

## UMB Annual Conference: Meeting Recap and Minutes

### **1) Policy Updates**

The purpose of the annual P-Card meeting was to announce policy changes, portal changes, and efficiencies that will be implemented by the State Auditor's Office or UMB in the near future. UMB was able to provide Wyoming specific spending information and fraud data, and a general update on fraud trends in the banking industry as it relates to commercial cards. UMB also provided a demo of best practices for managing p-card programs.

#### *a) Travel Expenditures*

Effective January 1, 2023 all travel related items and non-travel related items can be purchased on the same card. Separate spending strategies or a phantom card will not be required to book flights, hotel reservations, or other expenditures specifically for travel. This means no more switching a card between a travel strategy and a goods or services strategy when you need to buy a box of pens and book a flight. You can now make all these purchases on the same card assigned to the same spending strategy. This policy update is reflected in the new P-Card Policy which is attached and will be published in January.

During the meeting, there was a discussion regarding meal allowances, specifically M&IE (meals and incidental expenses) and reimbursement for actual meal expenses. We would encourage all agencies to review Wyoming Statute 9-3-102 to ensure your agency is complying with law.

#### *b) UMB Portal Changes*

The UMB site, UMB Administration Suite (UMBCC), will be updated at the end of March, 2023. Once updated all existing 27 unique spending strategies available to agencies will be suspended. Because these 27 spending strategies are dependent on a per transaction limit they will no longer be needed. The per transaction limit will be able to be set by the coordinator as a separate field in UMBCC. The UMBCC update eliminates the need to keep a rolling list of strategies that also control that detail.

#### *c) Spending Strategy Cleanup*

Now that travel and regular goods and services can be purchased on the same plastic or phantom card, and since per transaction limits are no longer needed on spending strategies, the state will have access to only 3 spending strategies going forward in March. Those 3 strategies are:

1. **Basic:** Our most commonly used strategy which allows for all common travel and stuff merchant codes.
2. **Basic +:** This strategy is a copy of Basic, however it also includes the ability to purchase food from restaurants, catering services, and other food providers.
3. **Premiere:** This temporary override strategy is a copy of Basic, with the removal of a per transaction limit altogether. (\*\*\*)the SAO will not know if this strategy will continue to be needed until the new portal is available.)

Please note, there is no change to the policy to keep separate strategies for food purchases. However, we will continue to re-evaluate this separation and make changes if needed.

## 2) Phantom Card Review

The SAO will be evaluating the use and security of phantom cards. Starting July 1, 2022, the SAO will begin pulling and reviewing data to determine if phantom card use is in line with best practices.

### *a) Lessons Learned*

Phantom cards have historically been used by the State for relatively small travel purchases and not much else. This use is not in line with UMB best practices. Phantom cards in commercial programs should be used for very large purchases (over \$50,000) because a phantom card can have an unlimited monthly spending limit whereas a plastic card can only have a \$50,000 monthly spending limit. As an example, in other jurisdictions, phantom cards are used by large hospitals to buy very expensive equipment for millions of dollars at a time. Booking one or two flights at a time may not be a good use of phantom cards, but understand this practice developed because of past restrictions prohibiting travel expenditures on plastic cards. Folks who book travel for large groups of employees could be doing so on a plastic card so that the phantom card number remains unwritten on any form of paper or in any e-file. As a reminder, a phantom card number should never be written on notecards, post-its, or sent in emails. Phantom card details should only be accessed in UMBC when making a purchase. We ask that agencies review their phantom cards and identify whether or not they can switch to plastic cards or outright close a phantom card over the next 6 months.

## 3) UMB Will Switch to a New Card Processor

Card processor changes are coming to UMBCC. UMB has announced a switch to a card processor that is more compatible with commercial card programs. This will start to impact agencies in March 2023.

*a) Max Purchase Amounts Go Away*

These card processor changes include removing the limit of a per transaction max of \$99,999.99. This means that if an agency has to purchase an item for \$220,000 they no longer have to split the transaction into three smaller ones under the \$99,999.99 limit.

*b) Commercial Card Center Sunsets in March*

The commercial card center login for cardholders will be discontinued after March 26. This is the site set up by Visa and listed on the back of older plastic cards. This is also the login and administration site that cardholders have been using to get electronic copies of their statements for over 14 years. The site will be replaced with an additional website and that information will be shared with coordinators as soon as it is available. We ask that agencies start letting their cardholders know now that this online site will be discontinued and a new website will be available.

*c) New and Better Fields in the Portal*

The change to a new processor will allow the coordinator to better manage the details of their accounts in their program. You'll be able to set cardholders for international spending, change per transaction limits, and add email addresses and mobile numbers to better prevent unnecessary suspensions on cardholders. It will also include other information on the home page and improvements to internal features. Those details are not complete yet and we will share information as we get it. There will be a webinar when the website refresh is closer and UMB will train coordinators on UMBCC navigation.

#### **4) Fraud Update and Trends**

Finally, fraud data was available and presented to coordinators. Up to September 2022, the State of Wyoming had about \$66,000 worth of fraud reported on a total of \$16,800,000 in total spending. This is a very small percentage and UMB is encouraged by the work we do to prevent fraud. However, our 2022 fraud is the highest it has been since 2017, so please stay diligent and encourage cardholders to protect their information, not fall for phishing scams, and to never ever share their account details (including

phantom numbers) with any individual or employees. We also have not had any fraud due to lost or stolen credit cards in both 2021 or 2022.

Good job cardholders!

More fraud data can be found on the UMB presentation slides and if you would like specific details for your agency, please reach out to SAO.