![SDSU San Diego State University]

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Approved by:	**Beth Warrem, University Controller**

SDSU CREDIT CARD PROGRAMS

The SDSU Non-PO Procure to Pay Policy outlines what types of payments should be made using SDSU Credit Cards. SDSU offers two credit card programs to the campus, the Corporate Travel Card (CTC) program for travel related expenses and the Procurement Credit Card (PCC) program for small dollar purchases.

SDSU utilizes the Procurement Credit Card (PCC) to reduce the traditional paper and labor-intensive procurement process for low-dollar, low-risk purchases. With the ease of a widely accepted US Bank VISA credit card, SDSU employees may make walk-in purchases, place telephone and online orders, and receive and confirm purchases.

The Corporate Travel Card (CTC) is intended for University business-related expenses such as transportation, lodging, conference registrations fees and incidentals. Its purpose is to provide the traveler a convenient payment method to make travel arrangements and to reduce the out-of-pocket expenditures made on behalf of the University. The card must never be used for personal expenses or travel related meals.

This document provides guidance specifically for the Credit Card Programs, and how to obtain, use and reconcile credit card charges.

AREAS OF RESPONSIBILITY

CONFLICT OF INTEREST

In accordance with The Political Reform Act of 1974, University employees who "are deemed to make or participate in decisions which may foreseeably have a material effect on a financial interest" of their own, must file financial disclosures indicating their interests which might fall within the conflict of interest category. Each cardholder must sign the Acknowledgement and Responsibility Form upon receipt of their credit card.

US BANK VISA

US Bank VISA is the contractor who issues the credit card(s). The contractor mails all cards to Accounts Payable for distribution. Cardholders will receive their card(s) from Accounts Payable. Accounts Payable will advise cardholders when their card(s) are available.

BUSINESS AND FINANCIAL AFFAIRS

Accounts Payable administers the credit card programs and is responsible for training, coordinating, reporting, and evaluating all aspects of the program. Accounts Payable is responsible for the auditing of expense reports in Oracle iExpense, monitoring the credit card transactions for appropriate use and issuing payment to US Bank. Contract and Procurement Management in conjunction with Accounting Services monitors the PCC Program for reporting requirements.

CARDHOLDER'S MANAGER/SUPERVISOR

The Supervisor is responsible for:

- Customized card coding for limits
- Ensuring cardholder fulfills responsibilities
- Retrieval of credit card(s) from Cardholders who are separating from department
- Initiation of replacement process for card(s) and new users
- The reconciliation of final credit card purchases if the cardholder separates from SDSU before submitting any final expense report in iExpense.

Departments may, at their option, establish "customized" monthly and per transaction limits based on their business needs and department budgets. On occasion, the University Controller and Director of Contracts and Procurement Management may authorize a temporary transaction limit increase, where circumstances warrant (see below). Purchases must be appropriate for the business function of the department. It is important to note that the cardholder should be using the card within their authorized limits and should only request a temporary increase when a true urgent unforeseen circumstance arises.

CARDHOLDER

Cardholders must complete a training class and sign an acknowledgement form prior to receiving their credit card(s). Cardholder's signature acknowledges receipt of the credit card and acceptance of the responsibility and authority being delegated to the Cardholder for its proper use. Cardholders must be an employee of San Diego State University and authorized to expend from the accounts to which the credit card is charged.

The Cardholder is the sole authorized user of the card and is responsible for:

- Security of the credit card - Replacement procedures are detailed on page 5 of this policy
- Appropriate use of the credit card(s) based on the program and this policy
- Compliance with Contracts and Procurement Management policies for purchase of goods and services
- Verification that credit limits are adequate to cover purchases
- Ensuring duplicate payments do not occur
- Coding each transaction in Oracle iExpense by submitting an expense report within 30 days of the *Posting Date* of the transaction; cardholders are encouraged to submit more often to have the charges reflected in the G/L sooner and a more accurate reflection of the department budget
- Attaching required documentation to the expense report, such as itemized receipts, hospitality forms, rosters, maps etc.
- Provision of accurate delivery information to supplier for PCC purchases
- Resolution of returns/exchanges/refunds with merchants
- Disputed transactions must be reported to US Bank's within 60 days of purchase
- Resolution of disputes directly with US Bank
- Maintain records of warranty work paid for by the PCC
- Use of Small Business, Disabled Veteran Business Enterprises (S/DVBE) and recycled products

FAH APPROVER

The FAH Approver is responsible for:

- Review and approval of all charges

- Ensuring that all purchases are appropriate, no prohibited items have been purchased
- Verification that all proper documentation is attached to the expense report in Oracle iExpense
- Confirmation of available funds
- Ensuring cardholder fulfills responsibilities
- Verification goods purchased on the PCC were received on campus
- Approval of cardholders purchases in Oracle iExpense or through the email notification

TRANSACTION RECONCILIATION PROCEDURES

CARDHOLDER

1) Obtain Commodity Using PCC

a) The Cardholder may go to the place of business *(have a T2 on file in your office if seeking reimbursement or leaving San Diego County)* and obtain the commodity or place order by phone/fax, online or by mail. Cardholder will advise supplier not to charge PCC until material is shipped. Cardholder will require the supplier to itemize the receipt/invoice or packing slip with the following information for commodity purchases:

     i) Description of commodities purchased
     ii) Quantity purchased
     iii) Price per item
     iv) Amount of sales tax and total amount
     v) Shipping charges, if applicable
     vi) Electronic Waste Recycling fee – EWRF – (if applicable)

b) Commodity orders to be shipped require the following SHIP TO ADDRESS format:

     Receiving Dept PCC
     San Diego State University
     Attn (Fill in Name, Building, Room)
     5555 Canyon Crest Dr.
     San Diego, CA 92182
     (Note: Any missing ship to address information will result in the item being returned to the supplier and payment disputed.)

2) Obtain Service Using PCC or CTC

a) Purchase allowable services as outlined in the SDSU Non-PO Procure to Pay Policy.

b) Whether the purchase transaction is made by phone/fax, online, by mail or in person, the Cardholder shall require the supplier to itemize the receipt or invoice. If the receipt or invoice is not itemized, the Cardholder must write in required information for each line item.

If the Cardholder has lost receipts/invoices, please call the supplier to obtain a duplicate receipt. If a duplicate copy cannot be obtained from the supplier, the Cardholder, with prior approval from Accounts Payable must fill out the AP Exception form for lost/missing receipt and attach it to the expense report in Oracle iExpense. Use the AP Exception form to advise of attempts to receive a duplicate copy of the receipt. If there are excessive instances of lost receipts/invoices, the credit card will be revoked.

3) **Reconcile Transactions in Oracle iExpense**

Within 30 days of the Posting Date of the transaction Cardholders are required to code each transaction in Oracle iExpense by creating an expense report. Accounts Payable will send weekly reminders to Cardholders with "Unused" transactions in Oracle iExpense to code and use on an Expense Report.

Note: ALL credit card expense claims are to be submitted for approval within 30 days from the posting date of the transaction; cardholders are encouraged to submit expense reports more frequently to have transactions reflected in the G/L as quickly as possible and a more accurate reflection of the department budget. Any "Unused" transactions exceeding 45+ days from the posting date of the transaction will result in the card being temporarily suspended until all outstanding transactions are used on an expense report.

a) Cardholder reviews transactions in Oracle iExpense for accuracy.

b) Cardholder is responsible for attaching to the expense report in Oracle iExpense the corresponding itemized receipts/invoices in order as listed on the expense report. This includes a receipt for credit/returns/refunds.

c) If an item is billed incorrectly, the Cardholder must write "In dispute" in the comments section of the expense report, in addition to disputing the charge with US Bank by calling customer service 1-800-344- 5696.

d) If out-of-state suppliers do not charge sales tax for a purchase made on the PCC, the University is responsible for paying it. Accounts Payable will remit this amount directly to the State Board of Equalization.

FAH APPROVER

When notified of an expense report routed to them for approval, the FAH approver must:

1) Review charges in Oracle iExpense to ensure that purchases are appropriate, by verifying
   a) Goods or services were purchased for an appropriate business purpose
   b) Purchases are in compliance with the Credit Card Policy and Contract and Procurement Management requirements
   c) Verification goods purchased on the PCC were received on campus
   d) Ensure the transaction was coded properly
2) Approve each Cardholder expense report in Oracle.

ACCOUNTS PAYABLE

Once expense reports are created by the cardholder and approved by the FAH approver, it routes to Accounts Payable queue for auditing.

1) Review each transaction for compliance with the Credit Card Policy and/or the Travel Policy.

2) Seek exception forms when policy violations are identified.

3) Complete the audit process in a timely manner to ensure transactions hit the GL as quickly as possible and that the department has a more accurate reflection of their budget.

CREDIT CARD MAINTENANCE

ORDERING CREDIT CARDS

It is the Department's responsibility to initiate ordering credit cards.

1) Ordering Credit Cards - The following steps must be taken:

   a) Department will complete the Request For Participation form in the Adobesign Library workflow section.

   b) Accounts Payable will process the Request For Participation form and request the credit card(s) from US Bank.

   c) Accounts Payable will notify the Cardholder when the credit card(s) is available and set up training with the Cardholder (approximately 45 minutes) prior to release of card. All cardholders are required to complete the following, prior to the credit card being released:

      i) Sign the Acknowledgement and Responsibility form provided by Accounts Payable

      ii) Credit Card Orientation and iExpense Training

2) **Changes to credit card(s)** - Any permanent changes to the credit card – a new [Request for Participation](#) form must be filled out stating the changes such as: new Supervisor, credit limits, Oracle account string, etc.

REPLACING CREDIT CARDS

Occasionally, it may be necessary to replace cards or obtain additional cards. It will be the Department's responsibility to initiate this process. Follow the instructions below that apply:

1) Reporting Lost or Stolen Credit Cards - The following steps must be taken immediately.

   a) Cardholder contacts US Bank Customer Service at 800-344-5696.

   b) Cardholder *immediately* notifies Accounts Payable by phone at 619-594-2915, with a follow up email to apcards@sdsu.edu.

   c) Accounts Payable contacts the bank to obtain a replacement card. US Bank will mail replacement card to Accounts Payable within 5-10 business days of notification.

   d) Accounts Payable will notify the Cardholder when replacement card is available.

2) Replacement of Worn Out/Defective Cards

   a) To replace a credit card that is worn out or defective, Accounts Payable should be notified via email at apcards@sdsu.edu by the Cardholder.

   b) The worn/defective credit card must be hand carried to Accounts Payable AD-116. DO NOT FOLD, SPINDLE, OR MUTILATE CREDIT CARD. The bank will issue a new card within 5-10 business days after receipt of email.

   c) Accounts Payable will notify Cardholder when replacement card is available.

3) Replacement Due To Employee Turnover

   a) When a Cardholder leaves the department for which he or she holds a credit card, Accounts Payable must be notified in writing. Notifications can be forwarded via email to apcards@sdsu.edu.

b) The Supervisor must contact Accounts Payable to complete documentation stating the cardholder no longer has a credit card.

c) The Department must hand carry the card to Accounts Payable, AD-116.

d) Request for Participation form must be completed for the new incoming employee.

e) US Bank will issue a card for the incoming employee after notification by Accounts Payable. Accounts Payable will notify the Cardholder when the card is available.

CREDIT LIMIT CHANGES (PERMANENT & TEMPORARY)

When a cardholder originally enrolls in a credit card program an initial monthly & per transaction credit limit is established. There are separate requirements to increase a credit limit permanently or temporarily.

Permanent Credit Limit Changes: when a cardholder needs a permanent change to their monthly or per transaction credit limit, a new Request for Participation form with all required approvals is required to be submitted to A/P.

Temporary Credit Limit Changes: when a cardholder needs a temporary change to their monthly or per transaction credit limit the cardholder will need to contact US Bank Customer Service at 1-800- 344-5696 to identify their current available monthly credit limit and also their current per transaction limit and then complete the SDSU Credit Card Temporarily Credit Limit Increase Request form, found in the Adobesign Library.

The cardholder, cardholder's supervisor, Contracts & Procurement Director (PCC Only), University Controller and then Accounts Payable will review the items being purchased for appropriateness and approve if deemed appropriate; then an A/P tech will increase the cardholder monthly and/or per transaction limit in US Bank long enough to have the transaction post; once the transaction has posted the A/P tech will reduce the cardholder's credit limit to its original Request for Participation amount to prevent purchases on prohibited items or fraud.

MERCHANT CATEGORY CODES (MCCs)

The University has identified certain Merchant Category Codes (MCCs) that are allowed and disallowed for the various credit card programs. Suppliers can identify their MCC and therefore the supplier may be classified for a "disallowed" MCC but the items being purchased are an approved item; this will cause the transaction to be declined. In this case, the cardholder will have their transaction declined and will need to contact US Bank Customer Service at 1-800-344-5696 to identify the declined MCC and then complete the SDSU Credit Card Request for MCC to be Temporarily Opened form, found in the Adobesign Workflow.

The cardholder's supervisor, Contracts & Procurement Director (PCC Only), University Controller and then Accounts Payable will review the items being purchased for appropriateness and approve if deemed appropriate; then an A/P tech will open that MCC in US Bank long enough to have the transaction post; once the transaction has posted the A/P tech will close that MCC backup to prevent purchases on prohibited items or fraud.

DISPUTING CHARGES

The most common reasons for dispute are described below. If you have any questions regarding the appropriate dispute reason to use, please contact Accounts Payable at 619-594-2915. Regulations regarding your dispute require that you notify the bank within **60 days** of the date of the purchase by calling Customer Service at 1- 800-344-5696. Attempts should be made with the merchant to resolve the dispute before notifying the bank. Any response received after the above-mentioned time frame may result in the banks inability to assist you with your dispute.

- Unauthorized Charge - Charge was not authorized by Cardholder.
- Duplicate Processing - Cardholder has been billed more than once for the same transaction.
- Alteration of Amount - Cardholder has been billed for the wrong amount.
- Merchandise/Services not received - Cardholder has not received the merchandise/services ordered.
- Credit not Received - Merchant was to issue credit for goods returned. The credit has not posted to Cardholders account.
- Unrecognized Charge - Need invoice/receipt copy.
- Quality of Goods/Services - Cardholder has contacted the merchant to resolve dispute about the quality of goods/services and is still not satisfied.
- Other Dispute Reasons - None of the above.
- Dispute Resolved - Cardholder has resolved dispute with the merchant.