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Title: Purchasing Card Policy

Statement:

The Purchasing Card (P-Card) is a tool designed to complement The University Corporation's (TUC) purchasing and payables process and is used to make purchases for goods required to conduct TUC's official business. This card can also be used for conference registration, hotel (lodging), airfare, and rental car services. Airfare may be purchased through travel agencies, direct from airlines and on the internet. The card also allows users to obtain certain items faster and easier. Issuance of a P-Card is a privilege and every reasonable effort must be made to ensure that funds are used responsibly and in a manner consistent with TUC's and the University's mission, applicable laws and ethical practices. The card CANNOT be used for personal expenditures or for campus related purchases.

AUTHORIZED USE and RESTRICTIONS

The card is allowed for TUC general fund, commercial operations, grants and contracts and sponsored programs. The card CANNOT be used for campus programs or operations. The cardholder will be responsible for maintaining documentation on every purchase made using the card. Purchases must be made in accordance with established TUC and University policies for expenses associated with official business that directly benefit TUC and the University. NO PURCHASES OF A PERSONAL NATURE MAY BE MADE USING THE P-CARD. Any such purchases must be immediately reimbursed to TUC by the Cardholder and may result in the revocation of card privileges.

1. Prohibited Purchases/Transactions

The P-Card may not be used for the following:
-All services including independent contractors
-Cash advances, money orders, wire transfers, or any other cash equivalent items;
-Public relations;
-Personal purchases (including personal expenses when on a business trip);
-Narcotics/Controlled Substances;
-Raffle or Prizes;
-Furniture (including any room design or installation service)
-Fines, late fees, penalties, interest and finance charges;

-Splitting purchases to circumvent the transaction limits (Note: A split purchase is defined as one item, or set of two items sold as a set, that has been split by the merchant to look like two separate purchases);
-Purchases which result in a conflict of interest for the user, resulting in personal gain, or which violate TUC or CSU policies or procedures;
-Purchases restricted by the Grant, Contract or Sponsored Program.
-All travel expenses paid with a P-Card must be supported by the receipt and documentation that explicitly states the purpose of the travel.

2. Travel
All travel expenses paid with a P-Card must be supported by:
-The receipt **and**
-Documentation that explicitly states the purpose of the travel

3. Fixed Asset Property and Equipment
TUC accounting office maintains a record of all fixed assets. Within Sponsored Programs, all equipment which has a value of $5,000 or more and service life of over one year should be tagged with a bar code assigned by the TUC accounting office or Sponsored Program department/CSUN Receiving. TUC assets will be inventoried bi-annually. Departments are required to confirm the existence of each tagged item or to state its new location.

4. Purchase of gift cards and equipment $5,000 or more in value
Pre-approval from RSP liaison and Managing Director of Sponsored Programs is required before the purchase. If the cardholder is failed to obtain a pre-approval, the After-the-Fact approval is required to be completed with justification.

5. Conflict of Interest
-Cardholders are delegated limited purchasing authority on behalf of TUC and, as such, have the responsibility to ensure that purchases made on their P-Card do not fall within the definitions of a conflict of interest. "Conflict of Interest" is defined as follows: "No public employee at any level of state or local government shall make, participate in making, or in any way attempt to use his/her official position to influence a governmental (CSU) decision in which he/she knows, or has reason to know, that he/she has a financial interest."
-Gifts, gratuities, rebates (not issued in the name of TUC), kickbacks, rewards, points/credits, or other incentives provided to a cardholder which influence or appear to influence the decision to make a purchase from a vendor is considered a conflict of interest purchase. Conflict of interest purchases may subject the cardholder to suspension or revocation of the P-Card and will result in the reporting of the conflict of interest violation to management for review.

AREA OF RESPONSIBILITY

1. Cardholder Responsibilities

Cardholders must ensure that the P-Card is used in accordance with the Purchasing Card Policies and Procedures, and must ensure that all purchases are in compliance with TUC's overall policies and procedures. It is the cardholder's responsibility to ensure that they are not purchasing items from debarred or suspended vendors. Sam.gov provides a single comprehensive list of individuals and entities excluded from receiving federal contracts or federally approved subcontracts and from certain types of federal financial and nonfinancial assistance and benefits.

2. Card Security

P-Cards must always be stored in a secure place. Cardholders must ensure the appropriate use of the P-Card. The P-Card may be used only by the approved cardholder. Use by anyone other than the cardholder is prohibited as the card is NOT transferable.

3. Lost or Stolen Cards

You are responsible for the security of your card and any purchases made on your account. If you believe you have lost your card or that it has been stolen, immediately report this information to US Bank 24-Hour Cardholder Customer Support at 800-344-5696 (701-461-2042 collect). Immediately after reporting to US Bank you must inform TUC's accounting office. **In order to avoid company liability for fraudulent transactions, it is extremely important to act promptly in the event of a lost or stolen card.** As with a personal charge card, you will no longer be able to use the account number after notifying US Bank. A new card should be issued within 48 hours of notice to US Bank.

4. Reconciliation

At the end of the statement period, the cardholder will be notified via email that is time to review the card statement. The cardholder will access the US Bank Access Online tool via the Internet to review the statement. The statement will reflect the transaction date, posting date, supplier/merchant name and the total amount of the purchase. Cardholders are responsible for the following:

-Retaining all receipts for items purchased under the program

-Ensuring all transactions posted are legitimate purchases made by the cardholder on behalf of TUC.

Supporting Documents and Receipt Retention:

It is a requirement of the program that the cardholder will keep all receipts for good and services purchased. For orders placed via phone, fax, mail, or online, the cardholder must request that a receipt, detailing merchandise price, sales/use tax, freight, etc., be included with the goods mailed/shipped. (*Note:* a merchant should not request this request as it is a Visa policy).

Reconciling Purchases:

It is the cardholders' responsibility, immediately upon receipt of statement, to:

(1) Check the statement to ensure all the transactions posted are legitimate transactions;

(2) Attach all receipts you retained during the billing cycle to the back of the statement in the order that they appear on the statement.
(3) Send your reconciled statement with attached receipts to your manager for review and approval. Please make copies for your records.
(4) Your manager reviews, approves and forwards the statement to the TUC accounting department where it is retained for audit purposes.

Other functions such as adding descriptions, reallocating expenses or changing Chatfield values may be preformed at this time. After the cycle close, cardholders have the ability to reallocate transactions to one or multiple Chatfield strings-including the option of splitting individual transactions by specific dollar or percent of transaction amounts. Please refer to the Access Online Transaction Management user guide and web-based training for more information.

A payment of a central invoice is made immediately by accounts payable but your purchase activity may be audited at any time.

5. DISPUTED OR FRAUDULENT CHARGES

You may find items on your statement that do not match your receipts. The amount may be incorrect, you may have service issues or perhaps you did not make the purchase at all. The first step is to contact the merchant and try to resolve the error. If the merchant agrees an error has been made, they can simply credit your account.

If the merchant does not agree an error has been made, contact US Bank Customer Service (800)-344-5696 and them you want to dispute a charge on your card. You can also file disputes online using Access Online. US Bank must be notified of disputed charges within 60 days of the statement issuing date.

BILLING CYCLE

The billing cycle generally runs from the 19th to the 18th of the following month. At the end of each cycle the cardholder will receive a reminder he/she needs to reconcile the P-Card within four calendar days. This should be done via Access Online.

The cardholder must review all expenses for accuracy and reconcile them to vendor receipts/invoices. The cardholder is responsible for reviewing each transaction and assigning the appropriate chart field codes and the appropriate description for the purchase for each transaction. The cardholder is responsible for contacting US Bank regarding questionable or disputed items. The cardholder must approve all transactions and once approved or disputed must forward a print out of the monthly statement will all receipts attached to the approving official responsible for final approval of your transactions.

The entire packet is due to TUC accounting offices by the fourth (4th) calendar day after the cycle closes (for the prior month's transactions).

APPROVING OFFICIAL RESPONSIBILITIES

The approving official is the administrator who supervises the cardholder or has been delegated the authority to certify that the purchases made by the cardholder are appropriate. The approving official is responsible for the following:

1. Review and approve all charges;
2. Ensure that all purchases are appropriate;
3. Endure that no prohibited items have been purchased;
4. Ensure that proper documentation is attached to the monthly statement;
5. Certify that all purchases are to be, or have been, used to benefit the University;
6. Sign the monthly statement and forward the packet, with attached documents, to TUC, MD8309.

PURCHASING CARD POLICY VIOLATIONS

Pursuant to EO No. 760, the Accounting Supervisor is responsible for conducting post-audits to ensure compliance with P-Card policies and procedures. Failure to comply with P-Card policies may result in suspension or revocation of the P-Card.

PURCHASING CARD PROCESSES

New cardholders must complete an application and submit it, with the appropriate signatures, to the TUC accounting office, MD 8309. Incomplete applications will delay processing of the application. The Accounts Payable Technician will notify cardholders once their card is received. Upon receipt of the card, cardholders must activate their card prior to use.

1. Change in Cardholder Position

When a cardholder leaves the position, the Purchasing Card must be surrendered to the TUC Accounting office or Human Resources. All account activity must be cleared and reconciled. If a cardholder transfers to another department, the TUC accounting office must be notified in writing.

2. Spending Limits

Monthly spending limits are set at the time of card issuance. The monthly limit may be changed by an email from the supervisor explaining the reason for the change. Such email must include the requested monthly limit amount and must state whether the change is permanent or temporary. Any request of increasing credit limit to $15,000 or over, must be approved by the CFO or Managing Director of Sponsored Programs.

3. Card Changes/Updates

A change to the Cardholder's last name or telephone number may be requested by an email from the Approving Official or by submitting a Revision Request Form signed by the Approving Official. To change an Approving Official, a signed memo by the new Approving Official and the Dean, Chair or MAR must be submitted to the TUC Accounting Office.

A P-Card may be cancelled by an email request sent from the Approving Official. The cancelled P-Card must be sent to the TUC Accounting Office to be destroyed. A Revision Request Form may also be submitted along with the destroyed P-Card. The Approving Official is responsible for ensuring that all documents are submitted to the TUC Accounting Office.