



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 supplies, equipment, goods, and limited services. ProCards 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 is designed 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., setup eliminating airlines, liquor stores, etc.) For most Cardholders, the maximum single transaction limit is set to \$2,500 and the maximum monthly spending limit is set to \$5,000. Limits for unique circumstances should be discussed with the Cardholder’s department assigned Procurement Specialist.

Chico State’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 ProCard can only be used for University funded transactions; therefore, Auxiliary purchases cannot be made with the University ProCard.

APPROVING OFFICIAL & CARDHOLDER RESPONSIBILITIES:

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 follow CSU (California State University) Procurement and Contracting Policies and Procedures. As a public employee both the Cardholder and Approving Official should take care to avoid conflict of interest by disqualifying themselves if the purchase decision will have a financial impact on their personal finances or other financial interests.

Approving Official

- An Approving Official is a person of higher authority than the Cardholder. Generally, a manager or administrator responsible for reviewing and submitting credit card summary. Individuals must be a level 4 or higher in campus Delegation of Fiscal Authority structure. Approving Official responsibilities include:
 - Reviewing and approving the monthly Cardholder summary, verifying that charges were appropriate and reasonable.
 - Complete the ProCard – Request and Update form if Cardholders have left the department or otherwise are no longer required or authorized to use the ProCard.

Cardholder

- A Cardholder is a CSU, Chico employee who holds a ProCard in their name. Cardholder responsibilities include:
 - Maintaining the security of the ProCard and ProCard number to prevent unauthorized use;
 - Never sharing their ProCard;
 - Reconciling monthly summary and certifying that all purchases and charges listed are correct;
 - Resolving incorrect or damaged goods received directly with supplier;
 - Resolving disputed charges with the supplier and/or U.S. Bank, as appropriate;
 - Forwarding reconciliation report to approving official with sufficient time for review and approval to meet reconciliation deadlines.

TRAINING

- Each Cardholder and their Approving Official must complete ProCard training to ensure understanding of responsibilities and appropriate use of the ProCard. Training **must** be completed prior to the ProCard being issued, bi-annually if they retain a card, when a major procedure update occurs, and may be required to be retaken if infractions occur.
- Cardholders with larger purchase limits (\$25,000 and up), and their Approving Official, 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 complete on-line ethics training. Human Resources will contact new and existing Cardholders regarding the required forms and training.

GENERAL PROGRAM GUIDELINES

- Purchases must be for official University business.
- Purchases should be reasonable, appropriate and cost effective.
- Purchases should not gain financial or other benefits for the Cardholder, their family, or their friends.
- 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/> using a keyword for the supply/item you are purchasing. Contact Lori Rice at ext. 5629 for additional information or assistance.

PROCARD PROCESS

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

- **Purchase**
The authorized Cardholder uses their ProCard to make purchases at a store, by telephone or online and obtains an itemized receipt for each transaction. Note: it is the Cardholder's responsibility to obtain a detailed description of purchased items.
- **Approval**
At the conclusion of the billing cycle:
 - Cardholder (or reconciler) downloads monthly Summary Statement from CFS (Common Financial System).
 - Cardholder compiles receipts in the order listed on the statement 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 and update chartfield(s) as needed.
 - If Cardholder incurs charges for a department other than their own, Cardholder must include approval of the purchase by attaching an email from the department budget contact/delegated approver for that deptid.
- **Submission of Receipts**
 - Send approved reconciliation report, itemized receipts, using AdobeSign workflow. Receipts should be attached and organized to match the order listed on the Summary. Due dates are noted on the [ProCard Reconciliation Cycle Dates](#).

- **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](#).

WHAT MAY BE PURCHASED WITH THE CAMPUS PROCARD?

- Books and publications.
- Memberships & Subscriptions 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, not requiring and ITPR (Information Technology Procurement Review) with a value of \$1,000 or undersuch 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 Distribution Services 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.).
- Hospitality expenses consistent with the Hospitality Procedure **where supplier is not coming onto campus or providing offsite catering services** (see Hospitality Procedure for catering information)– Cardholder must attach [Hospitality Expense Approval form](#) with itemized receipts to cardholder statement.
- Other parts, supplies, and accessories not otherwise restricted or prohibited.

Purchases with Special Requirements

The following types of items may be purchased with the ProCard but require additional approvals. It is the Cardholder's responsibility to comply with the noted processes and obtain any required written approvals before the purchase and to attach such approval to the ProCard receipt.

- **Promotional Items**

Promotional items and other products bearing the University's name, logo, seal, mascot, slogans, or other trademarks, whether for commercial (e.g., resold for fundraiser), promotional (e.g., given away), or internal use, may only be purchased from suppliers that have a valid trademark license agreement with the University (or its licensing agent). Purchases made with University funds from suppliers who are not officially licensed with the University may be considered an unallowable expense. University Communications must approve all orders and artwork for products bearing any Chico State marks/branding via a [Creative Services Ticket](#). Once approved, no alternation may be made to the marks or artwork without University Communications' prior written approval.

A few notes when ordering University branded promotional products:

- Product color should be [Chico State red](#), gray, white, or black when applicable, to best represent the University brand.
- Department, college, and school logos should be used to best represent the entity being promoted. Your unit logo can be found on [Box](#) (must log in to view and search within the main folder to find your appropriate logo.).
- Products should be relevant and useful for best visibility in the promotion of your area.
- Direct all questions to University Communications at ucomm@csuchico.edu or by calling Ext 4143.
- Reference University [Style Guide](#) for more information.

- **Printing**

Printing of University business supplies (business cards, flyers, brochures) must be ordered through [University Printing Services](#) using approved templates. Any variations are subject to review and approval by University Communications.

For off-campus printing, please use the [Authorization for Off-Campus Printing Process](#). A pre-approved off-campus print form must be attached to the cardholder's statement.

- **Electronic and Information Technology (E&IT) products** [IT Procurement Review \(ITPR\)](#)

Items meeting certain criteria may be purchased using a ProCard. As part of the ITPR process a written exception may be made to utilize the ProCard. The written exception must be attached to the cardholder's statement.

- **Chemicals and Other Hazardous Materials**

It is the Cardholder's responsibility to obtain and maintain an SDS (Safety Data Sheet - formerly MSDS) on-site and make the SDS easily 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 at \$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 the 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 the 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 summary.

- **Lasers and Laser systems**

It is the responsibility of the Cardholder to obtain prior written approval from the 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 summary.

PROCEDURES FOR MAKING PURCHASES

ProCard purchases can be made by purchasing goods either in person or online. If purchasing an item that is unallowable, a **written** exception from the department assigned Procurement Specialist must be obtained **before** the transaction is made.

- **Billing Address:** The billing address for all purchases should reflect:

CARDHOLDER NAME
400 West 1st Street
CHICO, CA 95929-XXXX **(insert own dept's zip as last four digits)**

- **Shipping Address & 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.

- **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 summary.

- **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. The [Lost Receipt Notification Form](#) should be attached to the reconciliation statement. NOTE: If there are excessive instances of lost receipts, ProCard privileges will be suspended and/or revoked.

COMMON 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 case-by-case if requested by email to your department assigned Procurement Specialist before the purchase.** Exception approval must be attached to the Cardholder summary along with the receipt.

Items or services that have contracts, terms conditions or anything requiring a signature (i.e., rentals, leases, service agreements consultants, speakers, maintenance/repair services, etc.)	On-campus services or deliveries of any kind (i.e., items requiring on-campus delivery other than through the Distribution Services, catering, speakers, entertainment, etc.)
Software or hardware requiring an ITPR	Postage, shipping, cash advances
Network Devices: Computers, printers, routers, hubs, phones, or any communication/computer devices that will access the campus network	External storage devices used to store level 1 or level 2 data: flash drives, portable hard drives, hardware, or software
Travel expenses (fuel, registration fees, airfare, lodging, meals, etc.)	eBay or PayPal purchases
Drugs or medications (prescription or otherwise), first aid kits containing ointments, creams, and medicines	Purchases using Auxiliary funding (Chico State Enterprises, University Foundation, or Associated Students)
Gifts, holiday, or celebration-related items (gift cards, flowers, thank-you cards)	Items of a personal nature: office décor, party supplies, appliances for the office (e.g., coffee makers, refrigerators, microwaves, etc.)

INFRACTION, SUSPENSION OR REVOCATION OF CARD

Infractions occur when a Cardholder does not fulfill their responsibilities such as late summary submission, unreconciled summary, personal purchases, prohibited transactions or missing documentation. Infractions may result in a written notice to the Cardholder, Appropriate Administrator and department leadership. Written notice may specify mandated training sessions, ProCard suspension, or revocation of Cardholder privileges. The Procurement Card Administrator has the authority and responsibility for any card suspensions or revocations depending on the severity and prevalence of the infractions.

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, Layla Betar-Makhoul, lbetar-makhoul@csuchico.edu, by email.
 - When a ProCard is reported lost or stolen, a new ProCard will be issued once the Cardholder has made the proper notifications. Replacement ProCards 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 or Cards with Fraudulent Activity**
 - If a ProCard needs to be replaced because it is worn or defective, please email the ProCard Coordinator lbetar-makhoul@csuchico.edu, and a new ProCard will be requested. The new card

will have the same account number as the original ProCard.

- USBank has systems in place to quickly identify fraudulent activity. If a ProCard has suspected fraudulent activities, USBank will immediately disable the ProCard to prevent further fraudulent activities. If this happens, Cardholders will need to contact US bank immediately to resolve the issue. A new card may be issued if deemed necessary.

- **Cardholder Termination of Employment with University**

When a Cardholder leaves the University, the Approving Official must cancel the Cardholder's ProCard using the campus [Notice of Separation Process](#). The Cardholder and the Approving Official are responsible for all charges made on the ProCard until cancellation.

- **Cardholder or Approving Official Changes**

If Cardholder changes are necessary (e.g., department change, name change, limit change, default chartfield change, Approving Official change, etc.), complete and submit ProCard – Request and Update form.

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

[ProCard – Request and Update](#) (OnBase process)

[Procurement Card – Lost Receipt Notification](#)

[Hospitality Expense Approval Form](#)

Contacts

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ProCard Coordinator

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Procurement and Contract Services

Kendall Hall Room 206, zip 244

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Sara Rumiano

ProCard Administrator

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Procurement and Contract Services

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Credit Card Processor

US Bank

24-Hour Customer Service (800) 344-5696