

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

Cal State Fullerton Philanthropic Foundation offers a credit card program for colleges and programs for which philanthropic monies are utilized on a regular basis. In order to differentiate the Foundation's program from that of the University's procurement card program, the program will be referred to as the Foundation Credit Card Program or Foundation Card, for short.

1. Eligibility

In order to be eligible for a Cal State Fullerton Philanthropic Foundation (CSFPF) Foundation Card, the requestor must be employed by the University or a recognized auxiliary as a full-time staff member and demonstrate a need for a card as supported by both the requestor's appropriate administrator/manager and the Foundation. Eligible staff will need to submit appropriate information to Foundation once eligibility has been confirmed and approved.

2. Program Information

The Foundation Card is designed to provide a simplified method for cardholders to procure small dollar purchases of authorized goods or supplies. CSU Chancellor's Executive Order No. 760 <http://www.calstate.edu/eo/EO-760.pdf> establishes minimum standards for use of the Foundation Card to ensure appropriate safeguards are in place.

3. Authorized Use

All purchases made with the Foundation Card must be made in accordance with established CSFPF policies to ensure that only bona fide expenses in support of the University's mission are charged to the card. Under no circumstances may the card be used for personal purchases.

4. Allowable Expenditures

Expenditures shall comply with California State University policies and California State University, Fullerton, Presidential Directives and policies. Users acknowledge their responsibility to review and understand these policies and procedures as found on the CSFPF website, CSU website and the University website. Users must also follow the policy on IT technology commodity and services purchases with costs greater than \$100, policy found on website: <http://finance.fullerton.edu/documents/procurement/pcard/PCardManual.pdf> (page 20 for detailed information). Particular attention is required to the Hospitality policy found in the CSU ICSUAM and CSUF Presidential Directive #11. Expenditures may fall in the following categories:

- Publications
- Photography
- Electronic media
- Advertising
- Exhibits and displays
- Sponsorships
- Gifts, awards, and promotional items
- Travel CSFPF utilizes the same policies and procedures as the University for travel.
- Dues, memberships and subscriptions providing continuing contact with key organizations
- Meals and refreshments, including alcoholic beverages, for visitors and other appropriate guests and interested citizens
- Community relations, lectures, conferences, special events, and public reports

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

5. Prohibited Expenditures

The Foundation Card may not be used for the following:

- Cash advances, money orders, wire transfers, Titan Card/copy card deposits, gift cards or other cash equivalent items
- Personal purchases (including personal expenses when on a business trip)
- Meals while on travel (except with official University guest pursuant to CSUF Presidential Directive #11)
- Physical Plant Services (installed carpet, cleaning, painting, etc.)
- Hazardous materials and firearms
- Leases, maintenance and repair agreements
- Purchases requiring a contract with an authorized signature (exceptions may be made for catering, printing services, room rentals and promotional items with approval by the CSFPF CFO)
- Professional services
- IT commodities or services with costs greater than \$100 unless approved by University IT
- Narcotics/controlled substances
- Raffle prizes
- Furniture and Equipment with a total cost of more than \$2,500, including tax, delivery and installation
- Fines, late fees, penalties, interest and finance charges
- Costco, Sam's Club, Amazon Prime memberships, or other similar personal memberships
- Software site licenses and renewals
- Splitting purchases to circumvent the transaction limits (Note: A split purchase is defined as one item, or set of items sold as a set, that has been split by the merchant to look like two separate purchases.)
- Unapproved State travel expenses (an issued travel authorization number is required before a purchase is made)
- Unapproved Directive 11 categorized expenses
- Purchases which result in a conflict of interest for the user resulting in personal gain or violate CSU policies and procedures

6. Cardholder Responsibilities

A. Cardholder

Ensure the Foundation Card is used in accordance with program policy and that all purchases are in compliance with CSU contract and procurement policies and procedures.

B. Security of Foundation Card

Only the identified cardholder is authorized to use the card.

C. Foundation Card Purchases

Cardholder may go to the place of business to make a purchase, call and place the order, or order via the Internet. In all cases, an itemized receipt is required. An itemized receipt includes the following:

- Description of the items purchased
- Quantity purchased

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

- Price per item/unit
- Amount of sales tax and total amount
- Shipping charges, if applicable
- Name of vendor
- Payment by credit card

For meal purchases, an itemized receipt from the restaurant with the items ordered is required along with the name of the restaurant and the date. The credit card receipt showing the final total including gratuity should also be submitted.

If the cardholder has lost receipts and a duplicate copy cannot be obtained from the vendor, then complete the Lost/Missing Receipt Verification Form available on the Foundation's website: http://foundation.fullerton.edu/resources/forms/form_lost_missing.pdf

Excessive instances of lost receipts may result in the suspension of the Foundation Card. All receipts must be kept and attached to the check request form as support.

D. Sales or 'Use Tax'

CSFPF is required to pay California sales tax on all tangible goods received, including goods shipped from vendors outside California who do not charge sales tax. As is the case with all purchase orders, California 'use tax' will be accrued on all Foundation Card purchases from out-of-state vendors. Therefore, if you receive goods from a vendor outside of California, 'use tax', an amount equal to the current sales tax rate, will be accrued by the Foundation as a separate expense and charged to the Foundation account. If you receive goods from a California vendor and they do not include sales tax on their invoice, you should contact the vendor and advise them that CSFPF is subject to sales tax and ask them to provide an invoice for the difference.

E. Fraudulent Charges

The cardholder is responsible for reporting disputed charges to the bank by calling the number listed on the statement or on the card itself. The cardholder must also alert CSFPF of the disputed charge(s) and forward a copy of all paperwork immediately. It is the responsibility of the cardholder to resolve disputed charges directly with the bank. Any difficulties should be communicated to CSFPF in a timely manner.

7. Billing Cycle

The Foundation's credit card billing cycle generally runs from the 1st of the month until the end of the month. At the beginning of each month the cardholder will receive a reminder that they need to reconcile the Foundation Card within three business days.

The entire expense packet, receipts/invoices, corresponding documents and the signed check request are due in the CSFPF Accounting Office, CP-830, on the 10th day of each month (for prior month's transactions).

The cardholder is responsible for reviewing the transactions for accuracy, reconciling them against the vendor receipts, and completing the check request form. A sample check request form completed for Foundation Card reconciliation is attached. **Please note both the cardholder and the approving official must sign the form.** Since the Foundation Card represents an official delegation of purchasing authority, cardholders and approving officials have fiduciary responsibility to ensure that all University policies and procedures have been followed. The

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

cardholder's signature on the check request indicates their review and personal testimony to the following:

- All purchases have been reviewed and reconciled
- An itemized receipt supports all purchases or, if a receipt is not available, an explanation is provided detailing the items purchased
- All purchases are within the authorized budget of the account being charged
- Disputed items have been communicated to the bank via the cardholder dispute process and a copy of all information sent to the bank is attached to the packet. It is the cardholder's responsibility to ensure that these issues are resolved and that credits are posted to the account as appropriate
- All travel expenditures are appropriate and have been incurred in connection with officially approved University business travel
- All purchases have been made on behalf of the department, support department operations, have been received in the department, and have been put to use by department staff
- No personal purchases have been made. If personal or disallowed purchases were made in error, reimbursement has been made to the Foundation account before submittal of the packet
- All purchases comply with all University policies and procedures, including Foundation Card policies and procedures and the Directive 11 policy
- A Directive 11 form, signed by the division head or designee, has been submitted with the packet, if applicable

Approving Official's Role and Responsibilities

The approving official is the administrator who supervises the cardholder or has been delegated the authority to certify that the purchases are appropriate. The approving official is responsible for the following:

- Review and approve all charges
- Ensure that all purchases are appropriate
- All purchases are within the authorized purpose of the account being charged
- Ensure that no prohibited items have been purchased
- Ensure that the purchase of any restricted item has been properly justified and documented
- Ensure that proper documentation is attached to the monthly check request
- Certify that all purchases are to be, or have been used exclusively for official University business
- Confirm availability of funds committed
- Sign the check request form and forward it with attached documents to the CSFPF business office by the fifth of the following month (twenty days after closing date).
- All travel expenditures are appropriate according to University travel policies and procedures and have been incurred in connection with officially approved University business travel
- No personal purchases have been made or if personal or disallowed purchases were made in error, reimbursement has been made to the Foundation account before submittal of the packet
- Retrieve Foundation Card from cardholders who are separating from the department and return those cards to the CSFPF business office

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

- All purchases comply with all University policies and procedures, including Foundation Card policies and procedures, and Directive 11 policy
- A Directive 11 form, signed by the division head or designee, has been submitted with the packet, if applicable

Approving officials are responsible for what the cardholder has purchased once they sign the check request unless corrective actions have been made and that action is noted in the monthly packet. Please carefully review to ensure all charges comply with Foundation Card policies before signing the document.

Once the check request has been approved by the appropriate approving official, the form along with the original receipts, travel claim form, Directive 11, and other required supporting documentation should be forwarded to the CSFPF business office no later than the fifth of the following month. Failure to submit the packet in a timely manner may result in the suspension or revocation of the Foundation Card from the individual. CSFPF does not pay late fees or finance charges; these are a personal responsibility.

8. Foundation Card Policy Violations

A. Enforcement of Foundation Card Policies

Pursuant to Executive Order No. 760, the Foundation is responsible for conducting post-audits of Foundation Card purchases to ensure compliance with Foundation Card policies and procedures. Failure to comply with these policies may result in suspension or revocation of the card.

I. Unauthorized Purchases or Failure to Abide to Foundation Card Policy

The following violations will result in immediate suspension of the Foundation Card for 30 days:

- Personal purchase without immediate reimbursement
- Authorizing use of the Foundation Card by a person other than the cardholder
- Use of the Foundation Card to commit or facilitate an act that is in violation of state or federal law

The Foundation Card will be suspended for 30 days after a cardholder commits three violations within a six month period of one or more of the following:

- Purchasing prohibited item(s)
- Failing to submit an approved D11 for D11 categorized purchases
- Failing to submit a travel authorization form

Failure to comply with any Foundation Card policies and procedures, including submission of any required documents, may result in suspension of the card for 30 days.

II. Late Submittal of Foundation Card Packet

The Foundation Card packet for a billing cycle is due by the 10th of the following month. The Foundation will notify the cardholder and approving official when a packet is late. A seven-day grace period will be granted upon notification by the cardholder and approving official. Only one grace period will be allowed in a six month period. Failure to submit a timely reconciliation two out of six months will result in a suspension of card privileges. When a packet has been outstanding for over 30 days, the card will be suspended.

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

The suspension will remain in place until all outstanding packets are received and any or all issues have been resolved.

III. **Revocation of Foundation Card**

After having a Foundation Card suspended three times, the card may be revoked. When a Foundation Card is revoked, the cardholder, approving official, and division head (or designee) will be notified *in writing*. The cardholder may appeal the revocation to the Foundation's Chief Financial Officer. All appeals must be *in writing* and submitted within two weeks of notification. The Foundation reserves the right to revoke any card for any policy and procedure violation without notice to the cardholder or the approving official.

9. **Foundation Card Processes**

A. **New Cardholders**

New cardholders must complete and submit an application with appropriate signatures to CP-830. All cardholders must review and sign the Foundation Card Program document prior to the card's issuance.

B. **Replacement of Foundation Cards:**

i. **Reporting a Foundation Card as Lost/Stolen**

The cardholder will immediately contact the bank and notify CSFPF. When a card is reported lost or stolen, the bank will issue a new card automatically.

ii. **Replacement of Worn Out/Defective Cards**

If a Foundation Card needs to be replaced because it is worn out or defective, an email from the cardholder requesting the replacement must be submitted. The worn card needs to be returned when the replacement card is picked up.

iii. **Separation/Change of Cardholder's Position**

When a cardholder separates from the University or changes departments, the Foundation Card must be returned to CSFPF. The approving official is responsible for this function.

C. **Spending Limits**

Monthly credit limit from \$500-\$9,999 will be determined by the authorized signer. Any limits above \$10,000 will need justification and is subject to the approval of the CSFPF CFO.

D. **Name or Telephone Number Changes**

A change to the cardholder's last name or telephone number may be requested by an e-mail from the cardholder or approving official.

E. **Canceling a Foundation Card**

A Foundation Card may be cancelled by an email sent from the cardholder, approving official, division head, or their designee to the CSFPF business office. The canceled Foundation Card must be destroyed and forwarded to the CSFPF business office in a sealed envelope. The approving official is responsible to ensure that all documents are submitted, including any outstanding monthly Foundation Card packets or other documents.

CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

FOUNDATION CREDIT CARD PROGRAM

Cardholder: _____

I have read the Policies and Procedures of the Foundation Credit Card Program. I understand and acknowledge my responsibilities with respect to the use of the Cal State Fullerton Philanthropic Foundation Credit Card Program. I agree to follow the applicable policies and procedures as they have been established by the Cal State Fullerton Philanthropic Foundation.

Signature

Date

Approving Official's Certification

I understand and acknowledge my role and responsibilities as an approving official outlined in the Foundation Credit Card Program. I agree to follow the applicable policies and procedures as they have been established by the Cal State Fullerton Philanthropic Foundation.

Signature

Date

This completed form must be signed and on file with the Philanthropic Foundation prior to the issuance of the Foundation Credit Card. Please keep the Foundation credit card program guide as a reference.