

# **CALIFORNIA STATE UNIVERSITY BAKERSFIELD**



## **PROCUREMENT CREDIT CARD (PROCARD) HANDBOOK**

Financial Services  
and  
Procurement & Contract Services

## REVISION CONTROL

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# Quick Reference Sources

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**US Bank 24-Hour Customer Service: 1-800-344-5696**

## **PROCUREMENT & CONTRACT SERVICES**

**Procurement Credit Card (ProCard) Program Coordinator:**

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## **BILLING CYCLE**

**Billing Cycle ends on the 20<sup>th</sup> of the Month**

(Exception: when the 20<sup>th</sup> falls on a Saturday or Sunday, the billing cycle will end on the following business day)

## **DUE DATES**

Reconciliation period in PeopleSoft CFS is between **5-6 business days** from notification that statement is available. ProCard Annual Cycle Date calendar emailed to Cardholder and available online.

Completed and signed Monthly ProCard Report due to Payment Services within **10 business days**

## **CFS / PEOPLESOFT- CSU PROCARD**

**Monthly ProCard Statements & Reports**

<http://www.csub.edu/cms/> (CFS through CSYOU)

## **PROCARD RECONCILIATION QUICK REFERENCE GUIDE**

<http://www.csub.edu/training/files/CS92MP3%20ProCard%20Reconciliation%20Guide.pdf>

## **I. INTRODUCTION**

The University offers the Procurement Credit Card (ProCard) as a payment option for the purchase of commodities, (e.g. promotional items, books, etc.) up to the standard limit of \$2,500 and for off-campus services. The ProCard is available to campus members including staff, faculty, auxiliary employees, ASI Executives and Student Housing Resident Coordinators upon recommendation of their Approving Administrators (Dean, Chair or MPP). The ProCard should be used as the first payment option to achieve cost savings and improve processing time as a purchase order is the least cost-effective method of procuring low-dollar value commodities.

### **Legal Reference and Authority**

The Integrated CSU Administrative Manual, Section 5250.00, Procurement Cards (University Liability Credit Cards) and CSU Executive Order No. 760.

<https://www.calstate.edu/icsuam/documents/Section5000.pdf>

<http://calstate.edu/eo/EO-760.PDF>

## **II. DESIGNATED POSITION**

All Approving Administrators who approve cardholders ProCard charges are considered the authority to make discretionary purchasing decisions. Therefore, these Administrators will be identified as a designated employee required to file a Statement of Economic Interests Form 700 and will complete Conflict of Interest (COI) training. The campus COI Filing Coordinator will contact Approving Administrators and provide COI information and documentation.

## **III. CSUB PROCARD PURCHASING PROGRAM**

### **Card Issuance**

- The individual must be a University employee. (Temporary or interim employees are not eligible for a ProCard).
- The credit card is issued to the University in an individual's name.
- The University is responsible for all payments.
- All purchases must be made in accordance with established University, State and Federal policy for expenses associated with official University business only.
- Upon receipt of this card, Cardholder will be granted fiscal authority for ProCard purchases ONLY.
- All Cardholders must have a designated Approving Administrator (Dean, Chair or MPP):
  - May not be a subordinate or peer of the Cardholder.
  - Must have fiscal authority for the default chartfield string of the Cardholder.

### **Application Process**

The following forms must be completed, submitted and processed in order to receive a ProCard:

- **Procurement Credit Card Application**

1. Application located at:  
[https://www.csub.edu/bas/fiscal/procurement/\\_files/ProCard%20Application%2008.2017.pdf](https://www.csub.edu/bas/fiscal/procurement/_files/ProCard%20Application%2008.2017.pdf)
2. Completed by the Requestor, signed by the Approving Administrators and then forwarded to the Director of Procurement & Contract Services for final review and approval.

- **Common Finance System (PeopleSoft CFS) Access Request – ProCard Access Role**
  1. CFS Access Request Form located at: [https://www.csub.edu/cms/forms/bas\\_arf.pdf](https://www.csub.edu/cms/forms/bas_arf.pdf)
  2. Completed by the Requestor, signed by the Approving Administrator and submitted to the University Controller to be signed. Then, the form is routed to HR for confidentiality agreement verification and forwarded to ITS for processing.
- **Training**  
The ProCard Requestor is required to complete the ProCard online training prior to the ProCard being issued. Once training is complete, the ProCard Requestor will be notified when the ProCard is available for pick up from Procurement & Contract Services. A document acknowledging receipt of the ProCard and acceptance of the responsibility delegated to the ProCard requestor must be signed at the time of pick up.
- **Card Activation**  
Upon receiving your card, you will receive instruction on how to activate your card. Upon activation, please remember to sign the back of your card or write SEE I.D. for security purposes.

#### **IV. COMPLETING AN APPLICATION**

**Select an Approving Administrator.** An Approving Administrator is defined as a Chair, Dean, or Administrator (MPP), who manages the activities of the employee on a day-to-day, project, or program basis. The assigned Administrator is responsible for reviewing and approving the Cardholder's charges each month. A Cardholder cannot approve his/her own charges. It is recommended to have a secondary Approving Administrator in the event your primary Approving Administrator is unavailable to sign the report/reconciliation.

**\*Determine Spending Limit.** Generally, the Cardholder's Approving Administrator will determine the ProCard limit for a Cardholder/Employee. The monthly spending limit should be set to accommodate your department(s) needs. The single purchase limit is set at \$2,500 for all Cardholders. However, if a department's daily activities require a higher purchasing ProCard limit, special consideration can be reviewed and approved by the Director of Procurement & Contract Services upon the request of the Approving Administrator. (In the Director of Procurement & Contract Services absence, the University Controller can approve changes in spending and ProCard limits).

**Determine a Default Account.** One chartfield will be associated with your card. All charges on your ProCard will be charged to this chartfield string, unless they are changed by you in PeopleSoft CFS – CSU ProCard within **5 business days** of notification that your statement is available in CFS.

**Signatures.** The application should have the signatures of the Cardholder, Approving Administrator and Director of Procurement & Contract Services.

#### **V. AREAS OF RESPONSIBILITY**

##### **US Bank**

US Bank is the CSU ProCard contractor who will issue credit cards and provide the statements electronically that will be uploaded into CFS. Paper statements will not be mailed to Cardholders.

##### **Procurement & Contract Services and Payment Services**

The University Controller delegates the administration of the ProCard program jointly to Procurement & Contract Services and Payment Services. These departments are responsible for accumulating, reporting,

coordinating and evaluating all aspects of the program. Procurement & Contract Services is responsible for distributing ProCards, administering ProCard online training, updating the ProCard Handbook and forms, managing Cardholder accounts and assisting Cardholders. Payment Services is responsible for processing payment to US Bank, auditing Cardholder monthly reports, and monitoring compliance with University and CSU policies and procedures.

### **Cardholder**

The Cardholder is responsible for:

1. Security of the ProCard (only the assigned Cardholder is allowed to make purchases on the ProCard).
2. Compliance with University and CSU guidelines & procedures.
3. Compliance with State and Federal guidelines, if applicable.
4. Reconciliation and preparation of the Monthly ProCard Purchase Report in CFS; submitting a hard copy report to Payment Services for auditing.
5. Upon separation from the University, turning in the ProCard to Cashiering in accordance with the Separation Clearance Process, available at [http://www.csub.edu/bas/hr/files/Misc\\_Forms/Separation%20Clearance%20Form%202012\\_08\\_14.pdf](http://www.csub.edu/bas/hr/files/Misc_Forms/Separation%20Clearance%20Form%202012_08_14.pdf)

### **Approving Administrator**

The Approving Administrator is responsible for:

1. Reviewing and approving all charges.
2. Ensuring compliance with University and CSU policies & procedures
3. Compliance with State and Federal guidelines, if applicable.
3. Ensuring all proper documentation is attached to the Monthly ProCard Purchase Report.
4. Ensuring that Cardholder's final Monthly ProCard Purchase Report is reconciled in CFS and a hard copy of the report sent to Payment Services after Cardholder separates from the University.

## **VI. CARDHOLDER PROCEDURES**

### **General Rules for Purchasing**

The Cardholder will place an order for a purchase by phone/fax, mail or pick-up. The receipt must include the following information:

- Name and address of vendor
- Description of purchase
- Quantity purchased
- Unit price per item
- Amount of sales tax and total amount
- Shipping charges, if applicable

Any commodities e.g. promotional items, books, etc., ordered that will be shipped to the University through the Receiving Department **MUST** include the designation "ProCard" on the shipping label. The shipping label should also include an exact location and contact person for delivery. Shipments missing this information could experience delays in delivery or the return of the order back to the vendor.

### **Sales Tax/Use Tax**

Commodities are taxable. Even if the vendor did not charge sales tax at the point of sale, the University is responsible for collecting the sales tax as use tax to submit to the Board of Equalization. If an item is taxable and sales tax was not collected, please indicate this on your ProCard Report. Payment Services will also audit Cardholders' reports and calculate the use tax for items not taxed. A chargeback transaction will be posted to the Cardholder's chartfield string for the sales tax amount.

## Small Business and Disabled Veteran Enterprises

The Procurement & Contract Services department at California State University Bakersfield is interested in expanding its supplier base, particularly in the areas of Small Business and Disabled Veteran Business Enterprises (DVBE). The University wants to ensure, in accordance with legislative requirements, that a fair proportion of its annual procurements are awarded to such firms offering dependable products and quality services at competitive prices. The California State Department of General Services offers an online search engine at: <http://www.dgs.ca.gov/pd/Programs/OSDS.aspx> to locate Small Business and Disabled Veteran Business Enterprise vendors.

## Supporting Documentation

- The Cardholder shall collect and maintain all supporting documentation of each ProCard transaction.
- Individual receipts/invoices smaller than 4-1/4" X 5-1/2" must be taped on an 8-1/2" x 11" sheet of paper to ensure they are not lost in transit.
- If the Cardholder has lost receipts/invoices, they are required to make a good faith effort to obtain a duplicate copy from the vendor. If a duplicate copy cannot be obtained, the Cardholder must attach a "Lost Receipt" form with an explanation to the Monthly ProCard Purchase Report.  
[https://www.csub.edu/forms/sta\\_fac/cat/buy/forms.html](https://www.csub.edu/forms/sta_fac/cat/buy/forms.html)

**Note: If there are excessive instances of lost receipts/invoices, the ProCard will be revoked.**

## Monthly ProCard Purchase Report

- After the close of each monthly billing cycle, the **20<sup>th</sup>** of each month, the Cardholder will receive an email notification from Payment Services that their Statement from US Bank is available for reconciliation in CFS/PeopleSoft.
- Within **five (5)** business days of this notification, the Cardholder is required to review the ProCard statement online. This process should include the following:
  - reviewing the statement for accuracy
  - reconciling it to vendor receipts/invoices
  - adding descriptions,
  - and updating chartfields/distributions if needed

**The ProCard** Reconciliation Packet is then submitted to Payment Services for auditing. The ProCard Reconciliation packet consists of

- 1. ProCard Report printed from CFS/PeopleSoft**
- 2. Receipts/Invoices/Packing Slips and other required documentation**

- After the 5 business day deadline, transactions will not be available to review or update.
- Make a copy of the above packet to be retained by the Cardholder for **one (1)** year for audit purposes.
- Forward the original packet to the Approving Administrator for review and signature.
- Within **ten (10)** business days from notification that statement is available online, the original packet must be submitted to Payment Services. After that timeframe if a report hasn't been submitted, a late notification e-mail will be sent to the Cardholder.
- If the monthly ProCard Reconciliation Packet is not received in Payment Services within **15 (fifteen)** business days, a late notification e-mail will be sent to the Cardholder.
- If the monthly ProCard Reconciliation Packet is not received in Payment Services within **twenty (20)** business days, an e-mail will be sent to the Cardholder, Approving Administrator and the Director of Procurement & Contract Services warning the Cardholder of possible revocation of their ProCard.

**IMPORTANT:** It is the Cardholder's responsibility to retain all internal department approval documents with their copy of the ProCard Reconciliation Report Packet. However, it is **not** necessary to send a copy of these documents to Payment Services with your Monthly ProCard Reconciliation Report Packet. It is also the cardholder's responsibility to reconcile online in PeopleSoft CFS within the reconciliation period provided (5



business days). **Please note: late submission and/or failure to submit the ProCard Reconciliation Report two or more times will lead to the suspension of ProCard privileges by the University Controller. In addition, continued disregard of any of the ProCard policies and/or procedures will lead to the revocation of all ProCard privileges.**

## Dispute Resolution

The most common dispute reasons are described below. These reasons correlate with those found on the US Bank Information on Dispute and Fraud Processes Document found on the Procurement & Contract Services ProCard website at: <https://www.csub.edu/bas/fiscal/procurement/files/Dispute%20and%20Fraud.pdf>

- **Merchandise or service not received:** The card has been charged for a transaction(s), but the merchandise or service has not been received.
- **Merchandise returned:** The card has been charged for a transaction(s), but the merchandise has been returned and there has been no credit given by the merchant.
- **Duplicate processing:** The card has been charged for a transaction twice, when only one charge was authorized.
- **Unrecognized:** The card has been charged for a transaction that is not recognized. A copy of the documentation received from the merchant to certify the charge (sales draft) will be sent to the Cardholder for review.

If an item is in dispute, the Cardholder must type "DISPUTED" in the description field on the ProCard Reconciliation Report in CFS and contact US Bank customer service at 1-800-344-5696.

- Cardholder is responsible for contacting US Bank, regarding disputed items which appear on the statement within thirty (30) days after the date of the statement.
- ProCard credit receipts for resolved disputes are to be kept until the credit transaction shows up on the online statement. ProCard credit receipts will be attached to the monthly ProCard Reconciliation Report.

If items purchased are received defective or incorrect, it is the Cardholder's responsibility to return the item(s) to the vendor for replacement or to receive a credit on the purchase. If the vendor refuses to replace the defective or incorrect item, then the purchase of this item will be considered DISPUTED and US Bank must be notified. US Bank may require the Cardholder to complete and submit a US Bank Dispute Form. The Cardholder will be notified by US Bank when the dispute has been resolved.

## VII. APPROVING ADMINISTRATOR PROCEDURES

The Approving Administrator (Dean, Chair or MPP) has **five (5)** business days after receipt of the Cardholder's reconciled Monthly ProCard Report and documentation submitted for approval/signature to:

- Review the Cardholder's Monthly ProCard report and accompanying documentation to ensure that all purchases are in compliance with the Delegation.
- Sign and date the Monthly ProCard Purchase Report.
- Forward the original reconciliation packet to Payment Services.

## VIII. REVISING CARDHOLDER ACCOUNT INFORMATION

If a Cardholder needs permanent revisions made to their account, including modifying single purchase or monthly limits, changing approving Administrator(s), and/or changing the default chartfield string associated with the card, the Cardholder must submit a ProCard Revision Form to Procurement & Contract Services, located at <http://www.csub.edu/bas/fiscal/procurement/files/Pro%20Card%20Revision.pdf>

If a Cardholder needs a short-term/temporary increase to their single/monthly limits, the Cardholder's Approving Administrator will send an email request to the Director of Procurement & Contract Services and copy the ProCard Coordinator. Once the Director of Procurement & Contract Services approves the temporary increase, the ProCard Coordinator will process the increase and inform the Cardholder that the temporary increase is in effect.

## **IX. REPLACING CARDS**

### **Reporting Lost ProCards**

The following steps must be taken immediately:

- Cardholder contacts US Bank at: **1-800-344-5696**.
- Cardholder notifies ProCard Coordinator in Procurement & Contract Services by e-mail or phone.
- ProCard Coordinator notifies Cardholder when replacement card is available for pickup.

### **Replacement of Worn Out or Defective Cards**

- To replace a ProCard that is worn out or defective, the Approving Administrator must cut the card in half and return it to the ProCard Coordinator in Procurement & Contract Services and request a new card.
- ProCard Coordinator notifies Cardholder when replacement card is available.

### **Replacement due to Employee Departmental Reassignment**

- When a Cardholder leaves a department, the Approving Administrator must notify the ProCard Coordinator in the Procurement & Contract Services by e-mail or written notification.
- The ProCard Coordinator will immediately freeze the account until a new ProCard Application is submitted for the Cardholder's new department.

## **X. PROHIBITED AND RESTRICTED USES OF THE PROCARD**

The ProCard **MAY NOT** be used to purchase any of the following:

Advertising except Faculty recruitment and display advertising (non-contractual) under delegated \$ limit with Provost prior approval. Staff recruitment advertising **must** be handled through HR.

Animals except for instructional purposes.

Auction Items/Raffle Prizes

Capitalized Property - Property which has a normal useful life of one year or more, has a total acquisition (including tax, shipping and handling) of \$5,000 or greater, and has use in the course of University business.

Cash Advances including Gift Cards and Gift Certificates. Gift Cards must be pre-approved by the University Controller. All pre-approved Gift Card purchases must be properly documented and a log must be kept listing the recipients of the gift cards on a CSUB Gift Card/Certificate Acknowledgement Form.

Computer Equipment - All laptops and CPU'S

Construction/Public Work Projects - Alterations or modifications to campus structures including painting, remodeling, rewiring, carpet installation, etc.

Deposits

Equipment - Non-Capital Equipment defined as tangible, non-consumable property with a total acquisition (including tax, shipping and handling) cost of at least \$2500, subject to restrictions on Sensitive Equipment.

If equipment requires installation by the vendor, the purchase must be handled as a service using guidelines for services.

Firearms, Ammunition, Explosives

Food & Catering\* (unless special approval is granted by the University Controller or the Director of Procurement & Contract Services. If granted, the University's Hospitality Policy is applicable):  
<http://www.csub.edu/bas/fiscal/studaccount/ files/hospitality%20policy.03.05.2015.pdf>

Furniture such as desks, modular/cubicle and task chairs. File cabinets, bookcases, reception furniture/seating is allowable, however, if vendor will install/assemble furniture onsite this becomes an on-campus service which is not allowed.

Leases/Maintenance Agreements/Service or Consulting Agreements or Any Other Contractual Documents

Narcotics, Controlled Substances and Hazardous Chemicals/Materials

On-Campus Services such as equipment repair, delivery/installation, etc.

Personal Purchases\*\* - Gifts, Portable Heaters and Fans, Refrigerators, Freezers, Microwaves, Coffee-Makers, etc. Cardholders who use the University Delegation for personal purchases are subject to prosecution under Penal Code provisions.

Printing Devices - including Copiers/MFD's and Printers.

Printing Services\*\*\*

Postal Services\*\*\*

Rentals such as tents, tables, chairs, large equipment, etc.

Respiratory and Hearing Protection

Security Systems

Sensitive Equipment - Equipment required to be tagged by the Asset Management, see Property Policy at [http://www.csub.edu/FacilMgt/asset\\_mngmt.htx](http://www.csub.edu/FacilMgt/asset_mngmt.htx)

Signage - Building & Directional. Please contact Facilities Management for campus signage policy.

Software – Due to ADA compliant issues and IT security requirements, software on a ProCard is restricted. If special permission to purchase software on a ProCard is granted by Procurement & Contract Services, please attach the email approval to your monthly ProCard Report.

Storage Container Rentals – both on campus or off-site

Telecommunication Equipment and Service\*\*\* such as cellphones or satellite phones, pagers, portable radios, wireless internet and services.

Travel\* except for seminar/training/conference fees. A Travel Authorization Request Form will need to be attached to the Monthly ProCard Report. If the seminar/training/conference fees involve international travel, a Travel Authorization Request Form will require the signatures of the Provost and President in addition to the Department approvals. Travel may be granted to campus members by special approval by the Controller or Director of Procurement & Contract Services.

Vehicles and Vehicle Rentals

**\*Travel and Hospitality** – For Cardholders permitted to use the ProCard for travel and hospitality for official University business; all business related travel must be pre-approved. The expenditures for travel related purchases must be made in accordance with CSU and CSUB travel policies. Hospitality purchases must also follow CSU and CSU hospitality policies including the submission of a signed business meal approval with the monthly report, if required.

**\*\*Personal Purchases** – If you use your ProCard accidentally for a personal purchase, you should first contact the vendor and ask for the charge to be credited on the ProCard and charged to your personal card. If you are unsuccessful, then you must reimburse the University.

A completed Collection Sheet form must be submitted to the Cashier's Office. Include:

1. A copy of your ProCard statement showing the expense and an explanation of why it was charged to the ProCard.
2. Cash or check (payable to CSUB).

\*A copy of the Collection Sheet and the deposit slip you receive from the Cashier's Office must be attached to the ProCard Reconciliation Packet.

[https://www.csub.edu/forms/sta\\_fac/cat/cash/forms.html](https://www.csub.edu/forms/sta_fac/cat/cash/forms.html)

Attach the receipt provided by the Cashier's Office to your ProCard Reconciliation Report Packet along with a brief written explanation. If excessive instances of personal purchases occur, your card may be revoked for misuse.

**\*\*\*On-Campus Operations** – The purchase of commodities and services that are normally supplied by on-campus operations, such as Runner Bookstore, Mail Services, Telecommunications, and Reprographics (including Print Shop) are restricted. Contact these departments if you have any questions about a particular service. If circumstances merit, they will provide written authorization to obtain these services off campus.

In addition, the following restrictions will apply:

- **Receiving personal compensation for order placement** – Receiving personal compensation including receiving (directly or indirectly) gratuities, commissions, personal profit or any other kind of personal compensation for placement of a University order with a vendor or contractor is considered a conflict of interest and is not allowed.
- **Splitting of purchases to circumvent the dollar limitation or the competitive bidding requirements** Splitting purchase transactions by making two or more purchase transactions to the same vendor to avoid bid process or dollar limitation, or making two or more purchase transactions to different vendors for the same items to avoid the bid process or dollar limitation is not allowed.

## **XI. EMERGENCY PURCHASES**

The ProCard may be used when there is an emergency need for commodities or services necessary for the continuance of critical daily operating functions or when a condition exists involving public health, welfare or safety. Failure to allow adequate lead-time for the processing of payment for commodities or services through regular purchasing methods; such as a requisition, **does not** constitute an emergency. Due to state reporting requirements, a written justification and the supporting paperwork for the transaction will be required and forwarded to Procurement & Contract Services stating reason the purchase qualified as an emergency.