

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT
Business Services PROCUREMENT CARD RULES AND PROCEDURES
REVISED: February 2017

The Board of Trustees authorized the use of procurement cards (procard) at their meeting in December, 2003. This authority is granted under Ed Code Section 81656. This purchasing process is used to expedite the purchase and accounting of low cost, frequently needed items, and provides sufficient benefit to the District. An application for a District procard must be approved by the authorizing manager.

Unauthorized charges or inappropriate use of the procard will result in immediate revocation of the card

To be eligible for a procard the follow must apply:

- Every cardholder shall be a **full-time employee** of the Foothill-De Anza Community College District and shall agree to all terms and conditions established for the issuance of a District Procurement Card.

Responsibilities as a procard holder:

1. The cardholder shall be responsible for submitting all receipts to the authorizing manager at the end of each month, whether or not he/she is audited by Business Services.

Note: The authorizing manager shall be responsible for maintaining the audit backup for a period of five years.

2. The authorizing manager shall be responsible for complying with all procard audits requested by Business Services. If the requested audit is not submitted to the Business Services - Accounts Payable Department by the requested due date (noted within the: **MyPortal → Employees Tab → Employee Web Services → Procard Activity → View My Statements** the Audit Status is identified by the red flag with corresponding due dates)

(i.e., The cardholder is required to organize their original receipts by chronological date of transaction. Next collect the authorizing manager's signature and forward the original receipts to the Business Services - Accounts Payable Department due on February 20, 2017).

3. The cardholder shall be personally liable for unauthorized charges and required to reimburse the district for such charges with a personal check made payable to "Foothill-De Anza Community College District." The cardholder shall be personally responsible for the settlement of any dispute on any purchase with a vendor. Any unauthorized use of the procard shall result in immediate suspension of the card and appropriate disciplinary action shall be taken in accordance with appropriate contractual and statutory processes.

A Procard will only be reinstated after consideration of the request by Chancellor's Cabinet.

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Unauthorized use of the Procard:

1. Under no circumstances can public funds be used for the purchase of alcohol.
2. The procard card cannot be used to purchase meals, food, or beverages (if it can be consumed, it is considered food (i.e., bottles of water, coffee condiments - creamer, sugar, etc.).
3. The procard cannot be used to purchase gas for a personal vehicle; instead, the cardholder should submit a Mileage Voucher or Trip Voucher for reimbursement.
4. The procard cannot be used to purchase services of any type including labor services and Independent contractor services, with exceptions granted to the following services:
 - District owned vehicle maintenance/cleaning
 - District owned student-employee uniform maintenance/cleaning
 - Services that can only be provided online (Survey Monkey.com, Lynda.com, Webex, Poll Everywhere, etc.)
 - Online marketing/advertising, (Facebook, Google, Twitter etc.)
 - Phone or cable fees (Verizon Wireless, AT&T, Comcast, Virgin America etc.)
 - Printing where a product is received or delivered (4Imprint, Fast Signs, Greener Printer, First Place, etc.)
5. All technology items (such as computers, monitors, printers, scanners, servers, network equipment including wireless, multi-function copiers, software and peripherals **over \$100**) **shall NOT** be purchased with the procard, but shall be processed through District Purchasing with a Purchase Requisition.
6. A procard will be suspended for any of the following reasons:
 - The cardholder does not adhere to any of the Procurement Card rules and procedures
 - The card is used for personal or unauthorized purchases
 - The card is used to purchase food, alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to the District
 - The cardholder allows the card to be used by another individual
 - The cardholder splits a purchase to circumvent a purchase limit assigned to the card
 - The cardholder uses another cardholder's card to circumvent a purchase limit assigned to either cardholder
 - The cardholder accepts a personal gratuity from a vendor
 - The cardholder uses the card to purchase gratuities or gifts
 - The cardholder fails to provide the Vice Chancellor, Business Services with information about any specific purchase

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Each procard will be assigned specific purchase limits and restrictions. Cardholders shall adhere to these limits and restrictions.

The cardholder is personally responsible for guaranteeing that all charges are for appropriate District expenses, that purchases are within budget limits, and that the purchase does not violate any other law, regulation, or policy of the Board of Trustees. Neither the Bank nor the District assumes responsibility for non-District purchases. The cardholder shall be liable to the District and to the Bank for any non-District purchase.

The cardholder shall immediately notify Business Services if the procard is lost, stolen, or in possession of an unauthorized person. A written follow-up, including pertinent information on the cause of the Procurement Card loss or use by an unauthorized person, shall be forwarded to the Vice Chancellor of Business Services in a timely manner.

Payment for charges made against the procard shall be processed as follows:

- When the statements are transmitted or otherwise received by the District, the charges against each card shall be charged to that card's designated budget account.
- Statements are made available to the cardholder's supervisor via the MyPortal under Procard Web Services - View My Employees' Statement.
- Random and scheduled audits are performed each month and an email alert notifies the cardholder that their procard statement is available (retain a copy of your procard statement and receipts for your records, prior to submitting original documents to Business Services - Accounts Payable department).
- Upon request of the Vice Chancellor, Business Services, a cardholder shall provide in a timely manner the following:
 - The monthly procard statement for the audited month (found on MyPortal), with both the cardholder and supervisor's signatures.
 - The original receipts, and/or the order confirmation must accompany each procard statement to support your monthly charges.
- The procurement card is the property of the bank, and the bank may at any time revoke card privileges under the provisions of its policies and procedures.

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I _____ (Print Name) have read the District's Procurement Card Rules and Procedures and agree to abide by them upon acceptance of a Procurement Card issued to me, and that revocation of card authorization will have no effect on obligations outstanding as of date of revocation.

Signature: _____

Date: _____

Last 4-Digits of Procard: _____

Recommended Practices for use of the Procurement Card

Every cardholder shall take reasonable precautions with the Procurement Card. These include, but are not limited to, the following:

1. Keep the card in view after you give it to a clerk. Get it back promptly after they have imprinted it or it has been swiped.
2. Avoid signing a blank receipt. Draw a line through blank spaces above the total when you sign.
3. When a mistake has been made, destroy all carbons and voided receipts. If the clerk has to keep a voided receipt for the store's accounting system, be sure to get a copy.
4. Save all procard receipts. Upon receiving your monthly accounting report, check your receipts and payments against the statement.
5. Immediately call Business Services to report any questionable charges on your statement.
6. Never lend your card to anyone.
7. Never leave your card, receipts, or carbons where anyone can pick them up.
8. Never put a card number on a postcard or on the outside of an envelope.
9. Never give your card number over the phone unless you are dealing with a company you are sure is legitimate.
10. Whenever possible, use those vendors identified by the purchasing department.

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**PROCARD FREQUENTLY ASKED QUESTIONS (FAQs)
REGARDING DISTRICT EXPENDITURES**

1. CAN I USE THE PROCARD TO PURCHASE FOOD, MEALS OR BEVERAGES?

NO. Reimbursements for food, meals, or beverages must be requested using a Direct Pay form or Travel Reimbursement form.

2. CAN I USE THE PROCARD TO BUY A TANK OF GAS FOR MY PERSONAL VEHICLE WHEN TRAVELING ON DISTRICT BUSINESS?

NO. You must submit a mileage claim form and be reimbursed on a per mile basis.

3. CAN I USE THE PROCARD OF SUBMIT A CHECK REQUEST TO BUY A GIFT FOR AN EMPLOYEE OR STUDENT?

NO. Public funds cannot be used to buy gifts for employees or students.

In some instances, the purchase of “service awards” such as plaques, certificates of appreciation or other such recognition awards for exemplary service can be purchased with public funds, but the test of reasonableness must be applied.

4. CAN I HAVE ORDERS PAID BY THE PROCARD DELIVERED TO A HOME ADDRESS?

NO. Items charged to your procard must be delivered to a District or campus address.

QUESTIONS TO ASK YOURSELF REGARDING A TRANSACTION

- Would I be comfortable submitting this credit card transaction to the Board of Trustees for approval?
- Could I defend this expenditure to a group of reporters, the district attorney, or the Audit and Finance Committee?
- Is this an “actual or necessary” use of public funds?

Remember that “public funds” includes all General Fund 114, funds 115, 121, 122, 125, 76, 400, Campus Centers 128, Bookstores, etc. These are all the funds we manage with the exception of the Foothill-De Anza Foundation.