

Procurement Card Program Policies & Procedures

General Information Overview of Program

The Tower Foundation ProCard program has been implemented to provide easy and expeditious method for campus departments to make low dollar purchases. Cards are issued in the name of the individual (Cardholder) whose purchases are reviewed and authorized by their Approving Official.

The Cardholder is the only one authorized to make a purchase with the ProCard. Approving Official must be an authorized signer on the Tower account.

Purchases made with the ProCard are billed to Approving Official's Tower account. Each Cardholder and Approving Official must verify that the charges on the statement are valid and that the goods have been received. Such charges must be supported with itemized receipts for each transaction on the statement.

Cards will be renewed automatically unless the individual Cardholder's privileges have been terminated. Tower Foundation's ProCard vendor is US Bank.

Ethics

Cardholders and their Approving Officials have been granted limited authorization to purchase on behalf of San José State University.

Tower Foundation has implemented internal controls as regulated by the Chancellor's Office that mitigate procurement abuses, comply with CSU policy, ensure observance of good business practices, and provide appropriate checks and balances.

As a ProCard cardholder, you are responsible for ensuring all your purchasing transactions are in compliance with applicable laws, including conflict of interest laws and any potential impact your purchase may have on personal financial interests.

All ProCard cardholders and Approving Officials are responsible for conducting business in an ethical manner:

- Personal gifts or gratuities from vendors will be politely and firmly declined.
- Avoid involvement in any transactions/activity that could be considered to be a conflict between personal interests and the interests of the CSU.

Credit Card Controls

Maximum dollar amount per transaction

For each Cardholder within his/her area of responsibility, the Approving Official will determine the maximum dollar amount per transaction allowed for the individual Cardholder. The maximum cannot exceed Cardholder's maximum for the billing cycle and such maximum includes shipping, handling, and freight. Should a transaction exceed the allowed maximum for the Cardholder, it will be denied when the merchant processes the charge. Splitting of purchases to circumvent this limit is not allowed.

Maximum dollar amount per monthly billing cycle

For each Cardholder within his/her area of responsibility, the Approving Official will determine the maximum dollar level allowed for charges per month (not to exceed \$5,000 without the approval by Tower's Chief

Operating Officer). Should a purchase be attempted that would put the Cardholder over the established limit, it will be denied when the merchant processes the charge.

Merchants from whom purchases cannot be made

The card is **restricted** from use by certain merchant types such as jewelry shop and pawn shop. Exceptions can be made to this policy on a case by case basis. Please contact the Tower COO for assistance.

What Can't be Purchased with the Card

Purchases with the card must be made from merchants who accept Visa. Allowable purchases include most items that have been acceptable via Petty Cash and Direct Pay. Cardholders are **prohibited** from using the ProCard for the following types of transactions:

- **All payments to individuals for services**
- Gift cards unless pre-approval is obtained from Tower ProCard Coordinator
- Cash advances
- Fans, heaters, air conditioners
- Firearms
- Gasoline or tolls
- Items for personal use
- Narcotics or other controlled substances
- Splitting of purchases to circumvent the per transaction limit

Key Contacts

ProCard Bank

US Bank (800) 344-5696 <https://access.usbank.com>

ProCard Program Coordinator

My Tran (408) 924-1129 myphuong.tran@sjsu.edu

- Report lost or stolen card
- Report/dispute questionable charges
- Apply for, terminate, replace, or make changes to a card
- Clarify policy
- Submit receipts and accounting information for review

Sales Receipt Requirements

Regardless of the method used for obtaining goods, the Cardholder should obtain an itemized receipt.

Should a receipt be lost, the Cardholder must attempt to obtain a duplicate copy from the merchant. If the Cardholder is unsuccessful in securing a copy, he/she must document the reason. If there is a recurring problem with lost receipts, Tower ProCard privileges may be revoked.

Receipts are to be forwarded to the ProCard Coordinator by the 10th of each month once the Cardholder and Approving Official have completed the reconciliation process. All receipts must be attached to an 8.5 x 11 piece of paper and submitted along with the ProCard statement, which must be approved by the Approving Official.

Cardholder Responsibilities

- Reconcile monthly statements with receipts and deliver to Approving Official for approval
- Submission of receipts and reconciled and approved monthly statement to Tower by the 10th of each month
- Immediately report lost or stolen cards to the credit card company, ProCard Program Coordinator

and Approving Official

- Return the card to the ProCard Program Coordinator before leaving the University or when there is no longer a need for the card

Approving Official Responsibilities

- Review charges for appropriateness of expense(s)
- Notify ProCard Program Coordinator whenever a Cardholder leaves the University
- Submit signed ProCard statements and receipts before the 10th of each month
- Use of card is restricted to Cardholder only
- Keep card and card number secure

Procedures

Individual Cardholder card privileges may be revoked and/or face for the following reasons including and not limited to:

- Splitting of orders to circumvent transaction limits
- Failure to comply with ProCard program procedures defined in this manual
- Excessive instances of lost receipts/invoices
- Loaning the ProCard out for others to use
- Purchasing of restricted items

Bank Statement Reconciliation Billing Cycle

The billing cycle of the US Bank Visa ProCard is from the 26th of the first month to the 25th of the next month (depending on calendar work days). E-statements are available through US Bank's online service.

Reconciliation by Cardholder

Around the 25th of each month an email notice is sent to all cardholders indicating that charges for the previous month are available for reconciliation. Each cardholder or their designee will reconcile their account by the 10th of the month. If the procurement card reconciliation is not submitted timely and with appropriate receipts, the credit limit for the cardholder will be reset to \$1 until the required documentation is received.

If an item is billed incorrectly or is questionable (e.g., purchases which the cardholder does not believe he/she made), the cardholder must contact US Bank and ProCard Program Coordinator within 14 days of statement date.

Reconciliation by Approving Official

The Approving Official must:

- Review the monthly charges made by the Cardholders to make sure they are appropriate and that prohibited items were not purchased.
- Sign and forward the statement and receipts to the ProCard Program Coordinator by the 10th of each month.