Please Print)	Position	Signature	Date

Cardholder _____
One over One _____

**DELEGATION OF CARDHOLDER ACTIVITY STATEMENT ADMINISTRATION
ALTERNATE CARDHOLDER ACTIVITY STATEMENT RECONCILER**

I accept the responsibility delegated to me by the Cardholder to administer the Cardholder Activity statement in accordance with Section J of this agreement. I have read this agreement and understand this agreement and will comply with all the terms of this agreement. I understand that I am not authorized to use the Purchasing Card for purchases and I agree to keep the card number confidential.

_____	_____	_____	_____
Name (Please Print)	Position	Signature	Date

CARDHOLDER

I authorize the above named University employee to administer my Cardholder Activity statement in accordance with Section J of this agreement. I have read this agreement and understand this agreement and will comply with all the terms of this agreement.

_____	_____	_____	_____
Name (Please Print)	Position	Signature	Date

TRAVEL SERVICES DEPARTMENT AUTHORIZATION

Assistant Manager, Budget Accounting & Travel Services

_____	_____
Signature	Date