I. Introduction
In the course of its business operations, San Marcos University Corporation (hereinafter “University Corporation”) uses a variety of methods for the purchase of goods and services, including corporate credit cards as needed according to position responsibilities. The corporate credit card program has been implemented to provide an easy and expeditious method to conduct University Corporation business. To ensure proper fiscal accountability, the following policy has been established for employee use of corporate credit cards.

II. Policy Statement
It is the policy of San Marcos University Corporation to authorize the issuance of corporate credit cards for purchases of merchandise, travel, and services in instances where established purchasing and check payment processes will not be sufficiently expeditious to secure the merchandise, travel or services in a timely manner. Corporate credit card purchases shall be made in accordance with University Corporation purchasing policies. Travel related purchases shall be made in accordance with the University Corporation Travel Policy.

III. Terms and Definitions
Purchase Cards – Also known as Pro-cards (abbreviated: Pcard)
A corporate credit card provided as a matter of convenience to facilitate the payment of expenses incurred for University Corporation business purposes only. The corporate credit card is issued to the University Corporation in an individual’s name; The University Corporation is responsible for all payments. There is no personal liability on the card unless the cardholder violates the terms by making a personal purchase.

Corporate Credit Cards Used for Travel – Program established in order to provide employees a convenient and flexible method to incur business related travel expenses. The availability of this card precludes
the issuing of advances and the direct billing of travel costs. This type of corporate credit card is issued to individual University Corporation employees who are responsible for payment directly to the credit card issuer for monthly balances owed.

IV. Policy Guidelines and Procedures
Guidelines for Purchase Cards
A. Authorized Use and Restrictions
Purchases must be made in accordance with established University Corporation policies for expenses associated with official business that directly benefit the University Corporation.

B. Conflict of Interest
Cardholders are delegated limited purchasing authority on behalf of the University Corporation and, as such have the responsibility to ensure that purchases made on their corporate card do not fall within the definitions of a conflict of interest. Gifts, gratuities, rebates, kickbacks, rewards points/credits, or other incentives provided to a cardholder which influence or appear to influence the decision to make a purchase from a vendor is considered a conflict of interest purchase. Conflict of interest purchases may subject the cardholder to suspension or revocation of the corporate card and will result in the reporting of the conflict of interest violation to management for review.

C. Maximum Individual Expenditure
Purchase cards may be used for individual purchase up to $2,500. Purchases exceeding this amount must have advance approval of the Executive Director prior to incurring the expenditure.

D. Appropriate Uses of Purchase Cards
Examples of appropriate use of a Pcard include the following:
- Office Supplies
- Publications
- Small printing and copying jobs
E. Conditional Uses of Purchase Cards
Certain transactions are restricted due to University Corporation policy and must have advance written approval from the Executive Director or designee prior to incurring the expenditure. Examples include:

- Alcohol: When the source of funds to pay the charge is derived from mandatory student fees.
- Chemicals and/or other hazardous materials: Certain chemicals and/or hazardous materials may only be purchased by approved science laboratory technicians.
- Hosting Food and Beverages: Hosting items may be purchased, but only within the guidelines of University Corporation policy.

F. Prohibited Uses of Purchase Cards
The University Corporation corporate credit card may not be used to procure the following items:

- Cash advances
- Capitalized furniture and equipment
- Firearms and ammunition
- Narcotics and other controlled substances
- Purchases which result in a conflict of interest for the user, resulting in personal gain, or which violate University Corporation policies or procedures
- Personal purchases
- Splitting of purchases to circumvent dollar limitation

Guidelines for Corporate Credit Cards Used For Travel
A. Authorized Use and Restrictions
The corporate credit card is for professional use while on approved business travel. Authorization to travel is required before incurring travel expenditures.

B. Appropriate Uses of Corporate Card Used For Travel
Examples of appropriate uses include associated travel expenses and may include the following:

- Airfare tickets
• Car expenses
• Conference fees
• Lodging

The individual to whom the credit card is issued is responsible for the payment of any charges incurred.

Procedures
A. Reporting Lost or Stolen Cards
   The individual to whom a credit card is issued is responsible for its safekeeping. The loss of a credit card will be reported immediately to the appropriate University Corporation representative and/or credit card issuer.

B. Cancellation of Cards
   Upon employee separation or termination of employment, the employee will be required to surrender the card to the appropriate University Corporation representative and/or credit card issuer.

C. Late Fees and Finance Charges
   Payments should be processed in a timely manner so as not to incur late fees or finance charges. Repeated late fees or finance charges may result in the loss of the employee’s corporate card privileges.

V. Adoption and Review
A. The San Marcos University Corporation’s Board of Directors has adopted this Corporate Credit Card Policy on March 1, 2013

B. The policy guidelines and procedures shall be evaluated as necessary to reflect substantial organizational, financial, or physical change(s) at San Marcos University Corporation or any change required by law or by other governing policy.

VI. Related Documents
You can access SMCOR Procard Manuals online at: http://www.csusm.edu/ucorp/forms/index.html
VII. Related University Corporation Forms
You can access SMCOR Procurement (Pro card) related forms online at:
http://www.csusm.edu/ucorp/forms/index.html