



# **California Health Sciences University**

## **UNIVERSITY**

### **PURCHASE CARD POLICY**

#### **PURPOSE**

The purpose of this policy is to provide guidelines for the use of university issued purchase cards.

#### **SCOPE**

This policy provides guidelines for the use of a university Purchasing Card (P-Card) by specific individual employees of CHSU who have been issued a credit card.

#### **POLICY STATEMENT**

A Purchasing Card is designed to provide a more efficient means of making routine purchases by reducing paperwork and wait time, allowing more purchasing responsibility and control at the department level, and streamlining the purchasing cycle for frequent and routine departmental purchases under \$3,000.

CHSU P-Cards are widely accepted Visa cards issued by California Bank and Trust (CB&T). They are “corporate liability” cards and are intended to be used for authorized business purchases within the cardholder’s delegated authority limit, including taxes and shipping and in adherence with all other university policies. The P-Card is meant to supplement purchasing mechanisms already in place and is not intended as an overall replacement or to circumvent purchasing guidelines, requirements, and policies and procedures established by CHSU.

Cardholders who do not comply with university policies and procedures may have their cardholder privileges revoked. Misuse of the P-Card may result in disciplinary action, up to and including termination of employment. The P-Card remains property of CHSU and is not transferable or assignable.



# California Health Sciences University

## I. PURCHASE CARD USE

Certain purchases are not permitted on a P-Card because of the nature of the purchase requiring compliance with regulatory requirements, health and safety policies, or tax reporting rules. Other instances include the need for a contract or insurance to protect the university's interests or because the university provides a more efficient, cost-effective, and controlled method to obtain the item or service. Accounts Payable is the preferred method for purchasing goods and services due to the university's greater ability to manage risk, compliance, and regulations. Using a P-Card instead of submitting an expense through Accounts Payable should be limited to instances where there is substantial benefit to the university.

The following list provides examples of purchases that are authorized, or unauthorized, on the P-Card. All purchases must remain in compliance with other university policies, such as the Travel and Expense Reimbursement Policy.

## II. AUTHORIZED & UNAUTHORIZED PURCHASES

Examples of *authorized* P-Card uses include the following:

- Conference registration fees
- Professional dues and memberships
- Small department meeting lunches (under \$250)
- Educational or department supplies

Examples of *unauthorized* P-Card uses include the following:

- Capital expenditures
- Consulting services
- Computer hardware
- Payments to vendors set up to receive check/EFT payments from CHSU
- Personal Purchases
- Memberships i.e. Costco, Amazon



## California Health Sciences University

- Software
- Travel related purchases
- Unbudgeted items over \$2,500, or purchases for expense lines that are overbudget for the fiscal year (must complete a purchase requisition form)
- Payments for services reportable on IRS Form 1099 (consult with Business Office if you are unsure)

### III. LEAVE OF ABSENCE/TERMINATION OF EMPLOYMENT

In the event that a cardholder will be away from the office, either temporarily or permanently, they are responsible to notify the Business Office as soon as possible to turn in all applicable receipts and coordinate next steps. Employees who are terminated are required to give the company P-Card to the Office of Human Resources prior to departing the campus.

### RELATED INFORMATION AND PROCEDURES

- A. Within (5) Five business days of receipt of the monthly statement, Cardholders must review all charges and provide a detailed business purpose for each transaction. Cardholders may delegate detailed review to a designee; however, Cardholders remain responsible for all charges on the card. The Department Budget Manager is required to sign the monthly statement (as opposed to each individual receipt), indicating they have reviewed and approve all purchases.
- B. CHSU policy requires receipts for all P-Card purchases which must include the following:
  1. Merchant Name
  2. Date of Purchase
  3. Itemized description of each purchase
  4. Transaction Amount (including tax and shipping)
- C. Cardholders who regularly miss deadlines to turn in documents or utilize the P-Card for personal use, will lose their right to hold the university P-Card and may result in disciplinary action including termination of employment and/or criminal prosecution.



# California Health Sciences University

---

## RESPONSIBILITIES

- A. Cardholders are responsible for ensuring all purchases are made as good stewards of the university and in alignment with the university policies. They must also execute the CHSU Employee Purchase Card Agreement before a credit card is given and submit proper documentation each month to the Business Office.
- B. Budget Managers are responsible for all purchases made by cardholder, or delegates of the department, and ensuring all receipts and approvals are submitted to the Business Office timely each month. They are also required to provide proper pre-approvals as necessary and have knowledge of, and take responsibility for, *each purchase* made on the credit card.
- C. The Business Office is responsible to provide support and training to the cardholders and budget managers to ensure CHSU policies are being followed, purchases support the university mission, and credit card bills are paid timely each month.

## HISTORY (R\*)

Approval Date:

09.16.2024

Revision Date(s):

Reviewed Date(s):

09.11.2024

## RACI

**R:** Chief Financial Officer

**A:** Budget Managers, Business Office

**C:** Office of Legal Affairs, Presidents Council, Business Office

**I:** Cardholders, Budget Managers, Business Office, Department Admins