

# WVU Prepaid Card Program Guidelines

These guidelines contain the procedures applicable to the Prepaid Card Program for West Virginia University (WVU) and West Virginia University Research Corporation (WVURC), hereinafter referred to as the University “Prepaid Card Program” or “Program.” Prepaid cards may be used to make payment for goods, designated services, and other payments as permitted by these guidelines.

It is the policy of the University/Research Corporation that all Grant Approvers, Payers, and Strategic Business Advisors must be knowledgeable of and follow all Prepaid Card Program guidelines. Employees who become aware of an instance of unlawful use, possible fraud, misappropriation, or mismanagement with the Prepaid Card Program must report such discovery to PCPS PCard Administration immediately at [PCardadministration@mail.wvu.edu](mailto:PCardadministration@mail.wvu.edu).

The WVU Ethics Line is also available [here](#):

## **Roles and Responsibilities:**

A community of people within the University share financial stewardship of the University’s Prepaid Card Program, even though they play different roles. Listed below are the primary roles of the Program. Keep in mind that these are roles, not job descriptions, so an individual may function in more than one of these capacities.

### **Director**

The Director of Procure to Pay Operations or his/her designee(s) serves as the Director of the Program. The Director’s role is to provide leadership and oversight for the Program, establish the policies and procedures which govern the Program, ensure the effectiveness of the Program in meeting established objectives, and seek improvements in operational processes.

Areas of responsibility include, but are not limited to the following:

- Designing the internal controls for the Program.
- Approving access requests for all Administrators, Payers, and those with review only access.
- Assessing requests for exemptions to the Program policies and procedures.
- Coordinating the payment to the provider and backbill process to the applicable departments.
- Reviewing the compliance of the Program with established University policies, procedures, and the requirements set forth herein.
- Requiring any employee who becomes aware of an instance of unlawful use, possible fraud, misappropriation, or mismanagement with the Program to report such discovery immediately.
- Completing Health Insurance Portability and Accountability Act (HIPAA) Training.

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## **Administrator**

The University's Procurement, Contracting and Payment Services (PCPS) PCard Administration unit is responsible for the administration of the Prepaid Card Program.

Areas of responsibility include, but are not limited to the following:

- Administering study/group creation in the prepaid card system, assigning Payers, maintaining card inventory, testing of the system, and general system administration.
  - Within this document, "study/group" refers to the specific purpose for the payments for that Payer. This would include a specific study that is paying participants, a specific athletic sport/program, etc.
- Coordinating the secure delivery of cards to Payers.
- Completing Health Insurance Portability and Accountability Act (HIPAA) Training.
- Reconciling the clearing accounts used for the Program.

## **Grant Approver**

The Grant Approver (i.e., Principal Investigator or Task Manager) is responsible for reviewing the Prepaid Card request forms submitted for his/her research study. His/her approval of those requests certifies that he/she agree that:

- All research involving the use of human subjects is conducted under an approved or acknowledged IRB protocol and is following all [WVU Office of Human Research Protections policies and procedures](#).
- The correct budget and program description information has been entered.
- The Payer(s) assigned to a study/group is (are) the correct employee(s) to be made responsible for that study/group.
- The Card Distribution Log and Transaction Log are reviewed/approved on a monthly basis to ensure all cards and transactions are accurate, allowable, and allocable.

## **Strategic Business Advisor**

The Strategic Business Advisor (SBA) is responsible for reviewing Prepaid Card request forms for his/her College/Division. His/her approval of those requests certifies that he/she agrees that:

- The correct budget and program description information has been entered.
- The Payer(s) assigned to a study/group is (are) the correct employee(s) to be made responsible for that particular study/group.
- Compliance with the Prepaid Card program guidelines is monitored to ensure appropriate logs, reconciliations, and card inventories are current, accurate and properly maintained.

The SBA must also monitor the physical location and controls in place for the cards within his/her College/Division.

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## Payer

The Payer is the individual responsible for managing the payments made in his/her assigned study/group. This includes the following:

- Adding Cardholders to the applicable study/group and ensuring Cardholder information is accurate. Payers who repeatedly enter inaccurate information into the system will have their access to the system removed.
- Maintaining a Prepaid Card Distribution log.
- Loading funds to the cards.
- Maintaining a Prepaid Card Transaction log.
- Distributing cards to Cardholders.
- Ensuring cards are kept in a secure location.
- When payment thresholds have been met, collecting Form W-9 *Request for Taxpayer Identification Number and Certification*, and ensuring taxpayer information is kept in a secure location.
- Promptly responding to requests submitted by PCPS for information on use of the system and cards remaining.
- Promptly returning any unused cards as soon as the study is completed and/or when payments to participants have completed.
- Promptly responding to requests submitted by Tax Services for information on payments made and cards issued for tax reporting purposes, including providing payment details and Form W-9 *Request for Taxpayer Identification Number and Certification*.
- Completing Health Insurance Portability and Accountability Act (HIPAA) Training (if applicable).

\*Any Payer who is unresponsive/uncooperative or is found to be using the system inappropriately will have his/her access to the system removed immediately.

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## When to Use Prepaid Cards

The Prepaid Card Program has the following specific designated uses:

<b>Purpose</b>	<b>Required Payment Method?</b>	<b>Note</b>
Student Athlete per diems and incidentals	Required payment method	
Human subject payments and reimbursements (i.e., mileage)	Optional only under certain PCPS-approved circumstances	There are several options for paying human subject payments and reimbursements – please see the <a href="#">Human Subject Payment Guidelines to determine the best method.</a>
Other business needs as determined by PCPS	Optional under certain PCPS-approved circumstances	

\*The prepaid card cannot be used for services rendered (i.e., host teacher payments, stipends, etc.).

## How to Request Prepaid Cards

To request prepaid cards, a Prepaid Card request form must be submitted in Mountaineer Marketplace. The form must be approved by the Strategic Business Advisor for the College/Division, as well as the Grant Approver (i.e., Principal Investigator (if grant funded)). The form will then route to Tax Services for all requests other than student athlete per diems. The final approval step for all requests is PCPS for review.

The following information is required to be provided on the form:

- Designated budget amount for the study/group and estimated number of cards needed for the next 30-day period. Note: a maximum amount of cards provided for one request has been set at 50.
- Specific payment amounts and schedules (if applicable) for the study/group.
- Designated funding string to be charged for the transaction amounts loaded to the cards. Only WVU Research Corporation funding may be used. If the study/program is a WVU grant funded study/program, the Payer is responsible for submitting a Transfer Between Bank Account form in Mountaineer Marketplace and must attach the applicable Prepaid Card Distribution and Prepaid Card Transaction logs to account for the dollar amount of the transfer.
- Payer(s) assigned to the study/group. The Payer must be a full-time employee of the University. A study/group may not have more than two Payers. In instances where there are two Payers, separate card inventory will be provided to each Payer and must not be shared between both Payers. A separate Prepaid Card Distribution log must be maintained by each Payer.

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- Additional questions, dependent on the purpose of the cards and anticipated Cardholders.

PCPS will review the request and ask additional questions if needed. The person(s) designated as the Payer will be asked to confirm that he/she has reviewed and understand these guidelines, has completed HIPAA training if applicable, and has a secure location for the cards to be maintained.

If approved, PCPS will then add the Payer to the prepaid card system and coordinate the delivery of the card inventory.

### **Loading the Cards, Use of the Cards, and Maintenance of the Cards**

Once a Payer has been added to the prepaid card system, the Payer is then responsible for entering the Cardholder information, loading the cards, and distributing the cards. Payers must ensure cards are kept in a secure location and that all loaded cards have been distributed. See the [training information](#) for further details.

#### **Adding Cardholders**

- The Payer is responsible for adding the Cardholder(s) to the system.
- Cardholder name and address is required for all Cardholders. A University address can be used as the cardholder's address; however, the Payer must make sure to provide that address to the Cardholder prior to card activation.
- The funding code provided to the Payer from PCPS must be entered for all Cardholders.
- Cardholder name, address, date of birth, and Social Security Number will be required for any taxable compensation, such as the following:
  - Human subject payments where the Cardholder will receive more than \$500 from that particular study.
  - Other business purposes approved by PCPS that may be taxable. WVU Tax Services will determine taxability.
  - In the instances listed above, the Payer must securely obtain a Form W-9 request for Taxpayer Identification Number either in person or via the University's [LiquidFiles](#) secure file sharing system.
  - Once obtained, the form must be saved on the University's secured shared drive and not kept on the Payer's desktop, documents folder, or other common drives. W-9's must not be shared with anyone outside of Tax Services. If received via paper, the document must be saved on the University's secured shared drive and shredded immediately.
  - Please contact Information Technology Services with any information security concerns and review the University's [document retention policy](#) for questions.

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- The W9 should be kept for 4 years from the date the payment is made.

## **Card Management**

- Once the Payer adds Cardholders to the prepaid card system, the Payer will load the funds to the cards. Cards are ready to use as soon as the funds are loaded, and the Cardholder has activated the card.
- Once a card has been loaded, it is possible to reverse that entry until the Cardholder has used the funds. This should be limited to two different scenarios:
  1. A mistake was made, or
  2. The payment is no longer needed (i.e., the human subject did not participate as expected; the student athlete did not attend the trip).
- The cards are reloadable, so Payers can reload funds to a Cardholder's card if needed (i.e., multiple visits, trips, etc.).
- If a Payer needs more cards for his/her study/group or needs to return cards, the Payer must email [PCardadministration@mail.wvu.edu](mailto:PCardadministration@mail.wvu.edu).
- See the [FAQ](#) documents for additional information on the use of the cards.

## **Internal Controls and Reconciliation**

Internal controls are the procedures put in place to provide reasonable assurance regarding the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. Certain controls exist in the Program to ensure access is limited to only what is appropriate and card inventories are up to date and can be tracked:

- A Payer is at no time permitted to add himself/herself as a Cardholder. An audit log will be run by PCPS PCard Administration periodically to confirm this has not occurred. If it is determined this has occurred, the Payer will be subject to disciplinary action.
- Cards are assigned to a specific Payer. If a Payer has unused cards at the end of the specific study/group, the Payer must contact [pcardadministration@mail.wvu.edu](mailto:pcardadministration@mail.wvu.edu) to return the cards. This would be the cards that PCPS provided the Payer but were never assigned to a Cardholder or loaded.
- A history of activity in the prepaid card system is available for audit purposes.
- Payers must promptly respond to internal control surveys and/or questions from PCPS related to the use of the system and unused cards. Failure to respond may result in disciplinary action.
- Payers must promptly respond to questions and requests for information for tax reporting purposes from Tax Services. Failure to respond may result in disciplinary action.

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## **Documentation and Reconciliation**

The Payers must maintain a reconciliation log for any study/group where prepaid cards are used. The reconciliation log must be in paper form, kept in a secure location or electronic form saved on a secured drive that cannot be accessed by those outside of the study/group.

The Prepaid Card Distribution Log must include:

- The cardholder's name (unless anonymous)
- The US Bank 10 digit card ID (do not list the 16 digit credit card number)
- The date the card was distributed to the cardholder
- Purpose of the card (i.e., human subject, athletic per diem, etc.)

In addition, transaction logs of loads and unloads made to each card within a study/group must be kept. The transaction log must be in paper form, kept in a secure location or electronic form saved on a secured drive that cannot be accessed by those outside of the study/group.

The Prepaid Card Transaction Log must include:

- The US Bank 10 digit card ID (do not list the 16 digit credit card number)
- The date of the transaction(s)
- Dollar amount
- Purpose of the transaction (i.e., human subject, athletic per diem, etc.)

The Grant Approver (e.g., Principal Investigator/Faculty) in charge of the study/group must perform a monthly compliance review of both the Prepaid Card Distribution Log and the Prepaid Card Transaction Log to review that the listing of recipients and transactions match the participant schedule records. The Grant Approver in charge of the study/group must then sign the logs, verifying the information matches. If the Grant Approver in charge of the study/group is the sole payer on the project, the reconciliation must be audited and signed by the Payer's supervisor as an additional internal control.

## **Tax Reporting**

Form 1099 will be issued by WVU Tax Services at the end of each calendar year if reporting thresholds have been met based on the total taxable compensation payments made by WVU to the individual (see Adding Cardholder section above for requirements for entering tax information into the prepaid card system). If a Social Security number cannot be entered for a Cardholder that will be paid over the \$500 de minimis amount, an exception must be granted by WVU Tax Services.

Payers must promptly respond to questions and requests for information for tax reporting purposes from Tax Services. Failure to respond in a timely manner and to provide the requested information so that the appropriate tax documents can be issued by the University before the IRS mandated deadlines may result in disciplinary action including but not limited to

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penalties assessed against the Department based on the IRS Information Return Penalties, adjusted annually. Failure to file penalty for the calendar year 2024 is \$310 per form.

**Reconciliation of cash advances:**

In the isolated instances where a cash advance is required, the Grant Approver will be assigned a prepaid card in his/her name and then the card will be used to withdraw cash. This situation should be limited to only when absolutely necessary. In those instances, Payers must maintain a reconciliation log. The log should include the Payee name, the date the funds were distributed, signature of Payee (if possible). If the Payee's signature cannot be obtained, the Grant Approver should sign the log if grant funded. The SBA should sign the log if non-grant funded. Grant Approvers should periodically perform a compliance review to review that the listing of card recipients matches the study participant schedule records.

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