



California State University East Bay
Office of Procurement Services

Procurement Card Handbook

General Information

The Procurement Card (P-Card) Program is a simple way for campus departments to purchase office supplies and make low dollar purchases using a credit card. The P-Card is issued to an individual in a department and, in general, will be the **primary method for that department** to purchase supplies costing \$2,500 or less per transaction (including tax and shipping). *Note: the P-Card may not be used for Travel Expenses.*

How to Get a P-Card

- Forms for the P-Card can be found on the forms page for Administration and Finance at http://www.aba.csueastbay.edu/BusAndFinance/New_Forms_Instructions/departments/procurment_card.htm
- Select the application form from the list.
- Complete the form, have the Authorizing Official sign, and submit to the P-Card Administrator in WA715.
- The cardholder and Authorizing Official must schedule and complete the Cardholder Training Program, administered by the P-Card Administrator
- Review and sign the *P-Card Program Agreement*
- Pick up your new card **in person** and sign for its receipt

Using the P-Card

Purchases made with the P-Card must conform to university policies and only be used for expenses associated with official university business. Personal expenses are not allowed, must be reimbursed to the university by the employee/cardholder, and puts the cardholder in jeopardy of losing their P-Card.

What you May Purchase with the P-Card

- **Computer supplies/accessories**
- **Conference/seminar registrations**
- **Miscellaneous, laboratory supplies**
- **Office supplies from our contracted provider, Office Max**
- **Online business cards and stationery, only through the University-specified vendor**
- **Operational supplies**
- **Professional membership fees**
- **Software from the CSU contracted software vendor**
- **Subscriptions**

Restricted Transactions

- **Contracts/Agreements Requiring an Authorized signature** – Any contract/agreement requiring a University authorized signature must be sent to Purchasing for review and authorization. Only Purchasing may obligate the University contractually. Use of the P-Card may be granted on a case-by-case basis, only if Purchasing has signed the contract and pre-approved use of the card.
- **Food and Beverages-** Aramark is the only approved on-campus provider of food and beverage catering. Food and beverages may only be purchased if in compliance with the university's hospitality policy. See the Hospitality Policy (Attachment 1) for complete details
- **Rentals**
 1. Equipment for Facilities and the Theater Arts department, (such as lighting, costumes, etc.). Equipment rental requires prior approval by the Purchasing Office. **Note: car or housing rentals are prohibited.**
 2. Transportation services: The p-card may only be used for bus rental if an agreement has been authorized and set in place by the Purchasing Office. The usual transaction limits apply.
 3. Recruiting events: Rental for venues such as hotel space, conference centers, etc. with pre-approval of contract by Purchasing Office. Transaction limits apply.
- **Service -related purchases:**
 1. Repair of items being shipped off-campus are allowed; on-campus repairs are not allowed and must be requested on a Psoft express p.o.
 2. Printer repair only by contractors which are on Procurement's pre-approved list.
 3. Service on vehicles and maintenance equipment using pre-approved vendors. (Contact Purchasing Office first)
 4. Any service purchase requires pre-approval by Purchasing.
 5. Bottled water service
 6. Cell phone service from the University's contracted provider (Service only, no cell phones may be purchased on a pcard – submit an express po for equipment)

Prohibited Transactions

The P-Card may *not be* used for the following:

- Animals (except for instructionally-related purposes)
- Cash advances (including transferring funds to a One-Card account), money orders, wire transfers
- Catering services from an off-campus vendor
- Computer equipment and peripherals (i.e. printers/scanners over \$1000)
- Construction/modifications/special repairs
- Entertainment
- Equipment/Trackable assets (i.e. Projectors, cameras, etc.)
- Explosives, firearms/ammunition
- Furniture, including chairs
- Hazardous chemicals/materials
- Narcotics and other controlled substances
- On-campus repair services
- Personal purchases
- Plants, artwork for decorative purposes
- Services, unless specifically listed above
- Travel expenses

Unauthorized Use of the P-Card

The cardholder will be held personally liable for any fraudulent or personal use of the P-Card and such use may result in revocation of card privileges.

Obtaining Goods

- Cardholders use the P-Card to purchase goods in person, by telephone, by mail, or online. All items **must** be shipped directly to the user's *University* address.

Example

Ship To:

California State University East Bay

(Cardholder name)

Your department name/Bldg/Room *(mandatory information)*

25800 Carlos Bee Blvd

Hayward, CA 94542

- **Per Transaction Limit**

Single purchase limit is \$2500 (including tax and shipping) per day with monthly limits set by your Authorizing Official. Requests for a temporary increase should be made in writing (e-mail is acceptable) as detailed below in *Exceptions*.

Exceptions to P-Card Policies & Procedures

- Will be considered and may be approved as follows:
 - Increase in the monthly P-Card limit – by P-Card Administrator
 - Increase in single transaction limit – by P-Card Administrator
 - Exception for prohibited or restricted items – by Procurement management or their designee
- On a case by case basis, the P-Card Administrator may approve requests for an exception to P-Card policy or procedures. These requests should be made in writing (e-mail is acceptable) and sent to the P-Card Administrator. Requests must come from the Authorizing Official and must fully explain the reasons why the exception is being requested. Additional documentation may be requested by the P-Card Office for exception requests.

Cardholder Responsibilities

- Card may only be used by Cardholder
- Use card in compliance with CSUEB and CSU Procurement Services Procedures and Policies.
- Keep card and card number in a secure place
- Obtain *original sales receipts* for each transaction for goods received
- Receipts must be itemized with cost and description of goods purchased
- Obtain credit from vendor/merchant on returned goods or disputed items
- Reconcile monthly statement with the P-Card Expense Log and submit by monthly deadline
- Submit completed reports to Authorizing Official(s) for approval
- Immediately report stolen or lost cards to our P-Card provider (currently GE Corporate Services), the University Police Department, the P-Card administrator and the Authorizing Official, see page 6 of this manual for more details.

- If Authorizing Official changes, cardholders must submit the Approving Official Change form to the P-Card Administrator. The form is available at http://www.aba.csueastbay.edu/BusAndFinance/New_Forms_Instructions/departments/forms/POChangeInApprovingOfficial.pdf
- Return the card to Procurement Card Administrator before separating from the University
- If transferring to another department on campus, contact the P-Card Administrator for instructions.

Monthly Reconciliation Procedures:

1. Go online to Strategic Account Management (SAM) to reconcile, review and approve each transaction.
2. In Transaction Detail review the amount of purchase and chart field information. If applicable, change chart field values as needed, i.e. Department #, Fund, etc.
3. You may begin reconciling transactions online 24 to 72 hours after transactions post.
4. It is recommended that the Cardholder review transactions on a weekly or biweekly basis.

Monthly Expense Report:

1. Print Expense Log report, matching the current date range for the reporting cycle. (*Hint: Balance amount should be same on Expense Log as it is on Credit Card Statement*).
2. Attach receipts and supporting documentation (in same order as credit card statement) to Expense Log report. Please tape small receipts to an 8-1/2" x 11" sheet of paper to ensure that they are not lost in transit. Attach credit card statement to documents.
3. Make a copy of everything for your records. *Note: Cardholder/Department must retain a copy of the Monthly Expense Log, card statement, and copies of the receipts for the current year, plus two (2) prior fiscal years for audit purposes.*
4. Submit signed Expense Log to Authorizing Official for his/her signature.
5. Submit original report to P-Card administrator no later than the 10th of the following month, or if the 10th falls on a weekend, the following business day. (Example: billing cycle closes July 25; monthly report must be in the hands of the Authorizing Official by August 10).
6. Once the transactions have been loaded to PeopleSoft, you will no longer be able to access Use Tax or print your expense report.
7. More SAM training information and materials are available on our P-Card web pages at: <http://www.aba.csueastbay.edu/PROCURE/Psspur.htm#Procurement%20Credit%20Card>

Original Itemized Receipt Requirements

- For auditing purposes, CSUEB is required to maintain proper documents on all university transactions, especially receipts. Therefore, for every transaction made with a P-Card, Cardholders must obtain an itemized receipt from the vendor. The receipt should contain the following information:
 - Description of goods purchased
 - Date of purchase
 - Quantity purchased
 - Price per item
 - Amount of sales tax and total amount
 - Shipping charges, if applicable
 - If the receipt is not itemized, the Cardholder must write in the items purchased on the receipt/invoice
- **Receipts for online purchases:**
Purchases made online may be documented by printing a copy of the order confirmation. Confirmation must contain required information, i.e. items, transaction date and cost.

- **Unacceptable Receipt Submissions**

The following are *not acceptable in* lieu of an original receipt or invoice:

- *packing slips*
- *credit card slips* (unless the individual items and cost are listed on the slip)
- *copies of receipts/invoices*, unless accompanied by a written memo of explanation signed by the Cardholder, *which certifies* that the document submitted is a true and correct copy of the original.

- **Original Itemized Receipt Lost or Not Available**

- Should a receipt be lost, the Cardholder is responsible for obtaining a duplicate copy from vendor/merchant. If unsuccessful in doing so, Cardholder must complete a *Certification of Receipt of Goods* form, which can be obtained from the P-Card Administrator. Submit the signed form in place of the original receipt along with the monthly report.
- An email notification to the P-Card Administrator that the Certification of Goods form will be used is also required.
- Excessive instances, as determined by the Purchasing Department, will result in revocation of card privileges.

Disputed or Defective Items

- If an item is billed incorrectly or is defective, the cardholder should try to resolve with the vendor first before entering it as a dispute in SAM. If unsuccessful, the cardholder must place the transaction in dispute online in the SAM system and note it on the report.
- Cardholder is responsible for handling the dispute:
 1. In transaction summary, highlight the disputed amount.
 2. The cardholder should click on the dispute tab.
 3. A list of dispute reasons can be found as part of the dispute screen
 4. Complete required data on the dispute screen.
 5. If the reason does not appear on the list, use the “other” tab.
 6. Then click on “save”.
- **IMPORTANT NOTE:** Disputes must be entered in SAM by the 30th of the month. As a rule, Cardholder statements are paid in full, including disputed items in order to avoid late fees and penalties. It is the Cardholder’s responsibility to secure a reversal of charges (credit) from the bank.

Program Administration

Purchasing is responsible for all administrative aspects of the P-Card Program, including obtaining new and replacement cards for Cardholders, auditing Cardholder reports and supporting documents. The Accounts Payable Unit is responsible for paying the procurement card vendor’s monthly invoice.

Audits

- In accordance with Office of the Chancellor Coded Memo BF94-23, the P-Card Program is subject to periodic audits by CSUEB and CSU Internal Auditors as well as State Auditors, including statements, monthly expense reports, receipts and all other pertinent documents. For this reason, as well as in the interest of good business practice, cardholders, authorizers and Procurement Services administrative personnel must conduct all P-Card Program business in strict compliance with established policies and procedures.
- Department and cardholder records will be audited for:

- Original itemized receipts (or certified receipt copies, faxed or e-receipts)
 - Accurate reconciliation of receipts and monthly expense reports with card statement
 - Cardholder signature on monthly reporting documents
 - Proper approval signature on monthly reporting documents
 - Appropriate use of the P-Card: no split purchases, no prohibited transactions and restricted purchases within policy guidelines
- All cardholder submissions are audited every month by the P-card administrator. Those cardholders who have audit findings in a given month, will be audited more closely the following month to ensure that issues have been resolved. The P-Card administrator will enforce the corrective actions outlined in this manual, including card value reduction, suspension, and/or revocation of card privileges.

Failure to Comply with Policies and Procedures

Cardholders and/or department card privileges may be revoked or face other disciplinary measures for a period of at least one calendar year when major infractions by the cardholder are found. These include:

- Misuse of card such as using it for prohibited purchases; splitting transactions and personal use of card
- Excessive instances of lost receipts
- Excessive late review and reconciliation of online charges and late submittals of receipts to the Program Administrator.
- Card may be revoked for other reasons as determined by the P-Card Administrator(s) and/or Procurement Services management. The Authorizer will be copied on all notifications regarding corrective action.

Consequences of Missing Documentation

- Failure to submit proper documentation will result in an email notification requesting the missing documentation.
- After first notification, cardholder limit may be reduced to \$1
- After reduction to \$1, if missing documentation is not provided after one month, card privileges may be cancelled completely.

Lost or Stolen cards

1. **Cardholder** is to immediately contact the card issuer, AMEX
2. **Cardholder** is to immediately contact Authorizing Official
3. **Cardholder or Authorizing Official** must notify P-Card Administrator by telephone and follow up with an e-mail or other written communication
4. **Cardholder** should pick up replacement card *in person* and sign for its receipt

Replacing a badly worn or defective credit card

1. **Cardholder** is to notify Authorizing Official that card needs to be replaced, due to its worn or defective condition
2. **Cardholder** is to deliver worn/defective card *in person* to the P-Card Administrator
3. **Cardholder** will sign and date “*Certification of Procurement Card Destruction*” form provided by Administrator
4. **Cardholder** must pick up and sign for the replacement card *in person*.

Cardholder Request to Close Account

Cardholder should send a written request (e-mail is acceptable) and return the credit card in person to the P-Card Administrator. If the card has already been destroyed, the **Cardholder** must complete the “*Certification of Procurement Card Destruction*” form and return it to the P-Card Administrator.

Where to go for help and information

Procurement Services P-Card Staff

P-Card Administrator:

Al Newell – alfred.newell@csueastbay.edu – x5-2120

Accounts Payable Manager:

Lana Lewis – lane.lewis@csueastbay.edu – x5-2854

Procurement Services Website: <http://www.aba.csueastbay.edu/procure/psspur.htm>

AMEX:

Lost/Stolen Reporting: 1-800-464-3603 Option 2 is for Customer Service, Option 3 is for the helpdesk.

See page 6 of this manual

Legal Reference and Authority

California State University Policy Manual for Contracting & Procurement; Executive Order 760 Executive Order 760, dated October 16, 2000, (found at <http://www.calstate.edu/eo/>) establishes minimum standards for use of the procurement cards to ensure that appropriate safeguards are in place