RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM

RCUOG PURCHASE CARD POLICY AND CARD HOLDER AGREEMENT

1. PURPOSE

The purpose of this policy is to provide instructions on the proper use of a RCUOG purchase card. and the RCUOG Travel Policy. All purchase card transactions must comply with RCUOG Procurement Guidelines & Procedures and the RCUOG Travel policy.

2. BACKGROUND

To improve efficiency of operations, purchase cards may be used for purchases that adhere to the RCUOG procurement guidelines & procedures and the RCUOG travel policy. The purchase card is primarily a mode of payment and does not override any policy set forth now or in the future by RCUOG.

3. PROCUREMENT AND APPROVAL AUTHORITY REFERENCES

- Code of Federal Regulations Title 2, Subtitle A, Chapter II, Part 200
- RCUOG Procurement Guidelines and Procedures
- RCUOG Travel Policy
- BOD Resolution 15-05: Relative to Authorizing the Opening or Closing of Bank Accounts or Credit Facilities at Financial Institutions

4. ISSUANCE OF PURCHASE CARDS

Resolution 15-05 establishes the authority for opening a purchase card account. New purchase card applications require the signatures of both the RCUOG executive director and the chief business officer. The RCUOG executive director has the final authority to approve the issuance of purchase cards.

a) Unit Deans, directors or PIs may request a purchase card if deemed necessary for unit needs. RCUOG Executive Director is to review requests and determine the availability, necessity and whether the request is to be approved or disapproved. The purchase card is issued in the name of the card holder for accountability and safekeeping purposes. RCUOG purchase cards may be used by designated RCUOG/UOG personnel as part of RCUOG's centralized procurement process, subject to the approvals and documentation required by this policy and other applicable RCUOG policies.

b) The RCUOG executive director will use the following criteria to determine when to issue a card:

i. The PI/unit provides evidence of accountability and control over the card (e.g., PI/unit has demonstrated adherence to RCUOG policies and documented how they intend to ensure the card's safekeeping);

ii. The card will be used for purchases necessary to support an approved RCUOG program, grant, project, contract, award, institutional activity or other authorized RCUOG business purpose.

iii. The type and frequency of purchases made are within the guidelines and

iv. limitations included in this policy, the RCUOG procurement guidelines & procedures and the RCUOG travel policy;

v. Purchases regularly require use of a card rather than other available, non-card payment methods.

5. PURCHASE CARD USE GUIDELINES

a) RCUOG purchase cards are a method of payment only. Use of a purchase card does not replace or bypass procurement, travel, grant, funding-source, approval, or documentation requirements.

b) RCUOG purchase cards are part of a centralized procurement process. Although a card may be issued in the name of an individual cardholder, the card may be used by designated RCUOG or UOG personnel to make approved purchases on behalf of RCUOG programs, grants, projects, contracts, awards, institutional activities, or units. The name printed on the purchase card does not limit use of the card only to purchases managed by that cardholder.

c) RCUOG purchase orders, travel authorizations, or other applicable approvals must be completed before the purchase card is used, unless an emergency or urgent circumstance is approved by the Executive Director or Chief Business Officer in writing.

d) Purchase card transactions should be planned in advance to provide adequate time for RCUOG to confirm that the purchase card is available and has sufficient available balance. When prior approval or complete documentation is not reasonably possible because of an emergency or urgent circumstance, all required justification, approvals, and supporting documentation must be submitted to RCUOG within 10 business days.

e) Use of purchase cards must comply with the RCUOG Procurement, including applicable requirements for micro-purchases, small purchases, sole source purchases, and other procurement methods. Use of purchase cards for travel-related purchases must comply with the RCUOG Travel Policy.

f) Purchase Orders, Travel Authorizations or emergency/urgent direct payments that require the use of the purchase card must at a minimum identify the funding source (account number), program/grant/project/contract/award/unit charged, business purpose/justification, vendor, amount and the purchase card to be used.

g) Purchase card holders may use the purchase card while on travel status only when:

   a. The expenditure is official, allowable and within the approved TA
   b. The expenditure is not already covered by per diem
   c. Prior approval was obtained whenever reasonably possible

LIMITATIONS AND SAFEKEEPING OF PURCHASE CARDS

a) Purchases cards may only be used for approved RCUOG business purposes and must comply with the applicable funding source, award terms and conditions, and RCUOG policies.

   Cash advances shall not be allowed using the purchase card.

b) Purchase cards shall not be used to purchase personal items or personal services
c) Items purchased should be available within a reasonable delivery or performance period. Backordered items, pre-orders, deposits, subscriptions, reservations, or advance vendor payments may be allowed when there is a valid RCUOG/UOG business purpose, the purchase is approved in advance, and the expected delivery or service period is documented.
d) The card holder is responsible for safekeeping of purchase card under his or her control.
e) The card holder is responsible and accountable for transactions made using the card and for adherence to this policy, the RCUOG Procurement Guidelines & Procedures and the RCUOG Travel Policy.
f) Purchase cards shall not be used to split purchases or otherwise avoid procurement requirements.

6. RECORD KEEPING / RECONCILIATION REQUIREMENTS

a) All purchases must be supported by approved purchase order/travel request, receipts/invoices and receiving report.
b) RCUOG is responsible for the monthly reconciliation of the receipts with the purchase card statement. Each monthly reconciliation must be prepared and reviewed for completeness, accuracy, and supporting documentation. The reconciliation must be signed or electronically acknowledged by the preparer, cardholder, Chief Business Officer or designee, and Executive Director, as applicable.
c) Purchase card records will be audited from time to time by the RCUOG management. Therefore, it is essential that card holders adhere to the recordkeeping guidelines.

Purchase Card Receipts and Transaction Logs

Card Holders or designated personnel must provide one or more of the following to properly document a purchase:

a) Credit card slips;
b) Itemized packing slips;
c) Web confirmation forms;
d) Completed mail order application/forms;
e) Invoices.

Transactions must be recorded in a Purchase Card Transaction Log/Ledger. The Purchase Card Transaction Log/Ledger must be provided upon request to RCUOG.

7. LOST OR STOLEN LOST OR STOLEN CARDS / CANCELING A CARD

If the purchase card is lost or stolen, the card holder must immediately notify the issuing financial institution and the RCUOG chief business officer. University security and the Guam police should also be notified if the cards are suspected to have been stolen. The cardholder must report to the RCUOG chief business officer (or designee) with the following information:

a. The names of the card holder and the purchase card account number;
b. The date of the loss/theft;
c. If stolen, the date the police was notified;
d. UOG purchase(s) made on the date the card was lost/stolen and one week prior;
e. A copy of the current Transaction Log.

A new card can be provided to the cardholder following a report of loss or theft.

The card holder must return the Purchasing Card to RCUOG upon:

a) Termination of employment;
b) Request by the RCUOG chief business officer or executive director.

8. REWARD POINTS

Any mileage points earned through purchase card transactions will be placed under the control of the RCUOG executive director and will be used to support student travel awards.

9. RESPONSIBILITY FOR MAKING TIMELY PAYMENT

a) RCUOG is responsible for making timely payments to the financial institution for purchase card billings.
b) Card holders or administrative support of cardholders are expected to ensure complete documents are submitted to the RCUOG chief business officer or designee in a timely manner to avoid penalties or cancellation of the purchase cards.

10. NON-COMPLIANCE

Card holders who fail to comply with the Purchase Card Policy guidelines may be subject to the following:

a) Revocation of the purchase card.
b) Termination of the user's purchase card.
c) Disciplinary action in accordance with RCUOG policies and procedures. The following are examples of actions that may lead to disciplinary action:
   i. Use of the card for unauthorized purposes or allowing the card to be used for unauthorized purposes;
   ii. Dividing a purchase to circumvent the RCUOG procurement guidelines & procedures;
   iii. Failing to provide receipts and/or acceptable documentation in a timely manner;
   iv. Failing to provide, when requested, additional information about a questionable purchase.

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PROCESS

STEP	RESPONSIBLE PERSON	TASK REQUIRED
1	Requestor/Program/ Unit	Identify the purchase need and submit the required requisition, quote documentation, funding source, business purpose, and required program or project approvals in accordance with the RCUOG Procurement Guidelines & Procedures or Travel Policy.
2	RCUOG Procurement/ RCUOG Personnel	Review the request for completeness, confirm that required documentation is attached, and route the request for compliance review and funds certification
3	RCUOG Chief Business Officer or Designee	Certify availability of funds and confirm that the purchase complies with applicable RCUOG policies, funding-source requirements, and award terms and conditions
4	Requestor/Program/ Unit	After approval of the purchase order, travel authorization, or other applicable approval, execute the purchase using the appropriate RCUOG purchase card.
5	Requestor/Program/ Unit	Record the transaction in the purchase card transaction log. A separate transaction log must be maintained for each purchase card. The transaction log must contain at a minimum the funding source (account number), program/grant/project/contract/award/unit charged, business purpose/justification, vendor, amount, and applicable purchase order or travel authorization. Unit can add other information as needed.
6	Requestor/Program/ Unit	Confirm receipt of goods or services & provide receiving report, receipts, packing slips, invoice, & other supporting documents
7	CBO or Designee, RCUOG Executive Director and Cardholder	Prepare and review the reconciliation package. If documentation is incomplete or incorrect, return it for correction. If complete, approve processing of payment to the financial institution within the required due date

I acknowledge receipt of Credit Card No. ____

Issued by: ______________________________. Expiration date: ____________________.

I understand the policy and card holder agreement as outlined above. I understand that I am responsible for ensuring this policy is implemented within my unit/program/project accordingly and shall exercise due diligence in the usage of the purchase card.

Received by/date:

____
Print, sign and date

Department: ____