



Overview

The Procurement Credit Card (“Procurement Card”, “ProCard” or “PCard”) program has been implemented to provide a simplified method for campus departments to procure low dollar and low volume transactions under \$2,500 authorized goods or supplies and provide access to Campus Marketplace. The ProCard allows departments to control and monitor small purchases and reduce time and paperwork. Cards are issued in the name of the individual (“Cardholder”) whose purchases are reviewed/approved by a higher authority within the department (“Approving Official”).

The ProCard program has the ability to control purchases by limiting the maximum dollar amount per single transaction, limiting the maximum dollar amount per monthly billing cycle, and controlling the type of merchant from whom purchases can be made (e.g., card setup eliminating restaurants, liquor stores, etc.). For most Cardholders, the maximum single transaction limit is set at \$2,500 and the maximum monthly spend limit at \$5,000. Limits for unique circumstances should be discussed with the ProCard Coordinator.

CSU, Chico’s ProCard program is held with U. S. Bank and purchases made with the ProCard are billed to the University rather than the individual. The card can only be used for State funded (including housing, parking, RCE, etc.) transactions; therefore, Foundation purchases cannot be made with the University ProCard.

Process

DEFINITIONS

- Approving Official - person of higher authority than the Cardholder. Generally a manager or administrator who is responsible for review and submittal of credit card summary.
- Cardholder – CSU, Chico employee who holds a ProCard in their name.

TRAINING

- Cardholders and Approving Officials are considered designated positions and are subject to CSU’s conflict of interest policy. Cardholders and Approving Officials will be required to complete the “Statement of Economic Interests” (Form 700) annually by April 1, and also complete on-line ethics training. Human Resources will contact new Cardholders regarding the required forms and training.
- Each Cardholder and Approving Official is required to complete training on ProCard procedures involving responsibilities and appropriate use of the ProCard. Training can be completed in person in the Procurement and Contract Services Office or online, prior to the card being issued.

GENERAL PROCARD PROCESS

The process for procuring items utilizing the ProCard is comprised of three basic steps:

- **Purchase**
The authorized Cardholder uses his/her ProCard to make purchases at a store, by telephone or through the internet and obtains receipts for each transaction.
- **Approval**
At the conclusion of the billing cycle:
 - Cardholder compiles receipts to support charges on the monthly summary and verifies that the charges are correct and that the goods have been received. The reconciliation report is signed by Cardholder and forwarded to Approving Official.
 - Approving Official reviews charges on each Cardholder’s report to verify appropriateness of charges, update chartfield(s) as needed.
- **Submission of Receipts**
 - Send approved reconciliation report and receipts to Accounts Payable, Kendall Hall 208 (zip 243). Due dates are noted on the [ProCard Reconciliation Cycle Dates](#). Note detailed description of purchased items on receipts/report.

RESPONSIBILITIES OF CARDHOLDERS & APPROVING OFFICIALS

Both the Cardholder and Approving Official are responsible for ensuring the ProCard is used in accordance with the policies outlined in this manual, and that all purchases are in compliance with CSU Procurement and Contracting Policies and Procedures. Both Cardholder and Approving Official are required to complete ProCard training.

Cardholder Responsibilities

- Maintaining the security of the card and card number to prevent unauthorized use (do not share card).
- Reconciling monthly summary and certifying that all purchases and charges listed are correct.
- Resolving damaged goods or wrong item issues with vendor.
- Resolving disputed charges with the vendor and/or U.S. Bank, as appropriate.
- Forwarding reconciliation report to approving official for approval by reconciliation due date.

Approving Official Responsibilities

- Reviewing and approving the monthly Cardholder summary, verifying that charges were appropriate and reasonable.
- Forwarding the approved monthly summary and receipts to Accounts Payable, Kendall Hall 208 (zip 243) no later than the due date noted on the ProCard Reconciliation Cycle Dates.
- Advising the ProCard Coordinator if any Cardholders have left department or otherwise are no longer authorized to use the ProCard.

GENERAL PURCHASING GUIDELINES

- Purchases must be for official University business.
- Purchases should be reasonable, appropriate and cost effective.
- Whenever possible, purchase “green” or items with recycled content to contribute to the University’s sustainability goals.
- Whenever possible make purchases from certified small businesses (SB) and/or certified disabled veteran businesses enterprises (DVBE) to support University goals for participation.
Reference: <https://www.csuchico.edu/purc/supplier-vendor-info/small-business-dvbe.shtml> for a list of DVBE and Small Business vendors or search <https://www.dgs.ca.gov/pd/Programs/OSDS.aspx> using a keyword for the supply/item you are purchasing. Contact Lori Rice at ext. 5629 for additional information or assistance.

WHAT MAY BE PURCHASED WITH THE CAMPUS PROCARD?

- Books and publications.
- Memberships in the name of the University (typically only 1 yr, 2 yrs if cost effective, no lifetime).
- DVDs (Purchase DVDs with the captioned option).
- Computer accessories under \$1,000 such as mice, keyboards, glare screens, etc.
- Classroom/lab supplies such as microscopes, art supplies, etc.
- Furniture such as office chairs, task lighting, monitor stands, etc. Items must be delivered to Shipping and Receiving and do not require assembly or installation services.
- Off-campus services with no contracts required (e.g. sending a camera in for repair, taking a piece of equipment in for service, etc.).
- Other parts, supplies and accessories not otherwise restricted or prohibited.

CSUBUY E-PROCUREMENT

Cardholders automatically have access to the CSUBuy e-catalog shopping system. CSUBuy is a ProCard based purchasing system where listed supplier catalogs offer the lowest, contracted prices available to the CSU. This site contains catalogs offering everything from office and educational supplies to furniture and equipment. As a good business practice, CSUBuy should be the first place to shop. <https://www.csuchico.edu/purc/csubuy.shtml>

PROHIBITED PURCHASES

The following is a representative list of prohibited uses of the ProCard. It is not intended to be all inclusive. If unsure whether a purchase is allowed, please contact your department Procurement Specialist **before** initiating purchase of the item. **Exceptions may be made on a case-by-case basis if requested by email in advance of the purchase.** Exception approval must be attached to the Cardholder statement along with the receipt.

- Appliances for employees or department (e.g., coffee makers, refrigerators, microwaves, etc.).
- Cash advances.
- Communication/Computer devices (cell/telephone/pagers/phone cards, etc. or any device needing network access such as computers, printers, wireless routers, hubs, etc.).
- Contracts of any kind (e.g. consultants, guest speakers, on-campus maintenance or repair, public or trades work).
- Decorations - office (e.g. wall décor, rugs, etc.) or party (e.g. balloons, flowers, etc.).
- Drugs – prescription or other controlled substances.
- Foundation purchases using funding from Chico State Enterprises or University Foundation.
- Items requiring ITPR, software of any kind and anything that would store CSUC data.
- Hospitality Expenses items such as food, water, meals or gifts (see Hospitality Expense Procedure).
- Gasoline or other fuels.
- Items requiring on-campus delivery other than through Shipping & Receiving Department.
- Postage.
- Rentals/leases of any kind (space, vehicles, etc.).
- On-campus services of any kind including catering, entertainment, printing.
- Printing and custom items containing University name, logo or symbol (business cards, flyers, brochures, mugs, t-shirts, pens, etc.).
- Travel expenses (registration fees, airfare, lodging, meals, etc.).
- First Aid Kits with ointments and creams. Band-Aid's and gauze are allowable.
- Gifts (awards, plaques, gift cards, flowers).

ALLOWABLE PURCHASES WITH RESTRICTIONS

The following types of items may be purchased with the ProCard but require some sort of special handling or special approvals. It is the responsibility of the Cardholder to comply with the noted processes and to obtain any required written approvals in advance of the purchase and to attach such approval to the ProCard receipt.

• **Chemicals and Other Hazardous Materials**

It is the responsibility of the Cardholder to obtain and maintain a SDS (Safety Data Sheet - formerly MSDS) on-site and make the SDS easily and readily available to all users of the product. Certain regulated chemicals require notification to federal agencies. For a list of these chemicals please see the Chemical Hygiene Plan available at <https://www.csuchico.edu/ehs/programs-directory.shtml>

• **Items Requiring Property Inventory Identification Barcodes**

Equipment valued \$1,000 or greater must be tagged with property barcode labels and recorded in the inventory system. Cardholders are responsible for contacting Property Management, (ext. 5176), to have such items tagged and inventoried **immediately** upon receipt. If unsure whether an item needs to be tagged or not, contact Property Management. Please note on the receipt that Property Management Office has been contacted/notified of the purchase.

• **Radioactive Materials**

It is the responsibility of the Cardholder to obtain **prior written approval** from Environmental Health & Safety (EHS) Department (Ext. 5126) to purchase radioactive materials. The written approval is to be attached to the receipt and submitted with the Cardholder's monthly statement.

- **Lasers and Laser systems**

It is the responsibility of the Cardholder to obtain **prior written approval** from Environmental Health & Safety (EHS) Department (Ext. 5126) to purchase Class 3B or 4 lasers or laser systems. The written approval is to be attached to the receipt and submitted with the Cardholder's monthly statement.

PROCEDURES FOR MAKING PURCHASES

ProCard purchases can be made by purchasing goods from a vendor's store location, or calling, faxing, or placing an order through the internet. The billing address for all purchases should reflect 400 W. First Street, Chico, CA 95929-XXXX (enter exactly as noted).

- **Shipping Instructions**

The Cardholder is responsible for instructing the merchant to ship the goods to the following address (enter exactly as noted below):

PCC RECEIVING DEPT. – CSU, CHICO
ATTN: (insert Cardholder's name AND department name)
940 West 1st Street
CHICO, CA 95929-XXXX **(insert own dept's zip as last four digits)**

[Note: "PCC" in the address designates "ProCard" purchase. If this appears on the vendor's shipping label it will speed delivery of the item to your department as the Shipping & Receiving Department personnel will immediately know it is a Credit Card purchase and will not look for a purchase order for the transaction, etc.]

- **Itemized Receipts**

Regardless of the method used for obtaining goods, the Cardholder must obtain an **itemized** receipt. An itemized receipt/invoice consists of the following information:

- Name of vendor
- Date of purchase
- Quantity and description of each item purchased. If the item is not clearly described (e.g., part #159G), Cardholder must note complete description (e.g., part #159G wrench)
- Price of each item
- Amount of sales tax
- Shipping and other charges, if applicable
- Total amount of purchase

- **Inspecting Goods**

When a shipment is received, it is the responsibility of the Cardholder to promptly inspect the goods. In case of damaged items or receipt of incorrect items, the Cardholder is to coordinate timely resolution directly with the supplier.

- **Returning Goods**

If an item needs to be returned for any reason, request a "Return Authorization Number" or "Call Tag" from the supplier. Maintain the number for further follow-up as necessary. Work with the supplier to determine whether a replacement item will be sent or a credit issued. Include all vendor supplied documentation with your statement.

PROCEDURES FOR RECONCILING MONTHLY STATEMENTS

- **Billing Cycle:**

The billing cycle for the ProCard is from the 24th to the 23rd of each month. At the end of each month each Cardholder will receive an email notifying them that the monthly reconciliation window is open. See [ProCard Reconciliation Procedures](#).

- **Item Description:**

It is the responsibility of the cardholder to provide a description of the item(s) purchased.

- **Lost Receipts:**

If a receipt is lost, a duplicate copy must be requested from the vendor. If the vendor cannot provide a duplicate copy, a "Lost Receipt Notification form" must be provided by the Cardholder with a detailed explanation of the circumstance surrounding the loss, with signature by the Approving Official. This form is located at <https://www.csuchico.edu/fin/resources/forms.shtml> NOTE: If there are excessive instances of lost receipts, ProCard privileges will be suspended and possibly revoked.

INFRACTION, SUSPENSION OR REVOCATION OF CARD

Infractions occur when a Cardholder does not fulfill their responsibilities as defined above. Infractions may result in a written notice to the Cardholder, Authorized Appropriate Administrator and the department head. Written notice may specify mandated training sessions, card suspension, or revocation of Cardholder privileges.

All ProCard holders will be tracked monthly for infractions including but not limited to late statement submission, unreconciled statements, personal purchases, prohibited transactions or missing documentation.

- **1st Offense** - An email will be sent to the cardholder with a copy to the approving official notifying them of the specific infraction.
- **2nd Offense** - An email will be sent to the cardholder with a copy to the approving official and the ProCard Administrator notifying them of the specific infraction.
- **3rd Offense** - An email will be sent from the ProCard Administrator to the cardholder, and approving official notifying them of the specific infraction and necessary action items to resolve situation (i.e. additional training, card suspension, card revocation).
 - Final discretionary authority rests with the ProCard Administrator regarding any exceptions to these procedures.

REPLACEMENT OF CARDS AND CARDHOLDER CHANGES

There may be instances where it becomes necessary to replace a credit card. It is the Cardholder's responsibility to initiate this process by following the instructions below:

- **Reporting a Lost/Stolen ProCard**
 - The Cardholder must immediately contact U.S. Bank 24-hour customer service at (800) 344-5696.
 - The Cardholder must immediately notify the ProCard Coordinator, Cindy Reiswig, creiswig@csuchico.edu, by email.
 - When a card is reported lost or stolen, a new card will be issued once the Cardholder has made the proper notifications. Replacement cards will be mailed to Procurement & Contract Services. The ProCard Coordinator will notify the Cardholder when the replacement card is available for pickup.
- **Replacement of Worn or Defective Cards**

If a ProCard needs to be replaced because it is worn or defective, please email the ProCard Coordinator at creiswig@csuchico.edu, and a new card will be requested. The new card will have the same account number as the original card.
- **Cardholder Transfer to Another University Department or Change of Approving Official**

If a Cardholder transfers to another campus department, or the approving official changes, the Cardholder and/or Approving Official must notify the ProCard Coordinator. A "Procurement Card - Request and Update" form <https://www.csuchico.edu/fin/resources/forms.shtml> from the Cardholder's new department must be completed and submitted to Procurement & Contract Services.
- **Cardholder Termination of Employment with University**

When a Cardholder leaves the University, the Cardholder and/or Approving Official must immediately cancel the Cardholder's ProCard by calling the ProCard Coordinator at ext. 5137 and/or sending an email to creiswig@csuchico.edu. The Cardholder and the approving official will be held responsible for all charges made on the card until it has been canceled.
- **Cardholder Set-Up Changes**

If Cardholder setup changes are necessary (e.g., name change, limit change, default chartfield change), complete and submit the "Procurement Card - Request and Update" form to Procurement & Contract Services, zip 244. This form is located at www.csuchico.edu/fin/resources/forms.shtml

References

- [CSU Executive Order 760](#) – Establishes minimum standards for use of Procurement Cards to ensure appropriate safeguards are in place.
- [CSU Contracts and Procurement Policy – Low-Value Purchases](#) - Articulates the CSU's requirements related to low-value purchase transactions to ensure procurement and contracting activities comply with applicable regulations.
- [CSU Contracts and Procurement Policy – Procurement Cards](#) – Establishes the use of Procurement Cards in the CSU to improve the efficiency, flexibility and convenience related to purchasing, and paying for goods and certain approved services and the campuses' responsibility to prepare written policies, limits and procedures that implement this policy.

Forms

[Procurement Card – Request & Update form](#)

[Procurement Card – Lost Receipt Notification](#)

Contacts

Cindy Reiswig

ProCard Coordinator

creiswig@csuchico.edu

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Ext. 5137

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Accounts Payable

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Ext. 3163

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Credit Card Processor

US Bank

24-Hour Customer Service (800) 344-5696