ACCOUNTING/
PURCHASING POLICIES

Use of the Expense Approval-Business Expense Form for Procard Purchases
Use of the Expense Approval - Business Expense Form for Procard Purchases:

Use of the Procard for business/entertainment expenses currently is restricted to the purchase of take-out food. We regret that we are unable to extend the use of the card to other types of business or entertainment expenses at this time. This is a serious audit issue. There are insufficient reporting capabilities built into the card that would allow the University to assume this type of risk. In the meantime, you may use your Corporate Travel Card for other types of business/entertainment purposes.

As explained above, while the Procard may not be used for most purchases that might require the completion of the Expense Approval - Business Expense Form, the card can be used to purchase take-out food for meetings, student groups, etc. The Expense Approval - Business Expense Form shall be completed for any such purchase and maintained with the Cardholder's corresponding monthly statement.

Your Procard can be used to purchase food and beverages for departmental functions at grocery stores, take-out from area restaurants, items either picked up or delivered free. It is important to note that delivery is considered a service. So, if you are purchasing food from a vendor that adds a charge for delivery, Procard can only be used if the vendor is listed on the approved list where services can be paid on Procard found at http://www.umass.edu/procurement/Procard/services.htm. If the vendor is not listed on the Procard - Service Approved Vendor List then a purchase order is required. If the vendor provides free delivery then Procard can always be used.

A tip for the delivery driver can be added to your Procard charge. A 10% tip is suggested, however, in instances where the delivery is more complex, 15-20% can be considered. This should be your decision to add this tip and not one made automatically by the vendor. If the vendor adds an automatic tip, in essence, they are charging for delivery.

If food or beverages are bought for staff events (meetings, training sessions, retreats) then you need to complete a form called Expense Approval - Business Expense Form to document the business need. This form is traditionally used to get reimbursement for business expenses that were paid out of pocket, but we also use this form to document business need to avoid having items of this nature considered additional compensation or taxable income.
You should be aware of our campus Catering Services policy to ensure compliance with applicable state health and safety standards regarding the preparation and serving of food and to provide the campus with reasonable controls to ensure services meet standards which preclude issues of campus liability. You can find the full details of this policy at http://www.umass.edu/procurement/policies/Campus_Catering_Policy_06-2013.pdf.

Some tips on how to use the Expense Approval - Business Expense Form includes the following:

- At the top of the form simply list Procard in place of person to be reimbursed. It is not necessary to fill in Employee/Vendor ID, Department Name and Address or Chartfield Information.
- Fill in the nature of the event, who attended and what was purchased.
- Both you and your supervisor need to sign this form and if the fund administrator for the budget your Procard is attached to is other than you or your supervisor, they also need to sign.

If you have regularly scheduled meetings such as weekly staff meetings, we do not want paperwork you to death. You can simply do one form and reference the dates involved. This fully completed and signed form stays with your Procard documentation for the month the charge was incurred.

If the event is for our student population, general public or outside visitors, even if some staff attend, then this form is not needed as the expense is considered an operating expense. Simply mark "Operating Expense" on your receipt.

SPECIAL NOTES-
In addition to documenting the purchase of food and beverages for staff events, this form is also used if flowers (or something similar) are purchased for bereavement purposes. For this instance as well, the Expense Approval - Business Expense Form should be fully completed with all signatures and kept with your Procard records to document the business need/allowance.

A business expense form is required to document business use for items which can be viewed as personal in nature or dual use. Dual use items are purchased with a business purpose but may also be used outside of work, for example specialty clothing. When a business purpose cannot be determined for a ProCard purchase, the Records Manager will be instructed to forward the transaction information to the business manager, supervisor or department head to review and approve.