



Purchasing Services Department

CREDIT CARD GUIDELINES



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1.0 General

- 1.1 The purpose of these guidelines is to ensure that the District's credit cards are used in accordance with all purchasing procedures and associated with official District business only. The credit cards are intended to simplify the ordering process when a vendor, including internet vendors, will not accept a purchase order (PO) or when it is in the best interest of the District to use a credit card. The Director of Purchasing Services and Vice Chancellor of Business Operations/Fiscal Services have the authority to determine the issuance, continuance, and dollar limits of cards.
- 1.2 All cardholders are personally responsible for guaranteeing that all charges are for appropriate District expenses, that purchases are within budget limits, and that purchases do not violate any other laws, regulations, or policies of the Board of Trustees. Charges must be associated with a valid PO in a current fiscal year which funds are not depleted.
- 1.3 It is the District's procurement policy to issue POs authorizing purchases. Except in limited circumstances detailed in these guidelines, any use of credit cards is governed by the PO process including verifying budget limits and obtaining proper approvals.

2.0 Types of Credit Arrangements

- 2.1 The District requires all purchases to be initiated internally with POs. Merchant identification (ID) cards and credit cards are used at the point-of-sale for purchases and are subject to preauthorized POs at the department level. Departments utilize blanket POs to streamline the approval and purchasing processes.
 - 2.1.1 Blanket POs are executed throughout the fiscal year and include the following:
Blanket PO dollar limit; authorized individuals who approve payments; authorized individuals who may order or pick up items; broad category of permissible items that can be purchased under the blanket PO; and excluded items that cannot be purchased under the blanket PO.
 - 2.1.2 Authorized individuals who pick up items must provide the PO number and show their identification at the stores at the time of purchase.
- 2.2 The District has several merchant ID cards and credit cards that are used to meet specific needs and are available to eligible departments.
 - 2.2.1 **Purchasing Services Department Visa credit cards:** Used to purchase all types of goods, supplies and services when POs are not an option, including catering services and travel related expenses. The Visa credit cards are to be used for official District business and may not be used for personal purchases. The Visa credit cards are issued only to the Purchasing Services Department for limited use and urgent purposes only. Visa credit cards are restricted for specific purposes and will not be issued for broad use within the District.

- 2.2.2 **Chancellor's Cabinet Visa credit cards:** The Board of Trustees, Chancellor, Presidents, and Vice Chancellors, in permanent positions, may be offered a District Visa credit card. Refer to Chancellor's Cabinet Visa Cardholder Agreement for further information regarding allowable expenditures.
- 2.2.3 **Albertsons identification cards:** At the point of sale, the PO and Albertsons ID card must be presented. Albertsons will only release orders to those listed on the purchase order as authorized to pick up. These ID cards are issued to purchase food related items, materials for instructional experiments, and medical supplies. Additional ID cards are available in the Purchasing Services Department for check-out for approved purchases only.
- 2.2.4 **Ralphs identification cards:** At the point of sale, the PO and Ralphs ID card must be presented. These ID cards are issued to purchase food related items, materials for instructional experiments, and medical supplies. Ralphs will only release orders to those listed on the purchase order as authorized to pick up.
- 2.2.5 **WEX Fleet Fuel cards:** These credit cards are a necessity and are available for use by the following departments only; Fire Technology and Wellness Centers, Safety and Security, and college Transportation departments when checking out a district vehicle for business related travel.

2.3 Home Depot Identification Cards

- 2.3.1 Home Depot ID cards are requested from the Home Depot Corporate Office by the Purchasing Services Department. The ID card is used to verify the cardholder is an active District employee and permitted to pick up merchandise when presented with a valid PO. The cardholder's name must be listed on the PO and match their license photo ID. In addition, the cardholder's name must be verified with Human Resources to confirm employment status.
- 2.3.2 ID card requests are processed by the Purchasing Services Department at the request of an end-user department and the appropriate manager. The status of the ID card requests and subsequent cards are based on these three categories:
 - a) Pending: The ID card has been requested by the Purchasing Services Department but has not been received.
 - b) Current: The ID card has been issued in the name of an active District employee and is maintained by the manager.
 - c) Cancelled: The cardholder is no longer in need of the ID card, or they are no longer employed by the District.
- 2.3.3 The Director of Purchasing Services, or designee, will maintain a department tracking log of all ID card requests that are received and processed. The department tracking log will include District contact information and card processing information.

- 2.3.4 When new ID cards are received by the Purchasing Services Department, copies are made, and the unique five (5) digit identification number is recorded in the department tracking log. The manager is notified via email that the new ID card is ready for pick up. New ID cards are to be picked up in-person only from the Purchasing Services Department and signed for by the manager. Both the employee and manager are required to execute separate agreements.
- 2.3.5 Home Depot purchases are to be made at approved locations, during normal business hours of the District employees purchasing the items. It is preferred that employees utilize the Pro Desk services located at individual stores. The following are approved Home Depot store locations:

Home Depot Santa Ana - #6680 1750 E Edinger Ave Santa Ana, CA, 92705 Ph: (714) 259-1030	Home Depot Huntington Beach - #6646 7100 Warner Ave Huntington Beach, CA, 92647 Ph: (714) 596-2944
Home Depot Santa Ana - #606 3500 MacArthur Blvd Santa Ana, CA, 92704 Ph: (714) 966-8551	Home Depot Huntington Beach - #6963 19101 Magnolia Street Huntington Beach, CA, 92646 Ph: (714) 965-4049
Home Depot Tustin - #603 2782 El Camino Real Tustin, CA, 92782 Ph: (714) 838-9200	Home Depot Garden Grove - #6639 10801 Garden Grove Blvd. Garden Grove, CA 92843 Ph: (714) 590-4400
Home Depot Orange - #615 435 W Katella Ave Orange, CA, 92867 Ph: (714) 538-9600	Home Depot Anaheim - #6647 800 N. Brookhurst St. Anaheim, CA 92801 Ph: (714) 687-6681
Home Depot Orange - #6965 1855 N Tustin Ave, Orange, CA, 92865 Ph: (714) 685-9360	Home Depot Fullerton - #6893 625 South Placentia Ave. Fullerton, CA 92831 Ph: (714) 459-4912

- 2.3.6 With prior approval from a manager only, purchases may be made at “out of area” Home Depot stores that are not on the list of approved locations. The manager is to consider this request on a case-by-case basis as required by a business need.
- 2.3.7 With prior approval from a manager only, online purchases may be made on a case-by-case basis as required by a business need.

3.0 Account Administration and Use

3.1 Both the Albertsons ID card and the Lowe's credit card are held in the Purchasing Services Department and available for check-out for approved purchases only. Prior to releasing either of these cards, these steps must be followed:

- 3.1.1 Staff must check-out the card in person and provide ID, site/department information and a valid PO number.
- 3.1.2 The Purchasing Services Department staff will look up the PO number in Datatel/Colleague to verify the PO balance and authorized personnel to pick up.
- 3.1.3 Cards will not be released if the PO balance is depleted and/or the individual is not shown as authorized personnel to pick up.
- 3.1.4 For control purposes, the Purchasing Services Department will maintain an appropriate record of check-out and return of the cards.

3.2 Safeguarding all cards is the responsibility of each department manager. Every manager and authorized cardholder shall take reasonable precautions with the cards. These include, but are not limited to, the following:

- 3.2.1 Keep the cards in a secure place, locked when not in use.
- 3.2.2 Immediately report in writing to the manager and Purchasing Services Department if a card is lost, stolen, or the card number is compromised.
- 3.2.3 Only authorized or named individuals are authorized to use the card(s).
- 3.2.4 Sharing cards with any unauthorized user may result in disciplinary action and/or revocation of the department's cards.
- 3.2.5 Each department manager is required to maintain a check-out log for card use and to ensure that each card is returned in a timely manner.

3.3 Recordkeeping

- 3.3.1 The Purchasing Services Department maintains a department tracking log and reports of approved cardholders, managers, and other pertinent information to be updated regularly.
- 3.3.2 Each department manager is required to maintain a check-out log for card use for approved purchases.

3.4 Requesting Home Depot ID Cards or Voyager Credit Cards:

- 3.4.1 To request a card, the appropriate manager is required to submit in writing the type of card, reason for the card, site location, department and the name of the individual (cardholder name). The manager is responsible for ensuring that the card is properly safeguarded and used only for District business.

- 3.4.2 Credit cards and Home Depot ID cards are ordered by the Purchasing Services Department. Card limits are determined by the merchant according to the account terms with the District.
- 3.4.3 Once new cards are received by the Purchasing Services Department, copies are made and recorded in the department tracking log. The manager and individual (cardholder) are notified via email of the necessary arrangements for the new and expired cards. New cards are to be picked up in-person only from the Purchasing Services Department and signed for by the manager. Both the employee and manager are required to execute separate agreements.
- 3.4.4 Voyager credit cards that have expired are to be returned in-person only to the Purchasing Services Department where all expired cards are shredded.

4.0 Submitting Receipts for Payment (All Cards):

4.1 Obtain A Receipt

- 4.1.1 When the purchasing transaction occurs, the cardholder/department will need to obtain an itemized receipt or invoice.
- 4.1.2 If the receipt or invoice the cardholder/department receives is not itemized, the cardholder/department must itemize the items on a separate sheet of paper and attach the receipt.
- 4.1.3 If the cardholder has lost the receipts or invoices, a duplicate copy must be obtained from the vendor.

4.2 Inspection of Items Purchased

- 4.2.1 The immediate supervisor of the purchaser or the department manager must inspect the items purchased and verify that all items are required for District purposes only, on the same day of purchase.
- 4.2.2 The immediate supervisor or manager must review all receipts or invoices to ensure all purchased items have been received by the District, charged to the correct PO, and that no prohibited items have been purchased.
- 4.2.3 The immediate supervisor or manager who performs the same-day inspection is required to sign off for authorization for payment.

4.3 Authorization for Payment

- 4.3.1 A separate Authorization for Payment form is completed by the purchaser on the same day of purchase. The immediate supervisor or manager who performed the inspection is required to sign and submit the form to Accounts Payable within 3 business days of purchase. Original receipts should be attached to the form as part of the required documentation for the immediate supervisor or manager to review and approve for payment. Failure to submit receipts timely may result in suspension or revocation of the card.

- 4.3.2 Immediate supervisors or managers who sign the Authorization for Payment form must be the same individuals who perform the inspections and are identified as approvers for payment on the POs.
- 4.3.3 For online purchases made at Home Depot, the packing list is the proper form of receipt that should be submitted.

5.0 Monthly Statements:

5.1 Monthly statements of charges are mailed directly to Accounts Payable for each account. Purchases are reconciled each month based on documentation submitted by the cardholder and department manager. Original receipts and approved Authorization for Payment forms must be received by Accounts Payable within 5 business days of purchase.

6.0 Cancellation, Suspension, or Revocation of a Card:

6.1 The Director of Purchasing Services or designee is responsible for cancelling any card or credit arrangement on behalf of the District, when required and/or requested by management. An individual card may be requested for cancellation via email by the immediate supervisor or manager. The physical card must be returned immediately in-person to the Purchasing Services Department.

6.2 The Director of Purchasing Services may suspend or revoke a card or credit arrangement on behalf of the District for general misuse or abuse of the card which includes, but is not limited to the following:

- 6.2.1 Purchasing personal items or items that are not for District business purposes.
- 6.2.2 Failure to comply with the terms and conditions of the credit card/ID card agreements
- 6.2.3 Failure to submit receipts in a timely manner
- 6.2.4 Failure to obtain prior management approval for out-of-area purchases or online purchases regarding Home Depot
- 6.2.5 Purchasing items for District use outside of normal business hours of the specific employee making the purchase
- 6.2.6 Sharing cards with an unauthorized user

7.0 When Leaving The District:

7.1 When an employee who is a cardholder leaves the employment of the District, it is the responsibility of the immediate supervisor or manager to obtain the card and immediately report in writing to the Purchasing Services Department. The Purchasing Services Department is responsible for terminating credit access and cancelling the cardholder's card.