

**California State University, Northridge
University Student Union, Inc.**

Fiscal Policy

SUBJECT: Corporate Credit Card

REFERENCE: California State University, Northridge-Procurement Card Program
Title 5- 42401 and 42402, Ed. Code 89900

POLICY: The University Student Union, Inc. authorizes the issuance of corporate credit cards to members of the USU executive management team for purchases of merchandise and non-travel related services not to exceed \$2,500 for any one individual purchase (including tax and shipping). Purchases for travel-related expenses in each USU cost center may not exceed what has been authorized by the Board of Directors in the current fiscal year travel budget for those cost centers unless authorized by the Executive Director/designee through the budget modification process. Purchases can be made in person, over the telephone, or on the internet in accordance with the purchasing policy and regulations of the Union.

The University Student Union, Inc. established the use of corporate credit cards in order to make funds readily available to expedite purchases of merchandise, travel, and non-travel related expenses in accordance with the Union's purchasing policy. The card is encouraged to be used when diligent planning for procuring has been made, but the purchasing and check payment process will not be expeditious to secure the merchandise or services in a timely manner. Usage to secure travel accommodations is strongly encouraged.

PROHIBITED

TRANSACTIONS: The USU corporate credit card may not be used to procure the following items:

- Cash advances, leases, and maintenance services such as copier or software maintenance
- Personal purchases of any kind
- Alcohol, narcotics and other controlled substances
- Capitalized furniture and equipment
- Services of any contractual nature (excluding car rentals)

APPROVALS: Subordinates cannot review and approve purchases initiated by their Supervisors.

Recommended by the Finance Committee on March 9, 2005.

Approved by the University Student Union, Board of Directors on March 14, 2005.

Business Services Credit Card Procedures

- I. Program Administration
 - A. Business Services through the Accounting Manager shall administer the corporate credit card program.
 - B. The Accounting Manager is responsible for reporting, coordinating, auditing, and evaluating all aspects of the program.
 - C. The Accounting Manager is responsible for training, distributing the cards, assisting card holders, and monitoring the proper use of the corporate credit card program.
 - D. The Accounting Manager with the assistance of Accounts Payable is responsible for receiving the monthly reconciliation documentation, performing a post audit and making monthly payments to the financial institution that is used for the program.

- II. USU Cardholders
 - A. Authorized card holders will be limited to the following executive management positions:
 - Executive Director
 - Associate Director, Marketing and Programs
 - Associate Director, Operations and Services
 - Associate Director, Finance & Business Services

- III. Misuse of the Corporate Credit Card
 - A. Cardholders are to observe strict compliance with the credit card policy and procedures at all times.
 - B. In the event of intentional abuse of the USU corporate credit card policy or procedures, the card will be revoked, and the employee may be subject to disciplinary action up to and including termination of employment and/or criminal prosecution.

- IV. Area of Responsibility

CARDHOLDER

- A. The Cardholder is responsible for:
 1. Appropriate use of the USU corporate credit card.
 2. Security of the USU credit card.
 3. Compliance with USU purchasing policies and procedures.
 4. Verifying receipt of the monthly billing statement from the credit card company.
 5. Not allowing coworkers to sign the credit card draft (receipt/invoice) with either the cardholder's name or their own name because both of these practices are inappropriate, and fraudulent.
 6. Preparation of the Monthly Credit Card Purchase Report.

7. Reviewing the monthly credit card statement, attaching all receipts along with the Monthly Credit Card Purchase Report, and forwarding all materials to their supervisor for approval within three (3) working days of receipt of the credit card statement.
8. Making arrangements to ensure paperwork is submitted to their supervisor in a timely manner in the event of their absence.

SUPERVISOR OF THE CARDHOLDER

- B. The Supervisor of the cardholder is responsible for:
1. Reviewing all charges.
 2. Ensuring all purchases are appropriate.
 3. Ensuring all proper documentation is attached to the Monthly Credit Card Purchase Report.
 4. Approving the Monthly Credit Card Report and forwarding all documentation to Business Services within seven (7) working days after receipt from the cardholder.
- V. Instructions for Use of the Corporate Credit Card
- A. Responsibility
The cardholder is responsible for ensuring the credit card is used in compliance with the USU purchasing policies and procedures.
- B. Obtaining Goods
1. The cardholder uses the corporate credit card to purchase goods in person, telephone, or via the internet.
 2. The cardholder will request the vendor to itemize receipt/invoice.
An itemized receipt/invoice consists of:
 - description of items
 - quantity purchased
 - price per unit
 - sales tax amount and total amount
 - shipping/ handling charges if any
- C. Security of Corporate Credit Card
The cardholder is responsible for the security of the credit card.
- D. Monthly Credit Card Purchase Report (see attached)
Upon completing a credit card transaction, the cardholder shall immediately record the transaction on the monthly Corporate Credit Card Purchase Report including the following information:
- Purchase date
 - Receipt or Invoice number
 - Description of purchase
 - Vendor's Name
 - Purpose of purchase
 - Total amount
 - PeopleSoft chart-field string

VI. Credit Card Receipt/Invoice Requirements

A. Itemized Receipts

Cardholder shall request the vendor to itemize receipt or invoice. If the receipt or invoice is not itemized, the cardholder must write in the items purchased on a separate sheet of paper and sign the sheet.

B. Lost Receipts

If the cardholder has lost receipts and/or invoices, and a duplicate copy cannot be obtained from the vendor, the cardholder must itemize the purchase on a separate sheet of paper and attach a "Certification of Invoice to be used as the Original" sticker.

If there are excessive instances of lost receipts, the credit card will be revoked, and the employee may be subject to disciplinary action up to and including termination of employment.

VII. Actions Required Upon Receipt of Credit Card Statements

A. Statement Review & Reconciliation

The Cardholder reviews the statement for accuracy, reconciles the credit card statement with the Monthly Credit Card Purchase Report, and attaches the vendor receipts/invoices/packing slips. The receipts/invoices/packing slips must be listed in the same order they appear on the credit card statement.

B. Incorrect Charges

If an item is billed incorrectly, the cardholder must cross the transaction off the statement and must provide a complete written explanation. The cardholder is responsible for contacting the credit card company on questionable or disputed items that appear as a transaction on the credit card statement within three (3) business days after receipt of the statement.

C. Submission of Statement for Approval

Within three (3) working days from the receipt of the statement, the cardholder is to attach receipts and/or invoices to the Monthly Credit Card Purchase Report and all other appropriate documentation to the credit card statement, sign the Monthly Credit Card Purchase Report, and forward the originals of all documents to his/her supervisor for review and signature.

VIII. Fiscal Year-End Accrual Requirements

A. Reports submitted by Cardholder

Upon receipt of the June credit card statement by the cardholder, two separate Monthly Credit Card Purchase Reports must be submitted to the cardholder's supervisor.

1. The first will include all purchases listed on the June statement.
2. The second will include all purchases made through June 30th that have not yet appeared on the statement.

The total amount listed on the second report will then be the accrual for the fiscal year ending June 30th.

IX. Procedures for the Credit Cardholder's Supervisor

A. Reconcile Credit Card Statements

Within seven (7) working days after receipt of the cardholder's statement and documentation, the supervisor of the cardholder will be responsible for the following:

1. Comparing the documentation received from the cardholder to the credit card statement for accuracy.
2. Reviewing charges to ensure that the purchases are appropriate.
3. Reviewing the Monthly Credit Card Purchase Report to verify all invoices/receipts are included.
4. Approving, signing, and dating the Monthly Credit Card Purchase Report prepared by the cardholder.
5. Submitting the approved Monthly Credit Card Purchase Report, statement, and invoices/receipts to Business Services for processing.

X. Use of Personal Credit Cards

- A. Personal credit cards may not be used to make purchases in the conduct of official University Student Union business unless authorized by the Executive Director/designee.

This procedure was revised on February 23, 2006.

Debra L. Hammond
Executive Director

Date