



**UNIVERSITY OF GUAM  
UNIBETSEDÁT GUÅHAN  
Board of Regents**

**Resolution No. 19-23**

**RELATIVE TO AUTHORIZING THE INCREASE OF THE UNIVERSITY OF GUAM  
PURCHASE CARD PROGRAM THRESHOLD**

**WHEREAS**, the University of Guam (UOG) is the primary U.S. Land Grant institution accredited by the Western Association of Schools and Colleges (WASC) Senior College and University Commission (WSCUC) serving the post-secondary needs of the people of Guam and the Western Pacific region;

**WHEREAS**, the governance and well-being of UOG is vested in the Board of Regents (BOR);

**WHEREAS**, the University has created a purchase card program utilizing credit cards from a local bank in order to improve efficiencies of transaction processing;

**WHEREAS**, the initial threshold was set at \$250 per transaction and was later increased to \$500 per transaction;

**WHEREAS**, it has been proposed within the University that the purchase card policy be amended to allow an increase in the purchase threshold gradually up to \$2,000 when there has been a demonstration of the ability of a unit to comply with the credit card policy requirement;

**WHEREAS**, the new top threshold matches the University's micro-purchase threshold of \$2,000; and

**WHEREAS**, the Budget, Finance and Audit (BFA) Committee, and the President have reviewed and recommends the revised UOG Purchase Card Program policy to the BOR for approval.

**NOW, THEREFORE BE IT RESOLVED**, that the BOR hereby approves the revised UOG Purchase Card Program policy allowing for gradual increases in card limits up to \$2,000.

Adopted this 18<sup>TH</sup> day of April, 2019.

  
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Christopher K. Felix, Chairperson

**ATTESTED:**

  
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Thomas W. Krise, Ph.D., Executive Secretary

**UNIVERSITY OF GUAM  
PURCHASE CARD POLICY – SMALL PURCHASES**

**1. PURPOSE**

One of the significant obstacles identified in the Good to Great process has been the processing lag that takes place at the Business Office. There is a manual component to the procedures at the Business Office and with limited human resources the lags develop. Although the Good to Great process has identified the need for some process and technological improvements. Some of these will take significant time and investment to implement. The University has identified the use of credit cards in lieu of purchase cards as a tool that might allow for the immediate relief of some of the processing lags. The University conducted a pilot project which was successful and later expanded the program to all units in the University.

**2. LIMITED ISSUANCE**

Up to three credit cards will be issued to each unit depending on the need and use of the card.

**3. PROCUREMENT REGULATIONS**

The Board of Regents has adopted a procedure for micro-purchases requiring one quotation for purchase of less than \$2,000 in value. Thus, a purchase card threshold of \$2,000 was determined to be appropriate for this purpose.

**4. LIMITATIONS ON USE OF CREDIT CARD**

- The credit card may only be used for purchases of up to \$2,000.<sup>1</sup>
- A purchase may not be artificially divided into two or more segments in order to fall below the \$2,000 threshold
- The card may be used only for valid University requirements
- The card may be used only on Guam
- The card may be used only by the person whose name appears on the card
- The card may be used only for which an established list price is available for review and verification
- The card may not be used for meals for University employees
- The card may not be used for the purchase of alcohol products
- The card may not be used for any personal purpose.
- The credit limitation for each card may not exceed \$10,000.

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<sup>1</sup>The VPAF will set the amount based on the needs for the credit card and the history of compliance. The VPAF can increase the purchase amount gradually as a history of compliance is achieved.

## **5. DOCUMENTATION AND REVIEW**

The user of the card must submit a document detailing the purchases amounts and item descriptions certifying the amounts were authorized and received within five days from the end of the month. A sample document will be provided to users.

## **6. BUDGET**

The head of the unit receiving the card will be responsible for ensuring the purchases made under the credit card are within the budget of unit and the use of the card does not cause the budget to be exceeded.

## **7. VIOLATIONS**

Failure to follow this policy will result in the revocation of use of the credit card and disciplinary action.

## **8. LOST OR STOLEN CARD**

In the event the card is lost or stolen, the Business Office must be notified immediately.