



SAN DIEGO STATE UNIVERSITY

SDSU CREDIT CARD PROGRAMS POLICY

Samara Ford

May 19, 2021

Business and Financial Affairs
Accounts Payable
May 2021 (Revised)

Beth Wirrem

Beth Wirrem (May 19, 2021 09:54 PDT)

May 19, 2021

TABLE OF CONTENTS

AVAILABLE SDSU CREDIT CARD PROGRAMS 1

LEGAL REFERENCE AND AUTHORITY 1

CONFLICT OF INTEREST 1

CORPORATE TRAVEL CARD (CTC) - GENERAL INFORMATION..... 1

AUTHORIZED CORPORATE TRAVEL CARD (CTC) CREDIT CARD PURCHASES..... 1

PROHIBITED USES OF THE CORPORATE TRAVEL CARD (CTC)..... 2

PROCUREMENT CREDIT CARD (PCC) - GENERAL INFORMATION 2

AUTHORIZED PROCUREMENT CREDIT CARD (PCC) CREDIT CARD PURCHASES 2

PROHIBITED USES OF THE PROCUREMENT CREDIT CARD (PCC)..... 3

AREAS OF RESPONSIBILITY..... 4

TRANSACTION RECONCILIATION PROCEDURES 6

CARDHOLDER..... 6

FAH APPROVER..... 7

ACCOUNTS PAYABLE 8

ORDERING CREDIT CARDS..... 9

REPLACING CREDIT CARDS..... 10

CREDIT LIMIT CHANGES (PERMANENT & TEMPORARY)..... 11

DECLINED TRANSACTIONS FOR CLOSED MERCHANT CATEGORY CODES (MCCs)..... 11

COMMON REASONS FOR DISPUTE..... 11

AVAILABLE SDSU CREDIT CARD PROGRAMS

San Diego State University (SDSU or the University) 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; please note goods and services allowed to be paid on a PCC is authorized by Contracts and Procurement Management and then the program is monitored by Accounts Payable. The purpose of these credit card programs is to provide a convenient payment method for business related travel expenses and small dollar purchases of goods and services required to conduct business on behalf of the University. These programs are also an attempt to prevent out-of-pocket expenses by faculty, staff, volunteers and students on behalf of the University.

LEGAL REFERENCE AND AUTHORITY

The CSU authority to obtain goods is granted in Public Contract Code Section 10295. Procurement authority has been delegated to the campus president by Executive Order 760 and 775.

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 card.

CORPORATE TRAVEL CARD (CTC) - GENERAL INFORMATION

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.

AUTHORIZED CORPORATE TRAVEL CARD (CTC) CREDIT CARD PURCHASES

The Corporate Travel Card may be used to make purchases for business travel services such as airfare, transportation (i.e. personal vehicle, rental vehicle, taxis etc), lodging and business related expenses (i.e. copy services, internet access etc). The [CSU Travel Policy](#) must be followed as to authorized expenses related to travel. See prohibited uses below.

PROHIBITED USES OF THE CORPORATE TRAVEL CARD (CTC)

The CTC may not be used for the following expenses:

- Cash Advances
- Goods and services that are intended to be on the Procurement Credit Card (PCC)
- Meals related to business travel; this is to ensure the daily maximum meal reimbursement limit is not exceeded
- Personal Purchases (*)

() Personal purchases made with the CTC may result in immediate cancellation of the CTC and will require repayment to the University.*

Exceptions to prohibited use (special circumstances) may be made at the discretion of the Contracts & Procurement Director and University Controller, prior to purchase. Please email the credit card team at apcards@sdsu.edu for assistance in getting this approval in advance.

PROCUREMENT CREDIT CARD (PCC) - GENERAL INFORMATION

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

The Procurement Credit Card should be the primary means to obtain authorized goods/supplies and services within the cardholders credit limit, but not to exceed \$4,999.99 per transaction. Cardholders are encouraged to use the Procurement Credit Card for low value purchases to achieve cost savings and improve processing time. If use of the PCC is not practical, existing methods such as a standard requisition may be used, please see the [Procurement and Payment Quick Reference Guide Procurement Methods](#).

AUTHORIZED PROCUREMENT CREDIT CARD (PCC) CREDIT CARD PURCHASES

Generally, most goods and supplies (including all taxes, fees and shipping charges) and the below list of services may be purchased with the PCC within the cardholder's credit limit or Direct Payment Request (DPR) form up to \$4,999.99. See prohibited uses in the following section of this policy. Please note, portable electronic storage devices purchased on the PCC must be under \$100 and CANNOT be used to store PL 1 or 2 data.

IT Software that has been approved through the TARP process, up to \$2,500, may be purchased on the PCC. Information on the TARP process can be found [here](#).

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 Contracts and Procurement Management Director may authorize a temporary transaction limit increase, where circumstances warrant; 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.

Credit Card Program

The below list of services have been deemed low risk and authorized by Contracts & Procurement Management to be paid on a PCC or Direct Payment Request form rather than on a Purchase Order if the service is non-recurring. Please note, services exceeding \$50.00 per transaction that are recurring (meaning same service occurs every month) must have a Purchase Order created.

Reminder, there is a \$4,999.99 per service transaction limit on the services listed below that are non-recurring; if one of the services listed below exceeds this amount, a PO will need to be created for payment.

1. Advertisements/Publications- one-time fee
2. Catering/Food Purchases- (Exempt from the \$4,999.99 threshold)
3. Document Shredding- (*Shred-IT USA Only*)
4. Dry Cleaning- (*Must be a business required uniform/costume, unrelated to business travel*)
5. Memberships
6. Online Trainings/Webinars
7. Party Supply Rentals- (*Raphael's Party Rentals Only*)
8. Permits/Fees- (*Considered a one-time fee for processing or a regulated/mandated fee, non-recurring*)
9. Postage/Mailing
10. Printing/Copier- (*Right of refusal from Reprographics required prior to date of printing or copying*)
11. Room/Facility Rentals- (Exempt from the \$4,999.99 threshold)
12. Shipping/Freight
13. Subscriptions- (*Ex. periodicals or streaming information for download only- No Terms & Conditions*)

PROHIBITED USES OF THE PROCUREMENT CREDIT CARD (PCC)

The PCC may **not** be used in the procurement of the following items:

- Alcoholic Beverages
- Amazon Prime memberships
- Animals (except for instructionally related purposes-lab use)
- Appliances for department use
- Cash Advances
- Cell Phones (Must contact Sandy Baker sandy.baker@verizonwireless.com)
- Computers / iPads (Unless items are purchased from Aztec Shops LTD)
- Contributions, donations
- Firearms, ammunition
- Hazardous Materials, gases (Propane is allowed up to 10 gallons)
- IT Software (Unless authorized through the TARP process to be paid w/out a PO)
- Leases, contracts, maintenance agreements; on-going in nature
- Narcotics and other controlled substances (Except for Athletics & Student Health Services)
- Personal purchases (*)
- Portable electronic devices exceeding \$100 and/or used to store PL 1 or 2 data
- Public Works (Services performed on Buildings or Land) \$500 and above. Includes:
 - (1) all work requiring prevailing wage, Department of Industrial Relations Registration (DIR #), or Contractor Licence;
 - (2) third party (non-SDSU staff) installation or assembly of furniture, cubicles, shelving, etc...;
 - (3) third party vendors (non-SDSU staff) to perform work on structures or land (digging, plumbing, electrical, construction, alteration, demolition, installation, etc...);

Credit Card Program

(4) services to perform work on buildings and property, maintenance & repair services on facilities, and fixtures (equipment, machinery, etc....); and

(5) third party vendors (non-SDSU staff) performing services that attach to or remove items from buildings, or land.

- Purchases from SDSU (Ex. Parking)
- Services (Unless included in the list of authorized services noted above)
- Settlements
- Split purchases to circumvent the dollar limitation
- Travel (including lodging, transportation, meals & incidentals)

() Personal purchases made with the PCC may result in immediate cancellation of the PCC and will require repayment to the University.*

Exceptions to prohibited use (special circumstances) may be made at the discretion of the Accounts Payable Manager. Contact Accounts Payable prior to purchase.

AREAS OF RESPONSIBILITY

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

Cardholders must complete an orientation 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 responsible for:

- Security of the credit card - Replacement procedures are detailed on page 10 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 balances are adequate to cover purchases

Credit Card Program

- Review for completeness of back up documentation
- 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
- FPPC Form 700 to Center for Human Resources- **is required yearly for FAH approvers**
- Completion of the online Conflict of Interest Training **is required yearly for FAH approvers**
- Use of Small Business, Disabled Veteran Business Enterprises (S/DVBE) and recycled products

Important: The Cardholder is the sole authorized user of the card.

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

FAH APPROVER

The FAH Approver is responsible for:

- Review and approval of all charges
- Ensuring that all purchases are appropriate and that 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

******Note: Neither the Supervisor or FAH Approver is allowed to use the card.**

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, Web or 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:
- Description of commodities purchased
 - Quantity purchased
 - Price per item
 - Amount of sales tax and total amount
 - Shipping charges, if applicable.
 - 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, BLDG, ROOM) 5555 Canyon Crest Dr. SAN DIEGO CA 92182-8530
--

(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. Subscriptions, Membership (newspaper, magazine, journal, and publications):
- The Cardholder will place the order by phone/fax, Web or mail and instruct the supplier of the proper department subscriber/membership representative mailing address. Obtain an invoice **or receipt**; otherwise, the itemized order form is acceptable documentation.
- b. Travel Service Expenses
- Cardholder is required to provide the required personal information needed to purchase airline tickets or other transportation and lodging services.

3. Credit Card Receipt/Invoice

- a. Whether the purchase transaction is made by phone/fax, Web, 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.
- b. 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 Lost Receipt Report and attach it to the expense report in Oracle iExpense. Use the “comments” section on this 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.

4. Coding Transactions in Oracle iExpense

Within 30 days of the Posting Date of the transaction Cardholders are required to code each transaction(s) 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.
- e) Cardholder must code each transaction in Oracle iExpense within 30 days of the posting date of the transaction

FAH APPROVER

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

Credit Card Program

- 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 transaction which is the FAH Approver's "electronic signature"

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.

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 [Request for Participation](#) form and forward to Accounts Payable or route through AdobeSign
 - b. Accounts Payable will process 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:**
 - 1) **Sign the Acknowledgement and Responsibility form provided by Accounts Payable**
 - 2) **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](#) 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.

DECLINED TRANSACTIONS FOR CLOSED 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 declined MCC and then contact 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.

COMMON REASONS FOR DISPUTE

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.

Credit Card Program

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