

Treasury Documentation**Subject:** Individual Liability Card (Travel Credit Card), Obtain**For:** EMPLOYEE HANDBOOK**Also See:**

Identification	PT-11015 Procedure
Effective Date	10-1-2012
Replaces	PT-11015 (1-1-2009)

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Cardholder
Applicant

Note: The Individual Liability Card program was established for Department of Treasury (Treasury) employees whose position descriptions require travel. These cards are for travel-related expenses only. Bank of America is the vendor for these cards.

WHEN: As Needed

1. Requests an Individual Liability Card with a written **memo** to supervisor describing cardholder applicant's need for the card, including:
 - A. Position description
 - B. Estimate
 - C. Frequency of use
 - D. Other information that demonstrates a need for the card.
- Supervisor 2. Contacts Finance and Accounting Division (FAD) and requests an Individual Liability Card application for cardholder applicant.
- Financial Analyst, FAD 3. Sends the Individual Liability Card application to requesting cardholder applicant.
- Cardholder Applicant 4. Completes the Individual Liability Card application and submits to supervisor.
- Supervisor and Cardholder Applicant 5. Reviews **Appendix B Department of Treasury Individual Liability Cards Policy Summary** and signs Policy Summary. (Sees sample on pages 5 and 6 of this Procedure.)
- Supervisor 6. Submits Individual Liability Card application, memo, and approved Policy Summary to FAD's Analyst.
7. Submits the application, memo, and summary to Treasury's Credit Card Administrator.
- Treasury Card Administrator 8. Reviews application, memo, and summary.
 - A. If complete and appropriate, signs application and returns to Analyst, FAD.
- Financial Analyst, FAD 9. Copies Individual Liability Card application, memo, and Policy Summary for FAD files.

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| Financial Analyst, FAD (cont.) | 10. Submits original Individual Liability Card application and memo to State Individual Liability Card Administrator, Financial Services Division, Department of Technology, Management, and Budget (DTMB). |
| Card Administrator, DTMB | 11. Forwards Individual Liability Card application to Bank of America for processing.

12. Receives Individual Liability Card from Bank of America.

13. Sends Individual Liability Card to cardholder applicant's home address, along with a Cardholder Manual and Cardholder Agreement . (Sees example on page 6 of this Procedure.) |
| Cardholder Applicant | 14. Reviews Cardholder Manual and Cardholder Agreement and signs agreement, indicating card was received and that cardholder applicant will abide by the policies of the card.

15. Returns signed Cardholder Agreement to Card Administrator at address indicated in Cardholder Manual. |
| Bank of America | 16. Sends monthly credit card statement to individual cardholder applicant's home address for payment. |
| Cardholder Applicant | 17. (Required) Pays entire bill amount every month. |
| Financial Analyst, FAD | WHEN: Monthly

18. Runs Cardholder Status Report, which lists any cardholders whose accounts are 30 days delinquent, including:

A. Cardholder's name
B. Amount available
C. Amount 30 days delinquent.

19. Distributes Cardholder Status Report to Treasury Card Administrator for appropriate action. |
| Treasury Card Administrator | 20. If account is 30 days delinquent, notifies cardholder of delinquency. (It may be possible individual is traveling on business and is unable to make payment.)

21. If account is 60 days delinquent, notifies cardholder in writing if a garnishment is to be processed.

Note: Treasury will garnish individual's wages and/or travel expense vouchers and remit to Bank of America until account is paid off. |

Treasury Card
Administrator
(cont.)

21. A. Requests DTMB, Financial Services to close the account.

WHEN: Upon Transfer or Termination of Employment

22. Requests cardholder return Individual Liability Card to the supervisor.

A. Cuts Individual Liability Card into pieces and discards.

23. Notifies Card Administrator in writing (memo or e-mail) to close account.

24. If Individual Liability Card is not returned, notifies Card Administrator and requests account be closed immediately.

Appendix A

**State of Michigan
CARDHOLDER AGREEMENT
INDIVIDUAL LIABILITY**

Your signature below is verification that you have read the Individual Liability Card Program Cardholder Manual and agree to comply with it as well as the following requirements.

1. I understand the card is for State use only, the card is to be used only to make purchases at the request of, and for the legitimate business benefit of, the State of Michigan.
2. I understand that the Bank of America Liability Account Visa is to be used only for business expenses incurred while on official State of Michigan business.
3. If the card is lost or stolen, I will immediately notify Bank of America.
4. I agree to surrender the card immediately upon termination of employment.
5. The card is issued in my name. I will not allow any other person to use the card. I am responsible for all charges against the card.
6. I understand the balance on the account is to be paid in full each month.

I understand that payment of my Bank of American individual liability account Visa pursuant to the State of Michigan Contract is my sole responsibility. If any amount in my account is past due by sixty (60) days or more, I authorize the State of Michigan to deduct the past due amount from my paycheck and remit to Bank of America. I understand that all transactions, late fees and interest charges are my responsibility and will not be paid by the State of Michigan. The State of Michigan will notify me in writing if such a deduction is made.

Violations of these requirements may result in revocation of use privileges and/or disciplinary action, up to and including termination of employment. Employees who are found to have inappropriately used the Card will be required to reimburse the State of Michigan for all costs associated with such improper use.

Cardholder Name: _____
(Please Print)

Signature: _____

Date: _____

Appendix B

DEPARTMENT OF TREASURY
INDIVIDUAL LIABILITY CARDS

POLICY SUMMARY

Qualified Card Usages

- 1) Lodging
- 2) Car Rental
- 3) Train
- 4) Taxi
- 5) Food
- 6) Gas for rental car
- 7) Parking
- 8) Other reimbursable State of Michigan expenses while in travel status.

Prohibited Purchases

- 1) Personal use purchases (e.g., non-travel status related purchases)
- 2) Health, legal and medical services
- 3) Cash advances
- 4) Airfare, which should be charged to the State of Michigan Airfare Procurement Card
- 5) Department stores
- 6) Charitable contributions
- 7) Automobile repairs
- 8) Movie tickets
- 9) Sporting event tickets
- 10) Personal gifts
- 11) Other non-reimbursable purchases

NOTE: FAD will monitor for prohibited purchases

Payment

Payment of the Bank of America Individual Liability Visa Card (Visa Card) account pursuant to State of Michigan contract is the sole responsibility of the cardholder. The cardholder is responsible for the following:

- 1) Payoff in full the amount due for each month's transactions as shown on the bill
- 2) Payoff any interest accumulated on the account
- 3) Payoff any fees associated with the Visa Card
- 4) Payoff any additional costs, interest or fees charged by the service provider for use of the View Card.

Notes: Any account 30 days delinquent, Treasury Card Administrator notifies the Cardholder of the delinquency. *(It may be possible that the individual is traveling on business and was unable to make payment.)*

Any account 60 days delinquent, Treasury will garnish the individual's wages and/or travel expense vouchers and remit to Bank of America until the account is paid off. Treasury Card Administrator notifies the Cardholder in writing if such a garnishment is to be processed. *(At that time, the Treasury Card Administrator will request DTMB, Financial Services to close the account.)*

Termination of Employment or Department Transfer

Upon termination of employment with Treasury, Supervisor will initiate a written request to close account by contacting the State's Individual Liability Card Administrator. Cardholder shall return card to Supervisor who will cut card into pieces and discard the pieces. Accounts should be closed by the State's Individual Liability Card Administrator if cardholder: (a) Leaves State service; (b) Moves to a new job in which they no longer require the Visa Card; or (c) Account needs to be closed for any other reason.

By signing below, the individual acknowledges that he/she has read and agrees to the above usage requirements of the Individual Liability Visa Card.

Individual Cardholder's Signature

Date

Supervisors, by signing this form you are indicating that you have discussed with the applicant the usage requirements of the Individual Liability Visa Card. It shall be up to the Bureau's discretion as to how lenient they want to be with the exceptions.

Supervisor's Signature

Date