

Procurement Card Program Policy and Procedure

Overview of Program

The Tower Foundation Procurement (P-Card) 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 P-Card. Approving Official must be an authorized signer on the Tower account.

Purchases made with the P-Card 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 should 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 P-Card 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 policies, ensure observance of good business practices, and provide appropriate checks and balances.

As a 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 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.

Spending Limits

Tower Foundation P-Card Program Coordinator will determine the monthly credit limit of the Cardholder. Any request for credit limit above \$5,000 will require the approval of Tower's Chief Operating Officer.

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 P-Card Program Coordinator for assistance.

Prohibited Items

Purchases with the card must be made from merchants who accept Visa. Cardholders are **prohibited** from using the P-Card for the following types of transactions:

- **All payments to individuals for services e.g. repairs, rental**
- Gift cards unless pre-approval is obtained from Tower P-Card Coordinator
- Cash advances
- Prohibited expenses as described in Tower Hospitality Guidelines
- Unreimbursed expenses as described in Tower Travel Policy
- Software, Information Technology (IT) product and/or IT services unless pre-approval is obtained from campus Information Security Officer and/or ATI (Accessible Technology Initiative)
- Fans, heaters, air conditioners
- Firearms
- Gasoline or tolls
- Items for personal use
- Narcotics or other controlled substances

P-Card Reconciliation and Remittance

The billing cycle of the US Bank P-Card is from the 26th of the first month to the 25th of the next month (may vary based on holidays).

Around the 25th of each month, an email notice will be sent to all Cardholders indicating the statement is available to download from the US Bank website at <https://access.usbank.com>

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 within 14 days of statement date.

If the reconciled and signed statement with appropriate receipts and/or supporting documentation is not received by the 10th of each month, **the credit limit for the Cardholder will be reset to \$1 until the required documentation is received.**

Cardholder Responsibilities

- Keep card and card number secure
- Comply with Tower P-Card Program policy and procedure
- Cardholder is prohibited from loaning the P-Card out for others to use
- Reconcile the statement with receipts/invoices and sign the statement
- Deliver the reconciled statement and receipts/invoices to Approving Official for approval
- Submission of reconciled and approved monthly statement with appropriate receipts and/or supporting documentation to Tower Foundation by the 10th of each month
- Immediately report lost or stolen cards to US Bank, Tower P-Card Program Coordinator, and Approving Official
- Return the card to the Tower P-Card Program Coordinator before leaving the university or when there is no longer a need for the card

Approving Official Responsibilities

- Review the monthly charges made by the Cardholder to ensure they are appropriate and that prohibited items were not purchased
- Approve the charges by signing the P-Card statement
- Ensure the Cardholder submit the reconciled, signed statement, receipts and/or supporting documentation to Tower by the 10th of each month
- Notify Tower P-Card Program Coordinator whenever a Cardholder leaves the university or when there is no longer a need for the card

Suspension and Termination of Card

Cardholder privileges may be revoked for the following reasons:

- Late or incomplete submission of statement with receipts and/or supporting documentation
- Excessive instances of lost receipts/invoices
- Excessive instances of missing supporting documentation e.g. travel approval
- Purchase of prohibited items

A notification will be sent to the Cardholder and Approving Official. After the third notification, the Cardholder's privileges will be reviewed for termination.

Key Contacts

P-Card Bank

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

- Report lost or stolen card
- Report or dispute questionable/fraudulent charges
- Enroll in E-statements
- Access account information 24/7

Tower P-Card Program Coordinator

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

- Report lost or stolen card
- Apply for, terminate, replace, or make changes to a card
- Clarify policy
- Review decline reasons/codes