

DEPAUL UNIVERSITY



Procurement Card (ProCard) Requirements

Category: Financial Affairs

Responsible Department: Procurement Services

Responsible Officer: Executive Vice President

Effective Date: 7/1/2017

Policy Summary

This policy outlines the requirements and responsibilities associated with the university Procurement Card program.

Scope

This policy affects the following groups of the University:

- Executive Offices
- Full-Time Staff
- Part-Time Staff
- Full-Time Faculty
- Part-Time Faculty
- Budget Managers

This policy affects those with responsibility for managing funds related to the ProCard program - cardholders, approving officials, proxies, budget managers and other managers.

Policy

Overview

The University Procurement Card (ProCard) is a corporate liability credit card, provided to employees with a valid business need to provide them with the flexibility to quickly and easily obtain goods and services. The ProCard is the preferred method of payment as it streamlines purchases to improve efficiency and reduce administrative costs.

Types of ProCard Users

- **Cardholder:** The cardholder is the person to whom the card is issued and whose name is embossed on the front. Cardholders can delegate system edits, but not the responsibility, to a proxy.
- **Approving official:** Approving officials review and approve transactions submitted by cardholders. The approving official is generally the cardholder's direct supervisor. In some cases, multiple approving officials may exist (e.g. a budget manager as well as a supervisor). University officers and executives may delegate their approval role if they so choose, but that delegation cannot result in the approval of their own transactions or those of the officer.
- **Proxy:** A proxy is an individual who has the ability to make chartfield edits, document transactions and attach receipts to transactions on behalf of the cardholder. Once the proxy submits the transaction for approval, it is generally routed to the cardholder for review before being routed to the approving official(s).

Cardholder Eligibility

All employees are eligible to enroll in the program provided the employee has a legitimate business need and approval from their manager. Part-time employees may receive a card only if they also have a regular work schedule (generally greater than 15 hours per week).

To apply for the program, the [ProCard Application Form](#) is required and must be signed by both the potential cardholder and their supervisor. The cardholder must have a background check on file with the Office of Human Resources or submit to have one conducted per the [Criminal Background Checks](#) policy. Prior felonies of a financial nature may disqualify the user from ProCard eligibility.

Once all forms have been approved, cardholders must attend a training session before the card will be issued. Training covers usage of the card, policy requirements and the online system.

Cards not used in over year may be cancelled without prior notice if there is not sufficient justification for the inactivity.

Use of the ProCard

The ProCard is only authorized for legitimate business expenses and cannot be used for personal expenses. If personal expenses occur on the card, the cardholder must reimburse the university within 14 days of the transaction. Repetitive and/or egregious personal expenses may be subject to the violations section of this policy.

In some instances, specific processes or other payment methods may be more appropriate or required. Details of these other processes and policies that users should be aware of can be found in the [Prohibited and Special Purchasing Processes](#) policy.

Examples include, but are not limited to:

- Catering
- Computer and tablet purchases
- Gifts and gift card purchases
- Sales taxes

- Software licensing
- Stationery
- Transactions between University departments (internal to DePaul)
- Used equipment

Additionally, cardholders cannot purchase items for their approving official's individual use (e.g. airfare) without written approval by that approving official's supervisor. This written approval must be attached to the transaction in the online system and be unique for each such purchase.

Cardholders are responsible for protecting the ProCard, as they would any university asset. It should not be left in unsecured areas when not in use nor should the card, or number, be shared with others.

Spend Limits

ProCards have a limit of \$3,500 per transaction and \$10,000 per monthly cycle by default. Department management can lower these default amounts at any time by contacting Procurement Services. Permanently increasing the amounts above these limits requires approval from the approving official and Procurement Services.

Transactions may not be split into multiple purchases to circumvent these limits. For temporary increases, contact Procurement Services with the desired limits and justification for the increase.

Documentation Requirements

All transactions (including credits, refunds, transaction fees, disputed transactions, etc.) must be documented in the "Description" field of the online tool with a clearly stated business purpose (e.g. why the expense was needed to further DePaul's business).

Travel (hotels, car rentals, conferences, transportation, etc.) also requires the dates of the trip or event. Meals and entertainment must include the names/titles/company/DePaul affiliation for all attendees. These items can be documented either in the description field of the online system or be included as an attachment (e.g. part of the receipt or a separate attachment).

Receipt Requirements

All transactions require that itemized and legible receipts be obtained from the vendor and attached to the transaction in the online tool. Once the transaction has been fully approved in the online system, the receipt stored online becomes the official record and is the responsibility of Procurement Services in accordance with the [Records Retention Schedule](#). At that time the hard copy receipt may be destroyed.

If a receipt is inadvertently lost, it may count as non-compliant with this policy. Cardholders then must:

- For purchases \$25 or more, make an attempt to obtain a copy from the vendor. If a copy cannot be obtained, the [Missing Receipt Affidavit](#) must be filled out and attached as backup.

- For purchase under \$25, the cardholder should still make an attempt to obtain a copy but for low dollar, low risk vendors (such as subway tokens while traveling on university business) this may not be necessary and is at the discretion of unit management. These transactions do not require the [Missing Receipt Affidavit](#) but the online system requires an attachment in order for transaction to be submitted for review. As such, some form of relevant backup is still required (e.g. an email from the cardholder to the approving official noting the missing receipt).

Review and Approval of Transactions

All transactions must be submitted by cardholders and reviewed/approved by approving officials within 45 days of the transaction's post-date. However, it is recommended that transactions be reviewed and approved as soon as possible to facilitate documentation of an accurate business purpose, reduce the incidence of lost receipts, facilitate early detection of fraud and ensure proper chartfields prior to upload to the general ledger (generally on the 28th of each month - see [Procurement website](#) for full schedule).

Cardholders must review chartfields to ensure the expense is appropriately classified, document the transactions in line with the requirements in this policy and attach any relevant documentation (receipts, additional information, etc.). Transactions must then be submitted to their approving officials for review and approval.

Approving officials must review and understand all transactions to ensure that they are legitimate business expenses and in compliance with this and other university policies. This includes reviewing chartfields, documented business purpose, receipts and other attachments.

If an approving official does not believe a transaction is in compliance, they must take one of the following actions to rectify the transaction so it can be approved, as all transactions must eventually be fully approved:

- The concern is corrected (e.g. business purpose is restated, chartfields corrected, more legible receipt attached)
- The cardholder reimburses the university, if it is a personal purchase
- Approving official or supervisor documents the issue and takes appropriate action if it is repetitive
- Progressive discipline is taken for repeated instances of non-compliance in line with Human Resources policies

In cases of suspected fraud contact Internal Audit or the misconduct reporting hotline via phone at (877) 236-8390 or submit a report online at depaul.ethicspoint.com. Allegations of fraud are protected by the university's [Non-Retaliation](#) policy.

Leaves and Terminations

If a cardholder goes on leave, the approving official is responsible for notifying Procurement Services so the card can be temporarily suspended. Procurement will monitor the transactions and submit them on behalf of the cardholder so that the approving official can enter a business purpose, chartfields and receipts prior to approving the transaction.

Approving officials must notify Procurement of any employees with a ProCard who transfer to other departments or retire so the card can be cancelled. Cardholders who transfer departments will have to reapply if they will need a ProCard in their new position.

Employees and/or their approving officials are responsible for returning/collecting any receipts or other documentation when an employee leaves the institution or department. The card should be destroyed.

Lost/Stolen Cards and Disputed Transactions

To report a ProCard lost or stolen, contact the bank as soon as possible at (800) 685-4039. The university and the department may be held liable for any charges made on the card if it is not reported in a timely manner.

Transactions that the cardholder does not recognize must be disputed with the bank within 60 days.

Violations

Procurement Services, Compliance & Risk Management and other offices regularly conduct reviews of ProCard transactions. These reviews may look for compliance with this and other policies. Where findings of non-compliance are repetitive and/or egregious in nature, a variety of consequences can occur, including but not limited to:

- Requirement to re-attend training
- Card suspension
- Card termination
- Reimbursement of inappropriate spending
- Disciplinary action, up to and including termination

Exceptions

Any exceptions to this policy must be approved by the Director of Procurement Services.

Procedures

Information relating to using the ProCard, the online system and reporting tools available to departments can be found in the [ProCard Handbook](#) or the [Procurement website](#).

Divisional Collaborations

None

Contact Information

Procurement Services

procurement.depaul.edu

(312) 362-7510

procurement@depaul.edu

Appendices

ProCard Website

- <http://financialaffairs.depaul.edu/procurement/procard/procard.htm>
- <http://financialaffairs.depaul.edu/procurement/purchasing/proforms.html#procard>

How to Buy Guides

- <http://financialaffairs.depaul.edu/procurement/howtobuy/howtobuy.html>

History/Revisions

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