

# PROCUREMENT CARD (P-CARD) PROGRAM POLICY MANUAL OCTOBER 2023



**P-Card Program Legal Reference and Authority**

- Section II & IV of the Standing Orders of the Board of Trustees of the California State University
- Standing Delegations of Administrative Authority

**Laws, State Codes, Regulations and Mandates**

- Title 3, Postsecondary Education, Division 8, California State University, Education Code 89036
- CSU Contracts and Procurement Policy, adopted March 3, 2023

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## Section 1: Procurement Card (P-Card) Program Overview

### 1.1 About the P-Card Program

The authority to procure goods and services is granted under CSU Contracts and Procurement (C&P) Policy, through the Board of Trustees, to the Chancellor, to the campus President, to C&P. It is the policy of the California State University (CSU) system that Procurement Cards (P-Cards) be used to improve the efficiency, flexibility and convenience related to purchasing, and paying for authorized goods and/or limited services. The P-Card is a university issued credit card and should be the primary means used to obtain authorized goods and/or limited services. Using a widely accepted US Bank issued Visa credit card, eligible Cardholders may make purchases at a merchant's place of business, by telephone, in-person, via the Internet or other business pay applications. The P-Card is only meant to expend Stateside funds or IRA funds. The P-Card may not be used for purchases expending Foundation funds.

The California State University, Fullerton (CSUF) P-Card Program is designed to provide a simplified method for Cardholders to purchase authorized goods and/or limited services. This program is a procurement tool to be used as an alternative to purchase orders, contracts and allows for direct pay for small dollar purchases. The P-Card Program is administered by the CSUF C&P Department.

### 1.2 Program Benefits

The P-Card Program is designed to benefit Cardholders by providing a simplified method for eligible Cardholders to procure small dollar purchases of authorized goods and/or limited services by using a university issued credit card. P-Cards provide benefits that include but are not limited to:

- Streamlining the processes for small dollar orders,
- Enables employees to be more efficient and focus on their core missions;
- Reduced processing time in the employee's department as well as Procurement and Accounting;
- Provides cost savings through consolidated payments to the procurement card company; and
- Enables faster payments to CSU vendors.

## 1.3 Program Eligibility

To be eligible for a P-Card the requestor must:

- Be a CSUF part-time or full-time faculty/staff member and;
- Be a CSUF faculty/staff member with an appointment of six months or greater;
- Instant Card users can be CSUF students, faculty, or staff members.

Temporary staff (appointment less than six months), temporary employees from outside temporary staffing agency, Auxiliary Services Employees, Associated Student Employees, Retired Faculty/Staff, Volunteers, and Student Assistants are not eligible for a P-Card.

## 1.4 Program Card Types

The P-Card Program has four types of credit cards available for use. All credit card types are subject to P-Card Program Policies and Procedures contained therein, including but not limited to procedures for cost reconciliation. Any use of the credit card by an individual or vendor other than the one who the card was issued for may result in suspension and/or revocation of the card.

1. One Card
2. Declining Balance Cards (Short-Term and Vendor)
3. Instant Card
4. Voyager Card (Fleet Card)

### A) P-Card Descriptions

1. **One Card:** This P-card can be used to make purchases of authorized goods and/or services per this policy.
2. **Declining Balance Card:** This P-Card can be used by offering Cardholder's two options; short-term and vendor. Declining balance cards have a set starting credit limit. The set credit limit is reduced with each purchase or transaction and does not reset at the end of each billing cycle. The card is closed when there is no remaining balance to the set credit limit. This credit card remains open as long as there is a remaining balance, or the expiration date has not been reached. However, a department may request a card to be closed when it is no longer needed. This P-Card may be renewed by requesting the extension of the card and the beginning balance. Renewals are subject to the appropriate level of approval. The Declining Balance P-Card may be used for Auxiliary Fund expenditures however; a State fund must also be identified to guarantee the spending made on the card.

- a) Short-term: The short-term credit card is issued for a specific event or short timeframe. This card may be used for authorized State funds, IRA funds, Auxiliary funds expenses.

b) Vendor: The vendor credit card is issued to a specific vendor and cannot be used with any other vendor. This card may be used as a replacement for the blanket purchase order process when the vendor accepts a Visa credit card. All Vendor credit cards issued must comply with CSU bid limit requirements, if applicable and CSU insurance requirements.

3. **Instant Card:** This P-Card is designed to be used as a virtual payment method for food/meals and small incidentals while on business travel and that are not pre-planned. CSUF colleges and departments may request a specified spending amount per card. Department Heads may request use of Instant Cards for specific staff, faculty students and/or other eligible Cardholders. Instant Cards are effective for a specific period of time and meant to be used for a short duration only.

4. **Voyager Fleet Card:** This P-Card is for use for university-owned vehicles. The card is a Voyager brand card and it is valid for use for fuel and car washes at designated locations where the Voyager card is accepted. The department that is responsible for the vehicle must identify an eligible Cardholder for their department's Fleet Card. The eligible Cardholder is responsible for the collection of the receipts for purchases other than fuel from each vehicle monthly.

## 1.5 Program Contact Information

Banking Institution:

US Bank, Access® Online Customer Service:

Phone: 800-344-5696

Email: [accessonlinesupport@usbank.com](mailto:accessonlinesupport@usbank.com)

CSUF Contracts and Procurement Office:

Address: 2600 Nutwood Ave., Suite 300, Fullerton, CA 92831

Phone: 657-278-2411

Email: [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu)

## Section 2: How to Obtain a P-Card

### 2.1 Apply for a P-Card

Submit a Credit Card Request form and a Purchasing Card Cardholder Agreement to the C&P Department at, [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu). These standard forms can be found on the C&P Department website: <https://financialservices.fullerton.edu/cp/forms/>.

### 2.2 Complete P-Card Training

Upon the C&P Department's receipt of the application and agreement, the eBusiness Office will assign required training courses in the Employee Training Center to all individuals who require training.

## Section 3: Areas of Responsibilities

### 3.1 Administrator Responsibilities

The Administrator is an individual who is responsible for the day-to-day management and operation of the P-Card Program at CSUF.

Administrator responsibilities include but are not limited to:

- Ensuring compliance with University and CSU policies and procedures;
- Ensuring compliance with State and Federal guidelines, if applicable; and
- Ensuring all proper documentation is attached to the monthly P-Card reconciliation reports

### 3.2 Cardholder Responsibilities

The Cardholder must use their P-Card appropriately in accordance with the policies outlined in this manual and all laws and statutes adopted by CSUF C&P Department.

Cardholder's responsibilities include but are not limited to:

- agreeing to all P-Card program requirements established and as amended by the CSU;
- completing and acknowledging the required P-card cardholder training;
- protecting the card at all times to prevent unauthorized use
- ensuring that only the last 4 digits of the P-Card are visible when submitting reports;
- not sharing or authorizing others (subordinates or otherwise) to use the card;
- verifying that adequate funds are available in project account(s) prior to completing purchases;
- reconciling monthly statements, providing supporting documentation, and certifying that all purchases and charges listed on the monthly statement are correct;
- resolving damaged goods or wrong item issues with vendor;
- resolving disputed charges with the vendor and/or U.S. Bank, as appropriate;

- reporting a lost or stolen card and actively follow bank rules and instructions in doing so;
- reporting fraudulent or suspected fraudulent charges to US Bank and actively follow US Banks requirements and instructions to clear the charges.

### 3.3 Approving Officials Responsibilities

The assigned Approving Official and/or Delegate Approving Official must be in a supervisory position to the Cardholder. They are required to complete Approving Official training. Approving Officials are responsible for reviewing the cardholder's monthly procurement transactions to ensure compliance with C&P P-Card Program requirements.

Approving Official's responsibilities include but are not limited to:

- Ensuring that purchases are appropriate;
- Funding is appropriate and available;
- Verifying that any purchase of restricted items is appropriately documented;
- Ensuring that the P-Cardholder has complied with all P-Card policies and procedures;
- Approving P-Card holders reconciliation report; and
- Ensuring that P-Card holder submits report within established deadline schedule
- Notifying ebusiness office when P-Card account should be closed

### 3.4 Delegate Responsibilities

Delegates may draft or create monthly reconciliation reports and/or perform other administrative tasks however, delegates cannot submit or provide approval of the Cardholder's monthly reconciliation reports.

### 3.5 Fiduciary Responsibilities

The P-Card represents an official delegation of purchasing authority, cardholders/responsible person and/or Approving Officials have certain fiduciary responsibilities in this regard. It is the cardholders'/responsible persons' and/or approving officials' responsibility to ensure that all provisions of University policies and procedures have been followed. A cardholder's/responsible person's or approving official's certification/signature (whether or not someone else reconciles the transactions on the cardholder's behalf) on the Approval of P-Card Transactions form represents personal testimony to the following: Cardholder's/responsible person's signature on Approval of Procurement Card Transactions form signifies:

- All purchases have been reviewed and reconciled
- An itemized receipt supports all purchases or, if a receipt is not available, an explanation is provided detailing the items purchased
- All purchases are within the authorized budget of the account being charged
- Disputed/fraudulent purchases have been communicated to the bank via the cardholder fraud/dispute process and a copy of all information sent to the bank is attached to the packet. It is the cardholder's

responsibility to ensure that these issues are resolved and that credits are posted to the account as appropriate

- All purchases have been made on behalf of the department, support department operations, have been received in the department, and have been put to use by department staff
- No personal purchases have been made or if personal or disallowed purchases were made in error, reimbursement has been made to the State account before submittal of the packet
- All purchases comply with all University policies and procedures, including Procurement Card policies and procedures, and the Directive 11 policy
- A Hospitality (D11) form, approved by the Division Head or designee, has been submitted with the packet, if applicable Approving Official signature on Approval of Procurement Card Transactions form signifies:
  - All purchases are within the authorized budget of the account being charged
  - All purchases have been made on behalf of the department, support department operations, have been received in the department, and have been put to use by department staff
  - All travel expenditures are appropriate according to CSUF travel policies and procedures and have been incurred in connection with officially approved University business travel
  - No personal purchases have been made or if personal or disallowed purchases were made in error, reimbursement has been made to the State account before submittal of the packet
  - All purchases comply with all University policies and procedures, including Procurement Card policies and procedures, and the Directive 11 policy
  - A Hospitality (D11) form, approved by the Division Head or designee, has been submitted with the packet.

### 3.6 Conflict of Interest

The purpose of conflict of interest laws is to prohibit public employees from personally benefitting at the expense of the public interest. The C&P Department is committed to the highest ethical standards and requires all Cardholders and Approving Managers to abide by CSU's Conflict of Interest Handbook. Cardholders and Approving Officials should avoid any transaction or circumstance that enables, potentially enables, or appears to enable a conflict of interest. For a complete list of CSUF's adopted Conflict of Interest statutes and restrictions, consult with CSU legal and/or the CSU Conflict of Interest Handbook.



## Section 4: Using Your P-Card

### 4.1 Credit Limits

Monthly and single transaction credit limits are set standard credit limits, based on the type of P-Card requested. A change to the set standard credit limit may be granted if circumstances require it. A Cardholder should notify the C&P Department, in writing, of their desire to deviate from the set standard credit limits. The Director of C&P or their designee will review the request and make the final credit limit determination.

### 4.2 Purchases (Allowable and Prohibited)

The following is a partially representative list of items that are allowable and prohibited with the P-Card. It is not intended to be all-inclusive, and this list is provided as a general guide. To confirm whether a purchase is allowable or prohibited, please contact [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu) for guidance. Cardholders will be held personally liable for any inappropriate or unauthorized transactions made by them which violate the P-Card Policy. Certain prohibited items listed under the Voyager Fleet Card or the Instant Card may be allowable purchases on the One Card or the Declining-Balance Card. Consult with your Approving Official and the C&P Department on Instant Card or Voyager Fleet Card items that are prohibited but that may be allowable purchases with the One Card or the Declining-Balance Card.

Allowable	Prohibited
<b>One-Card and Declining Balance Card</b>	
<ol style="list-style-type: none"> <li>1. Memberships/Subscriptions/Registrations/Accreditations</li> <li>2. Single stand-alone small furniture</li> <li>3. Advertisements under \$1,000</li> <li>4. Conference Registrations</li> <li>5. Online training/webinar</li> <li>6. Hospitality expenses, such as purchases for a University-Sponsored event (See Hospitality Policy guidelines)</li> <li>7. Equipment valued under \$2,500</li> <li>8. Certain IT related goods</li> <li>9. Small classroom items/supplies</li> <li>10. Commodities such as office supplies and books</li> <li>11. Food (see Hospitality Policy guidelines)</li> <li>12. Promotional items/University Logo Brand Center/ Licensing Guidelines</li> </ol>	<ol style="list-style-type: none"> <li>1. Alcoholic beverages, ammunitions, tobacco, controlled substances, firearms and narcotics purchases</li> <li>2. All commodity purchase orders greater than \$5,000</li> <li>3. Cash advances</li> <li>4. Consulting services</li> <li>5. Electronic communication devices, including but not limited to cell phones and hot spots</li> <li>6. Equipment that requires the purchase of additional cellular service, including but not limited to iPads, Laptops, Notebooks and Touchpads</li> <li>7. Equipment valued at over \$2,500</li> <li>8. Gifts, goods, services, or items of a personal nature</li> <li>9. Maintenance/Service/Lease Agreements/Renewal Contracts (e.g., copiers, software license renewals)</li> <li>10. Public works, construction, repair or remodeling of State buildings</li> <li>11. Splitting purchases to circumvent purchase limits</li> </ol>
<b>Voyager Fleet Card</b>	
<ol style="list-style-type: none"> <li>1. Gas</li> <li>2. Car washes</li> </ol>	<ol style="list-style-type: none"> <li>1. Vehicle maintenance charges</li> <li>2. Gas store food or drink</li> <li>3. Alcohol or tobacco products</li> <li>4. Fleet maintenance supplies</li> <li>5. Any purchase aside from gas and car washes is prohibited unless prior approved by the C&amp;P Director.</li> </ol>

Instant Card	
<ol style="list-style-type: none"> <li>1. Food/meals</li> <li>2. Small travel related incidentals</li> </ol>	<ol style="list-style-type: none"> <li>1. Hotel reservations</li> <li>2. Car or transportation rentals</li> <li>3. Alcohol or tobacco products</li> <li>4. Department supplies</li> <li>5. Equipment (sports, office, or student equipment and supplies)</li> <li>6. Any purchase aside from food/meals and small travel related incidentals is prohibited unless prior approved by the C&amp;P Director.</li> </ol>

### 4.3 PURCHASE WITH APPROVAL ONLY (Q#)

Only the specific services and service providers referenced on the P-Card Authorized Service Providers webpage may be used for P-Card. Any service not listed on C&P Approved Vendor website are strictly prohibited unless a Q# is issued by the Contracts and Procurement Department prior to the service being provided.

## Section 5: Procurement Card Policy Violations

### 5.1 Enforcement of Procurement Card Policies

Pursuant to Executive Order No. 760, the C&P Department is responsible for conducting post-audits of P-Card purchases to ensure compliance with P-Card policies and procedures. Failure to comply with P-Card policies may result in suspension of the P-Card. At the discretion of the C&P Director, Cardholder's that have committed three violations, within a six-month period, may have their P-Card suspended for a minimum of 30 days or permanently.

Violation of P-Card Policies	
1st Violation	Warning issued to cardholder
2nd Violation	P-Card may be suspended for 30 days
3rd Violation	P-Card may be suspended for 30 days or permanently

### 5.2 Suspension of P-Card

The following violations may result in suspension of the P-Card for 30 days:

- A) Purchasing prohibited goods or services
- B) Use of the P-Card by a person not intended or ineligible to use the P-Card
- C) Use of the P-Card to commit or facilitate an act that is in violation of state or federal law
- D) Submitting delinquent/late/incomplete reconciliation reports

- E) Failure to comply with P-Card policies and procedures

### 5.3 Late/Delinquent Submittal of P-Card Reconciliation Reports

The monthly billing cycle typically runs from the 26th of the month to the 25th of the following month. The P-Card Reconciliation information is due to C&P Department on the 10<sup>th</sup> of the month. Reconciliation document information is considered late/delinquent if it is submitted after the 10<sup>th</sup> of the month. Late/Delinquent P-Card reconciliation information is disruptive to the flow of university business operations and not acceptable. Timely and accurate submittal of complete reconciliation reports are critical to the business operations of the university and therefore the monthly billing cycle timeline is important to follow. Repeated late or incomplete submittals of the P-Card Reconciliation Reports may result in a 30-day or more suspension of the P-Card.

### 5.3 Revocation of P-Card

If a P-Card is suspended three times, the P-Card may be revoked permanently. A written notification of the intent to revoke the P-Card will be sent to the Cardholder and the Approving Official. The Cardholder may request an appeal of the P-Card revocation to the Director of C&P. All appeals must be in writing and submitted within two weeks of notification. The C&P Department reserves the right to revoke any P-Card for any violation of P-Card policies and procedures. Reinstatement of the P-Card is a final decision based on the discretion of the Director of C&P or their designee.

### 5.4 Reinstatement of a P-Card

At the discretion of the C&P Director, a P-Card maybe reinstated if the following applies:

- 1) The violations have been corrected
- 2) Cardholder has attended additional training

## Section 6: Procurement Card Account Changes

### 6.1 Revisions to a P-Card

A change/revision to a P-Card account should be requested in writing by emailing a P-Card Revision Request form to [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu). The P-Card Revision Request form is available on the Contracts & Procurement website.

### 6.2 Approving P-Card Changes

A change/revision to a P-Card must be approved by the appropriate Dean, Associate Vice President, or other Approving Official.

### 6.3 Replacement of P-Cards

## Reporting a Procurement Card as Lost/Stolen

When a P-Card is lost/stolen, the Cardholder should immediately contact US Bank at (800) 344-5696 to report the loss. The Cardholder must also notify the C&P Department, in writing, at [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu). US Bank will issue a new card automatically. Replacement cards will be mailed to the C&P Department and the cardholder will be notified to come retrieve their replacement card.

## Replacement of Worn Out/Defective Cards

If a P-Card needs to be replaced because it is worn out or defective, notify the C&P Department at [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu). A new card will be ordered for the cardholder and the old card must be destroyed.

## 6.4 Separation/Change of Cardholder/Responsible

When a Cardholder separates from or leaves the university, the P-Card must be returned to the C&P Department or the card must be destroyed by the Cardholder. C&P will receive notification from Human Resources of the separation and will suspend the account. The Cardholder must settle all outstanding transactions and ensure that they are appropriately reconciled and processed prior to leaving the university. It is the responsibility of the Approver to make sure the Reconciliation Reports and any other pending actions are completed prior to the employee leaving.

## 6.5 Chart Field Changes

To request a change/revision to the default Chart Field or add additional Chart Fields, a completed Revision Request form must be sent to the C&P Department [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu).

## 6.6 Name or Telephone # Changes

To request a change to the Cardholder's name or telephone number, a completed Revision Request form must be sent to the C&P Department [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu).

## 6.7 Canceling a P-Card

A P-Card may be cancelled with written notification from the Cardholder, Approving Official, College Dean, Division Head or their Designee to [ebusiness@fullerton.edu](mailto:ebusiness@fullerton.edu). The canceled P-Card must be immediately destroyed by the Cardholder. The C&P Department will notify all parties that the card has been canceled.