



PREPAID DEBIT CARD PROGRAM

Scope: Louisiana State University

Effective: September 1, 2017

Purpose: To establish a procedure for the disbursement of funds for meals and/or other expenses.

Program Summary:

The prepaid debit card program allows the University to provide a means of payment for meal per diem and/or other expenses to participants in lieu of having to issue a cash advance to an employee for that person to be responsible for the actual cash disbursements. The facilitator of the prepaid debit card is Bank of America. The program administration will be a collaborative effort of the requesting department and Accounts Payable & Travel.

Introduction:

The prepaid debit card program allows the requesting department to control the disbursement of funds for meals and/or other expenses per event. The University is not responsible for the card or funds on the card once they are disbursed. The prepaid debit card is intended to be used as a credit card, but in the event a cash withdrawal is desired, the cardholder can withdraw cash from Bank of America tellers or non-Bank of America ATM machines. If cash is withdrawn from non-Bank of America ATM machines, the cardholder will be charged a \$1.50 fee plus any additional transaction fees. The fees will be deducted from the available balance on the card.

Procedures:

- A. Prepaid debit cards will be issued to participants that are members of the program (i.e., LSU Tiger Band, student athlete, etc.).
- B. Prepaid debit cards will be issued personalized with the participant's name.
- C. Cardholders are required to activate the prepaid debit card upon receipt using the instructions provided with the card.
- D. Cardholders may be asked at the time of activation for the program billing address:

Address: 204 Thomas Boyd Hall, Baton Rouge, LA 70803
Phone: 225-578-3321

- E. Cardholders are encouraged to safeguard their prepaid debit cards in the same manner as their credit cards. Cardholders should keep the card in a safe place and protect the sensitive information on the card.
- F. Prepaid debit cards will be funded per the official university event as long as the participant is a member of the program.

- G. While a participant in the program, the cardholders should not dispose of the card if the balance is zero. The card will be continuously funded during the duration of the participant's participation in the program.
- H. The prepaid debit cards will have a 3-year expiration. Cardholders will be given a renewal card upon expiration if the participants are still a member of the program.
- I. If a card is funded in error and the cardholder is not due the funds, an accounts receivable must be set up on the student account in the Bursar's office for the University to recover the funds.
- J. All new and replacement cards will be received by Accounts Payable & Travel. Upon receipt, Accounts Payable will contact the requesting department to pick up the cards. The cards will be given only to department's Authorized User who is the individual with first-hand knowledge of the department's participation in the prepaid card program.

Card Maintenance

- A. Lost or Stolen Card
If a card is lost or stolen, cardholders should contact Bank of America immediately at 1-866-213-8564. The card will be deactivated and a new card will be issued.
- B. Replacement Card
Cardholders will be charged \$5 for a replacement card and it will be a personal expense. The \$5 charge will be deducted from the cardholder's available balance on the card. If the card is lost while in travel status, a replacement card will not be immediately available. Bank of America processing time may be up to one week to issue a replacement card.

Program Responsibilities

A. Requesting Department

The requesting department will be responsible for the following:

1. Complete the AS775, Prepaid Card Program User Request form to designate an Authorized User who will be the departmental person with first-hand knowledge of the department's participation in the prepaid card program.
2. Authorized User will order the prepaid debit cards for the participants and inform the Program Administrators in AP & Travel of the total number cards ordered to validate the number of cards in the shipment.
3. Authorized User will distribute the prepaid debit cards to the participants upon providing a brief training of the program guidelines using the AS776, Prepaid Card Participant Agreement form.
4. Authorized User should obtain the AS776 form signed from each participant and maintain the forms in a central file as a record of the participant's understanding of the prepaid card program.
5. Authorized User will fund the prepaid debit cards per event via the Bank of America Prepaid Administration Tool (i.e., PAT). Authorizer User must notify the Program Administrator in AP & Travel of the total amount to be funded and wait for a confirmation that the funds are available before initiating the card load request.

6. Once the cards are funded, the Authorized User will create the journal entry to record the expenses.

The journal entry should be as follows:

- Debit Program/Spend Category
- Credit Ledger Account 2035 (Due to BOA/Prepaid Card Program)

7. Authorized User should forward an e-mail copy of the journal entry along with supporting information to Program Administrator in Accounts Payable & Travel.

B. Accounts Payable & Travel

The Accounts Payable & Travel office will serve as the Program Administrator and will be responsible for the following:

1. Upon receipt of the AS775, Prepaid Card Program User Request form, the Program Administrator will set up a user profile in Bank of America's Prepaid Administration Tool (i.e., PAT) and the Prepaid Reporting Tool systems.
2. Program Administrator will provide the Authorized User with the User ID and temporary password for the PAT system and the User ID for the Prepaid Reporting Tool system. The Authorized User will receive a direct e-mail from Bank of America with the temporary password for the Prepaid Reporting Tool system.
3. Program Administrator will reset passwords in the PAT system upon requests.
4. Program Administrator will inform the Authorized User when the prepaid debit cards are received in Accounts Payable & Travel for the cards to be picked up.
5. Program Administrator will give the prepaid debit cards only to the Authorized User.
6. Upon notification of the total card load request, Program Administrator will initiate the Ad Hoc Bank Transaction to transfer the funds into the Bank of America account.

The Ad Hoc Bank Transaction accounting should be as follows:

- Debit Ledger Account 2035 (Due to BOA/Prepaid Card Program)
- Credit Cash

7. Program Administrator will inform the Authorized User when the funds are available in the Bank of America account to expedite the card load request.
8. Program Administrator will conduct a monthly reconciliation of the Ledger Account 2035 (Due to BOA/Prepaid Card Program).
9. Program Administrator will account for and approve the statement for the card fee charges.

Instant Issue Card

- A. Requesting department may also request to have instant issue cards on hand to assign to new participants for emergency purposes.
- B. Instant Issue cards will serve as the original prepaid debit card issued to the participant. A replacement card will not be provided unless the card is lost or stolen.

- C. Fees are not assessed for the cards until the instant issue card has been assigned to the participant using the Bank of America Prepaid Administration Tool (i.e., PAT).

Reporting

Reports are available via Bank of America's Prepaid Reporting Tool for the Authorized User to obtain card balance information.