



California State University Maritime Academy  
**Procurement Card Program Manual**

For  
Campus and Auxiliary  
Cardholders and Approving Officials

Administration and Finance Division  
Contract Services and Procurement  
Effective November 1, 2021

INTRODUCTION .....	3
About the ProCard Program .....	3
Legal Reference and Authority .....	3
Ethics .....	3
Conflict of Interest .....	4
Business Goals .....	4
Bank Contact Information .....	5
ProCard Administrator Responsibilities .....	5
Cardholder Responsibility .....	6
Approving Official Responsibility .....	6
Approving Official – Direct Benefit .....	7
Fiduciary Responsibilities .....	7
Violation Measures .....	8
Audit Finding .....	9
THE PROCUREMENT CARD .....	10
Requesting a ProCard .....	10
Card Controls: .....	10
Card Activation and Registration .....	10
ProCard Card Maintenance and Replacement .....	11
USING THE PROCARD .....	11
Appropriate Use of ProCard .....	11
Prohibited Use of ProCard .....	13
Procurement Authority .....	14
THE ORDERING PROCESS .....	14
Placing the Order .....	14
Documenting Each Transaction .....	14
Missing or Lost Receipt/Invoice .....	15
Taxes .....	15
Shipping Instructions .....	15
Inspecting the Goods .....	16
Returns and Exchanges .....	16
Disputes and Discrepancies .....	16
Credits .....	17
Declined Transactions .....	17
MONTHLY PROCARD RECONCILIATION PROCESS .....	17
ProCard Planning Timeline .....	17
CFS PeopleSoft Edits and ProCard Documentation Submittal .....	18
AUDITS AND RECORD RETENTION .....	20
PROCARD REFERENCES AND FORMS .....	20

## **Introduction**

### **About the ProCard Program**

The Procurement Card Program is administered through the Contract Services and Procurement department. The program is designed to provide a simplified method for Cardholders to procure purchases of authorized goods, supplies, or limited services by using a University issued credit card. This method delegates procurement authority throughout the University while protecting its assets.

Using a widely accepted US Bank issued Visa credit card, designated employees may make purchases at a merchant's place of business, by telephone or via the Internet. Common purchases made with the ProCard include office supplies, non-software subscriptions, and other approved commodities. The procurement card (ProCard) is a Visa credit card that allows departments to effectively control and monitor small purchases while reducing procurement-related time and paperwork.

Cal Maritime's Contract Services and Procurement Office, in cooperation with the Chancellor's Office, offers the Procurement Card Program to the campus. This program provides a procurement tool to be used as an alternative to purchase orders, contracts and direct pay for small dollar purchases.

The ProCard should be considered the first option before other procurement methods to obtain allowed commodities. Leveraged purchasing agreements made available through established campus or system-wide channels should take precedence when making low-value purchase transactions. Cardholders are encouraged to use the ProCard in order to achieve cost savings and improve processing time.

A ProCard shall be used in accordance with the following:

- CSU Contracts and Procurement Policy
- Cal Maritime's Procurement Card Program Manual

Cal Maritime and its auxiliaries are subject to this Procurement Card Program Manual.

### **Legal Reference and Authority**

Authority to use a ProCard is granted to the President by the Executive Order 760 <https://calstate.policystat.com/policy/6661992/latest/> and the CSU Contracts and Procurement Policy Sections <https://calstate.policystat.com/policy/7865355/latest/>.

### **Ethics**

Cardholders and their Approving Officials have been granted limited authorization to purchase on behalf of Cal Maritime. Authority to purchase goods and services has been delegated from the Chancellor's Office to the President and to the University's Contract Service & Procurement Department. The Contract Service & Procurement Department has further delegated limited purchasing authorization to individuals in departments outside the Contract Service & Procurement Department with the ProCard.

The Contract Service & Procurement Department has implemented internal controls as regulated by the Chancellor's Office that mitigate procurement abuses, comply with Trustee policy, ensure observance of good business practices, and provide appropriate checks and balances.

All ProCard Cardholders and Approving Officials are responsible for conducting business in an ethical manner:

- Conduct business in good faith; demanding honesty and ethical practices from all participants in the purchasing process.
- Avoid involvement in any transactions/activity that could be considered to be a conflict between personal interests and the interests of the CSU.

### **Conflict of Interest**

Cardholders have delegated limited purchasing authority on behalf of the University, and as such, have the responsibility to ensure that purchases made on their Procurement Card do not fall within the definitions of a conflict of interest.

Conflict of Interest is defined as follows: "No public employee at any level of state or local government shall make, participate in making or in any way attempt to use his [or her] official position to influence a governmental [CSU] decision in which [s/he] knows or has reason to know [s/he] has a financial interest." Gov't Code § 87100. Any person who willfully violates the general prohibition is guilty of a misdemeanor. Gov't Code § 9100.

This prohibition applies to all CSU employees. A gift, gratuity, rebate (not issued in the name of University), kickback, rewards points/credit, or other incentive provided to a Cardholder to influence or appear to influence the decision to make a purchase from a vendor is considered a conflict of interest purchase.

Conflict of interest purchases can be subject to Cardholder suspension, revocation of the ProCard and reporting of the conflict of interest violation to the appropriate approval authority for review for and action.

The Cardholder is responsible for ensuring the purchasing transactions are in compliance with State and Federal laws, including conflict of interest laws and any potential impact the purchase may have on personal financial interests. Is the purchase appropriate for the University and does it have a valid academic or business purpose?

Questions regarding Conflict of Interest may be directed to Human Resources AVP or designee.

### **Business Goals**

As a state agency, the University is required to meet Small Business (SB)/Disabled Veteran Business Enterprise (DVBE) annual goals. The State of California requires the University spend a minimum 25% of our business with Certified SB suppliers and a minimum of 3% with DVBE suppliers. When you are making purchases using the Procurement Card, please solicit California Certified SB and/or DVBE companies whenever possible. CA Website: <https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>

## **Bank Contact Information**

U.S. Bank is the procurement credit card contractor. U.S. Bank provides 24-hour customer service and a website for Cardholders to view their transactions.

- 24-hour Customer Service:(800) 344-5696
- U.S. Bank Access Online Website: <https://access.usbank.com>
  - (Note: Organization Short Name: CSUCA)

## **ProCard Administrator Responsibilities**

The ProCard Administrator provides support to campus departments participating in the Procurement Card Program. The Director is the ProCard Administrator and responsible for coordinating and evaluating all aspects of the program including:

- Providing information to Cardholders and Approving Officials about the program.
- Taking appropriate action for ProCard violations and application of consequences for such violations.
- Establishing and maintaining the Procurement Card Program, and
- Distribution and interpretation of applicable State and University policies.

Human Resources shall notify ProCard Administrator of the effective date of any employee separation to coordinate ProCard deactivation and that prior to separation from the campus all receipts are submitted to procurement or their Approving Official.

## **ProCard Administrator Contact**

Lorrie Dineen-Thackeray, Director Contract Services and Procurement  
[ldineen@sum.edu](mailto:ldineen@sum.edu)  
(707)654-1086

Accounting assists in the program by ordering ProCards from US Bank, maintaining and adjusting Cardholder credit line limits to minimize Campus liability; CFS PeopleSoft ProCard Cardholder adjustments training; weekly payments to US Bank; uploading monthly transaction data into CFS PeopleSoft database; notifying Cardholders when uploaded transactions are available for adjustment; transferring adjusted transactions to Accounts Payable; reviewing and adjusting use-tax entries on applicable transactions.

Accounting conducts audits of Cardholder monthly reconciliation documents and reporting of non-compliance.

## **ProCard Accounting Contacts**

Frank Vescio, Accounting Manager  
[fvescio@sum.edu](mailto:fvescio@sum.edu)

Marilou Collins, Accountant II (Audit)  
[mpcollins@sum.edu](mailto:mpcollins@sum.edu)

## **Cardholder Responsibility**

The Cardholder is the named individual to whom the procurement card is issued and whose name appears on the card. The Cardholder's responsibility is to make purchases in accordance with the regulations established in this manual, as well as with all federal, state and campus rules to ensure accountability to the public, and fair and ethical treatment of merchants.

Cardholder responsibilities include:

- Campus ProCard training and reading the Procurement Card Program Manual.
- Agreeing to all ProCard requirements as established and amended by the University.
- Ensuring that the both CSU systemwide policy and Cal Maritime requirements for use of the ProCard program are followed.
- Protecting the card at all times to prevent unauthorized use.
- Not sharing or authorizing others (subordinates or otherwise) to use the card.
- Immediately reporting a lost or stolen card to the bank and actively follow banks rules and instructions in doing so.
- Immediately reporting fraudulent or suspected fraudulent charges to the bank and actively follow banks rules and instructions to clear the charges.
- Completing a ***Conflict of Interest Form 700 Annual Statement*** as requested by the campus Conflict of Interest Filing Officer.
- Completing any assigned refresher ProCard training disseminated by Program Administrator.
- Notifying both Approving Officials and the ProCard Administrator immediately if transferred to a new department.
- Relinquish ProCard upon termination, resignation, or retirement, to the program administrator. Forward all pending adjustment receipts to the approving official prior to departure. Card shall be valid only while actively employed with the University.
- Upon separation from University, Cardholder acknowledges that any unauthorized or undocumented charges will be due and payable to the University.

Cardholder must sign a ***ProCard Cardholder Agreement*** that specifically acknowledges Cardholder will comply with the policies and procedures established by Cal Maritime and the procurement card issuing bank, conditions for return of the card, and confirmation that campus training was provided on applicable policies, procedures, and acceptable use.

## **Approving Official Responsibility**

The Approving Official is the administrator at a supervisory level who is responsible for reviewing and/or approving purchases made by the Cardholder. Approving Officials may not be in a subordinate or peer relationship to the Cardholder. Approving Officials may not delegate the responsibility for reviewing and/or approving purchases made by the Cardholder. The Approving Official's responsibility is to ensure compliance with the procurement card policies and with Cal Maritime, CSU, and state fiscal and procurement rules by reviewing the transactions on no less than a monthly basis.

Approving Official responsibilities include:

- Completing and acknowledging required procurement card Approving Official training.
- Completing refresher training as requested by ProCard Administrator.
- Monitoring transactions of assigned Cardholder(s) for appropriateness of purchase.
- Ensuring appropriate documentation for every transaction is reviewed for each purchase.
- The Approving Official is also responsible to make sure the Cardholder submits all required documentation with the statement.
- Identifying possible violations of assigned Cardholders, evaluate potential misuse of the ProCard. Take appropriate action if violations are found.
- Notifying the ProCard Administrator of changes in departmental program participants.
- Reviewing and verifying the transaction coding on the Cardholder's Monthly ProCard Statement.
- Ensuring department copies of monthly ProCard statements are retained for one (1) year.
- Identifying Cardholders who are separating from the department and ensuring all receipts are obtained and adjustments are entered.
- In case of absence, ensuring the review and approval of Cardholder(s) Monthly Statement(s) and timely submittal to Accounts Payable by the announced due date via the designated backup Approving Official.

Approving Official must sign a *ProCard Approving Official Agreement* that specifically acknowledges compliance with the policies and procedures established by Cal Maritime, the procurement card-issuing bank and conditions for return of the card. Approving Officials must sign the agreement serving as confirmation that the campus training was provided on applicable policies, procedures, and acceptable use.

### **Approving Official – Direct Benefit**

Specific attention shall be placed on hospitality related transactions. If the Approving Official is receiving a direct benefit from a transaction on the Cardholder's card, the Approving Official must have the next higher-level approving official approve those transactions on the required *Hospitality Form*.

### **Fiduciary Responsibilities**

The Procurement Card represents an official delegation of purchasing authority. Cardholders and Approving Officials have certain fiduciary responsibilities in this regard. It is their responsibility to ensure that all provisions of University policies and procedures have been followed. A Cardholder's or Approving Official's certification/signature (whether someone else reconciles the transactions on the Cardholder's behalf) on the CFS PeopleSoft Procurement Statement represents personal testimony to the following:

- All purchases have been reviewed and reconciled.
- An itemized receipt supports all purchases or, if a receipt is not available, a completed *Certification of Receipt* is included.

- All purchases have been received, made on behalf of the department, and support department operations.
- 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.
- No personal or prohibited purchases have been made or if so, reimbursement has been made to the University before submittal of the packet.
- Approving Official notifies the Procurement Administrator of suspected misuse immediately.
- All purchases comply with all University policies and procedures.

### **Violation Measures**

The use of the ProCard is a privilege. Failure to comply with the procedures in this Procurement Card Program Manual are considered a violation and may result in suspension or permanent revocation of this privilege. The VP of Administration and Finance and/or the AVP of Human Resources may be notified of audit findings if it is determined to be in the best interest of the University. The Cardholder shall be held personally liable for any fraudulent or personal use of the ProCard.

The following items are considered violations of the program and are strictly prohibited.

### **Documentation Failure**

Failure to submit the receipt/documentation for each transaction:

- Cardholders are required to provide the appropriate documentation or merchant receipt to their Approving Official.
- Failure to submit a signed CFS Procurement Card Statement for each cycle in which transactions occur.

Note: Late submittals or missing documentation may result in a suspended ProCard until all outstanding documentation is received.

### **Unauthorized or Inappropriate Card Use**

All purchases on the ProCard shall comply with procurement policies and Hospitality Policy. The Hospitality Form must be approved and included with the submittal. Refer to the Hospitality Policy in advance of purchase to ensure compliance.

### **Personal Purchases**

The use of the ProCard for any form of personal purchases (regardless of any intent to repay the University for a Purchase) is expressly FORBIDDEN, with misuse leading to disciplinary actions. Cardholders shall report any inadvertent personal purchase to the ProCard Administrator immediately and shall reimburse the University or arrange for a credit transaction from the



merchant. The Cardholder shall reimburse the University by issuing a check payable to California State University Maritime Academy and submitting receipt with ProCard submittal.

### **Sharing the ProCard**

Due to inherent risk, Cardholders are strictly prohibited from sharing their Procurement Card or card numbers for other individuals to use. A violation of this requirement could be grounds for cancellation of a card and disciplinary action. Only the designated Cardholder is allowed to use his or her Procurement Card.

### **Audit Finding**

Contract Services & Procurement is designated as having primary responsibility for the enforcement of ProCard procedures and University policy.

The ProCard Administrator has the authority to impose sanctions due to misuse of the Procurement Card. If a Cardholder does not adhere to policy, the ProCard Administrator will provide the Cardholder a warning of the misuse, temporarily suspending the Procurement Card for a limited period of time or by revoking the Cardholder's privileges.

Upon audit by Procurement, any

- unauthorized or inappropriate purchases,
- personal purchases,
- failure to submit receipts and/or required documentation
- split purchases, or
- late reconciliations and submittals

will be considered failure to comply with the ProCard Policy (violation) and may result in progressive measures to revoke card privileges.

These measures may include the following depending on the severity or receptiveness of violations:

- email notification from program administrator or designee to Cardholder explaining violation and explanation of proper procedures to offending Cardholder.
- email notification from program administrator to Cardholder and approving official, along with explanation of proper procedures for rectifying the violation.
- formal notification from program administrator to Cardholder, approving official and appropriate Vice President or Captain. Card privileges may be suspended or revoked at the discretion of the program administrator. If card privileges are revoked, the card must be cut up and returned to the program administrator, who will cancel the Cardholder's account.

A canceled ProCard will not be considered for reinstatement until a meeting with Cardholder, Approving Official (or VP) and Director of Procurement has occurred. A new Cardholder Agreement Form will need to be signed.

# **The Procurement Card**

## **Requesting a ProCard**

To request a ProCard, the Approving Official must submit a completed ProCard Request Form and submit it to the ProCard Administrator for review. A ProCard may or may not be issued. A ProCard should only be requested when required for operations of the department and is not for travel purposes. Cardholders must be actively employed by the University.

## **Card Controls:**

- Default Chartfield – the chartfield associated with the Cardholders department.
- Single Transaction Limit- Cardholders shall have a default single transaction limit of \$2,000 which includes the merchandise, tax, shipping/handling, unless otherwise requested by the Approving Official and approved by the ProCard Administrator.
- Monthly Transaction Limit – Cardholder shall have a default monthly cycle limit of \$5,000 which includes the merchandise, tax, shipping/handling, unless otherwise requested by the Approving Official and approved by the ProCard Administrator.
- Limits may change due to limited use to avoid undue risk to the University.
- Exceptions to transaction limits for temporary and permanent increases/decrease may be requested through the ProCard Program link: ProCard Spending Limit Adjustment Request. The final decision to allow temporary and/or permanent exceptions above the default single transaction limit and/or above the monthly transaction limit shall be the responsibility of Procurement & Contract Services personnel. A sound business justification is required and must be in the best interest of the institution.

## **Card Activation and Registration**

All new cards must be activated via phone. The ProCard may be registered on the U.S. Bank Access Online website. The Online Access allows the ability to monitor card transactions and limits.

To activate your ProCard:

- ✓ Call (800) 344-5696
- ✓ Input your 16-digit credit card number
- ✓ Input the Cal Maritime zip code – 94590
- ✓ Input the last four-digits of the Cal Maritime **DEFAULT Social Security Number 3465** - DO NOT USE YOUR PERSONAL SOCIAL SECURITY NUMBER
- ✓ Input your business phone number
- ✓ Your card is now activated and ready to use

To self-register your ProCard:

- ✓ Access the U.S. Bank website at: <https://access.usbank.com>
- ✓ Click the Register Online link
- ✓ Input Organization Short Name – **CSUCA**
- ✓ Input your card account number and expiration date
- ✓ Click the Register This Account button
- ✓ Accept the Licensing Agreement terms

- ✓ Determine and input your User ID and Password
- ✓ Choose and answer your authentication questions
- ✓ Your card is now registered and you are able to view your transactions

Save US Bank's number (800-344-5696) in your cell phone in case your card is lost or destroyed.

## **ProCard Card Maintenance and Replacement Fraudulent Charges**

The Bank will notify the Cardholder if suspected fraudulent use of the ProCard occurs along with instructions. If this happens, please email the Program Administrator.

The Cardholder may notice fraudulent charges when reviewing their account. If so, the Cardholder must call US Bank immediately. It is the Cardholder's responsibility to notify the Bank and Program Administrator immediately. Contact US Bank via phone at 800-344-5696.

A replacement ProCard will be reissued by the Bank through the Program Administrator.

### **Tips to Avoid Fraud**

- Sign your card as soon as it arrives.
- Don't leave your card or receipts lying around.
- Keep an eye on your card during transactions and get it back as quickly as possible.
- Destroy receipts and statements you no longer need.
- Report any questionable activity promptly to US Bank.
- Do not give out card information over the phone unless you initiated the call and the company is reputable.
- Keep a record of your card number and the bank phone number in a secure place.
- Do not fax or email the credit card number.
- Do not respond to emails from the bank requesting ANY personal information. Call US Bank directly or contact the ProCard Administrator.

### **Reporting Lost/Stolen ProCard**

- The Cardholder shall IMMEDIATELY contact US Bank. You will need to supply your credit card number and security code. The Customer Service number is 800-344-5696.
- The Cardholder must notify the Approving Official and Program Administrator via email as soon as possible.
- US Bank will send a replacement card to the Procurement Director, who will notify the Cardholder when the replacement card is available for pickup from the Cashiers Office.

## **Using the ProCard**

### **Appropriate Use of ProCard**

The following are examples of acceptable expenditures:

- Awards – plaques, mugs, trophies, and picture frames that comply with the Hospitality Policy and includes approved Hospitality Form
- Books, publications, print subscriptions
- Computer peripherals under \$500 that do not require accessibility or security review i.e. keyboards, computer mouse
- Food for events, guests, meetings, when not travel related and when it complies with the Hospitality Policy and includes approved Hospitality Form
- Office Supplies when purchased through Staples Advantage (contact ProCard Administrator for an account); office supplies are restricted to Staples; if Staples does not have your required item, a justification must be included for using another company
- Promotional items that comply with the Hospitality Policy and includes approved Hospitality Form
- Registration / Conference Fees
- Memberships, Accreditations (Procurement to review Terms and Conditions as needed)
- Supplies – use of MEA Contract, SBE or DVBE preferred

#### Conditional Purchases – Allowable with Restrictions/Documentation

- **Advertising and Promotional Materials using Cal Maritime Logo:** Use approved vendor or departments can email or provide draft of promotional / advertising to the Director of Public Affairs and Communications for approval prior to purchase. A copy of the written or emailed approval must be included with the ProCard Reconciliation Report.
- **Hospitality including: Gifts, Promotional Items, and Food:** Receipts for purchases that are hospitality in nature must be accompanied by a complete and accurate *Hospitality Justification Form*. Cardholder is expected to be familiar with and to refer to the Cal Maritime’s Hospitality Policy for details as well as limitations of specific fund use and dollar limits.
  - ✓ **Note:** Approving Official must sign a ProCard Approving Official Agreement that specifically acknowledges compliance with the policies and procedures established by Cal Maritime, the procurement card-issuing bank and conditions for return of the card. Approving Officials must sign the agreement serving as confirmation that the campus training was provided on applicable policies, procedures, and acceptable use.
- **Resale Inventory:** Authorized Bookstore Employees may have a higher ProCard limit to purchase resale items for the bookstore. CFS descriptions of resale items should have Resale as the first word. Procurements for resale shall not include sales tax. The higher limit is for resale purchases only. Limits for non-resale items shall not exceed \$5,000 per cycle and must include any required taxes and comply with the ProCard policy.
- **Restricted Purchases:** Restricted purchases must have additional justification and approval. A signed copy of the *Restricted Charge Justification* or written documentation must be included with the ProCard Reconciliation Report.
  - ✓ General Office supplies except from Staples using our CSU Master Agreement
  - Toner for copy machines under service contract

- **Sensitive/High Risk Equipment:** This category of property includes equipment and sensitive/high risk items which have an acquisition cost of \$1,000 but, under the capitalization minimum value of \$5,000 (including taxes, shipping and related charges) but require tagging for the purpose of maintaining control against loss and/or theft and for tracking for equipment obsolescence and replacement. Sensitive equipment also includes all computers, digital data storage, printers, tablets and cell phones regardless of cost.
  - ✓ Sensitive/High Risk equipment must be tagged by Cal Maritime warehouse personnel prior to use. Upon purchase, the Cardholder is responsible to advise the Receiving Department of the incoming item for tagging. A copy of the ***CMA Equipment Custody Form***, completed by warehouse personnel, must be submitted with the ProCard Reconciliation.

Examples of Sensitive / High Risk items:

- ✓ Digital Camera
- ✓ Outboard Motor
- ✓ Tools

### **Prohibited Use of ProCard**

A ProCard cannot be used to avoid or circumvent any CSU or Cal Maritime policies or limits. ProCard use is subject to the same statutes, rules, limits, policies, and procedures as purchases using any other means of payment. Use of the ProCard for payment of the following is **prohibited**:

- Cash Advancements, cash cards, wire transfers, other cash equivalent items, gift cards for employees, gift card(s) for non-employees greater than \$30.00 , gift cards in lieu of payment
- Chemicals and/or hazardous materials, controlled substances/narcotics
- Copy paper (white, letter-size)
- Equipment with a total cost of \$4,000 or more (total cost: cost of the item, tax, shipping, etc.)
- Fines, late fees, penalties
- Firearms & ammunition
- Furniture requiring design, installation, or assembly
- Food and alcohol, unless complying with the hospitality policy and Hospitality Justification Form is approved and submitted
- Information and Communication Technology (ICT) Related purchases including:
  - ✓ Applications for iPads, tablets, and cell phones
  - ✓ Cell phones, tablets, cell service
  - ✓ Hardware: computers, memory, network (small peripherals less than \$500.00 which are exempt from accessibility review are allowed, such as individual-use keyboard, mouse, digital camera)
  - ✓ Software of Software licenses: on any medium and in any form, including Software as a Service (SaaS) downloads and “Click to Accept” agreements
- Personal memberships such as: Costco, Amazon Prime
- Personal purchases - regardless of intent to repay Cal Maritime

- Rental – Buses, autos, boats and air crafts.
- Rental leases of facilities if an agreement must be signed
- Services including:
  - ✓ On-campus/site (owned or “leased”) services
  - ✓ Maintenance or rental agreements
  - ✓ Moving Expenses
  - ✓ Medical or Psychological Services/Exams
- Splitting of purchases to circumvent the dollar limitations
- Toner for printers serviced by agreement (Contact IT or Procurement if needed)
- Travel or travel related expenses
- Uniforms

If you need assistance with purchasing Prohibited Items, please contact the Procurement Office.

All prohibited expenditures must be reimbursed to Cal Maritime within 15 days of the original purchase. Reimbursement must be made by cash or check to Cal Maritime at the Cashier’s Office. The reimbursement receipt must be attached to the reconciled ProCard Report for the prohibited charge. If the report has already been submitted, forward the receipt along with Cardholder name and statement month and line item to the Procurement Office.

### **Procurement Authority**

The Procurement Department has the authority to grant exceptions to the prohibited items list.

## **The Ordering Process**

### **Placing the Order**

Orders can be placed in person, by telephone, mail or through the internet. If the internet is used, make sure it is a secure site or place the order by phone.

- ✓ Note: To determine if an internet site is secure, both Internet Explorer and Google will display a closed padlock in the status bar located in the status bar.

When placing the order, make sure:

- ✓ Give your name as it appears on the card
- ✓ Give accurate delivery information, include building/room number
- ✓ Request documentation showing description and cost of each item

If the merchant requests a “billing address”, the merchant is trying to match the information on file at US Bank with the information provided by the Cardholder. The exact billing address is: California State University Maritime Academy, 200 Maritime Academy Drive, Vallejo, CA 94590.

### **Documenting Each Transaction**

EVERY transaction must have a valid source document from the merchant as a proof of purchase.

Some examples of source documents include:

- An itemized receipt from the merchant
- Original charge slip

- A priced packing slip from the delivery
- Order forms for dues, subscriptions, registrations, or similar items.
- An invoice showing credit card payment
- An email confirmation from the merchant

All source documents should include the following information:

- Merchant Identification (Merchant Name)
- Date of Purchase
- Description and quantity of each item purchased. Write in if not apparent on receipt.
- Total cost of the order.
- Per item cost, if available from merchant.
- Cardholder name and/or card information (i.e. last 4 digits)
- Shipping and sales tax amount if applicable.

If a receipt/invoice is not itemized, the Cardholder is responsible to write in the itemization of the purchase on the receipt/invoice. Any difference between a receipt and the ProCard charge amount must be explained on the receipt.

### **Missing or Lost Receipt/Invoice**

If the Cardholder has missing or lost receipts/invoices, the Cardholder must make the effort to obtain a duplicate copy from the merchant. If unable to obtain a copy, a completed “*Certification of Receipt*” form must be filled out, signed by Cardholder and Approving Official, and attached to the Monthly ProCard Statement.

Excessive instances of using the Certification form, as determined by Procurement, may result in a suspension or cancelation of the card.

### **Taxes**

The CSU and its auxiliaries are required to pay California sales tax on all goods received. This includes goods shipped from merchants outside California even if they do not charge sales tax on their invoices. If a Cardholder received goods from a non-Californian merchant who does not include sales tax on their receipt, the sales tax is to be calculated and added to the transaction amount. Accounts Payable will pay the tax as a “use” tax to the state as required.

The following charges are not subject to sales or use tax: labor, subscriptions, electronic-delivered media, and services. Shipping is not taxable; handling charges are taxable. If shipping and handling are combined in one amount, we must add use tax to the amount of the combined shipping and handling. If this charge is a significant dollar amount, the Cardholder should contact the merchant and ask them to itemize the two charges. If you have any questions about sales or use tax, contact Accounts Payable.

### **Shipping Instructions**

Orders must ship to campus locations only. No orders are to be shipped to the Cardholder’s home or alternate locations. Doing so may result in an immediate cancelation of ProCard. Shipping instructions to the merchant are very important to ensure the Cardholder receives their order in a timely fashion. All orders must reference your name and the campus address:

CSU MARITIME ACADEMY RECIEIVING – PROCARD  
Attn: (Cardholder’s Name, Dept.)  
200 Maritime Academy Drive  
Vallejo, CA 94590

Orders for ProCard users located at Maritime Safety and Security Center ship to:

CSU MARITIME ACADEMY MSSC – PROCARD  
Attn: (Cardholder’s Name, Dept.)  
756 West Gertrude Ave.  
Richmond, CA 94801

Missing information could result in an item being returned to merchant and payment disputed. Always confirm that the ship-to address is complete and accurate with the merchant.

### **Inspecting the Goods**

Goods need to be inspected upon receipt by the Cardholder. If there are any problems with the order, the Cardholder must contact the merchant immediately.

### **Returns and Exchanges**

Arrangements need to be made directly with the merchant by the Cardholder before shipping an item for return. If a replacement item is sent, the merchant shall credit the returned item and charge a new transaction, unless there is an exchange of like items, e.g. exchange of different colors. Cash should **never** be refunded – that would be a merchant violation to issue it and a Cardholder violation to accept it.

If there is a problem with an order or goods are returned or exchanged, keep sufficient documentation of the transaction, including names, dates, and conversation results. This information may be needed for a formal dispute.

### **Disputes and Discrepancies**

The Cardholder, *not* the Procurement Office, is responsible for resolving questionable items which appear on the online bank statement or ProCard statement. All disputes, credits, and billing errors must be charged to the Cardholder’s department. It is the responsibility of the Cardholder to ensure needed corrections and credits are processed.

If a credit is unobtainable by working directly with the merchant, a formal dispute can be recorded with US Bank in the following scenarios:

- Unauthorized charges, including unauthorized phone or mail order charges.
- Difference in dollar amount authorized and amount charged.
- Duplicate charges.
- Actual Cardholder transaction that Cardholder is challenging for some other reason.
- Account not yet credited in CFS but where the merchant has issued a credit voucher or said that they will issue a credit.



- Merchandise not received.
- Merchandise returned.
- Merchandise defective.
- Unrecognized charges (If fraud is suspected, immediately call US Bank to report the charge, and have the card closed and reissued. Then notify the ProCard Administrator).
- Altered charges.

### **Credits**

"Credit" receipts shall be kept until the credit transaction appears on the bank statement and then attached with other documents.

### **Declined Transactions**

If an attempt to purchase was made with the ProCard and the transaction was declined, contact US Bank Customer Service (1.800.344.5696) for information. The most common reasons for a declined transaction are:

- Cardholder did not activate the account (Cardholder should activate the account immediately).
- Cardholder has reached one of the transaction limits (per transaction or monthly).
- Merchant is classified under a merchant category code (MCC) that is blocked from use (Cardholder should ask merchant to identify the company's MCC).
- Merchant requested the billing address and the information provided by the Cardholder does not exactly match that on file with US Bank.
- On phone orders, merchant has incorrectly noted the card number and/or expiration date (Cardholder should verify information).
- The transmission between the merchant and US Bank is down (merchant should try again later).

Contact the ProCard Administrator for MCC review if needed.

## **Monthly ProCard Reconciliation Process**

### **ProCard Planning Timeline**

The monthly billing cycle typically ends on the 21st of each month. On or about the 22nd of each month, active Cardholders will receive an email notification from Accounting announcing that their current account charges are ready to access online in CFS with the PeopleSoft Adjustment due date. Edits must be completed before the last workday of the month as specified in the notification. After close of business on the specified day, current ProCard data lines are automatically uploaded into the Accounts Payable system. Once the upload occurs, cardholders can no longer edit their PeopleSoft ProCard data lines. The ProCard reconciliation paperwork must be submitted **no later** than the 10<sup>th</sup> day of the month following ProCard close to Procurement. Example: May ProCard closes May 22, ProCard submittal due to Procurement no later than June 10th.

## CFS PeopleSoft Edits and ProCard Documentation Submittal

US Bank transactions are loaded monthly into the Common Financial System (CFS) and Cardholders make adjustments to the chartfield distributions, record detail descriptions, and review historical billing information.

Refer to CFS Quick Reference Guide for detailed CFS instructions: <https://www.csum.edu/fiscal-services/procurement/procard-program.html>.

To begin the ProCard monthly reconciliation, Cardholder must access his/her ProCard account information in CFS PeopleSoft. If the ProCard has not been used during a billing cycle, no transactions will appear in CFS.

1. Navigate to CSU ProCard in CFS. Select ProCard Adjustment from the Use & Inquiry menu. Enter the correct Business Unit and Cardholder's Last Name. Cardholder will be able to view their account information and select the current account charges.
2. Remove the uploaded data and update the description on each transaction line. Descriptions are retained in history and roll up to the Chancellor's Office. Make sure they are clear, complete, and concise. On the reference line, put short description and, if applicable, the equipment tag number. The reference line will be available for review in Data Warehouse.
  - **Description:** Description is a required field and must be completed. Include a description of the purchase and if needed to clarify, include the business purpose of the expenditure. Descriptions are retained in history and roll up to the Chancellor's Office for possible audit. Make sure they are clear, complete, and concise.
  - **Reference #:** On the reference line, put short description and, if applicable, the equipment tag number. The reference line will be available for review in Data Warehouse.
3. Update the Chartfield as required.
  - **Distribution:** The chartfield for the credit card purchase defaults from the setup of the Procurement Card account holder. The user will be able to adjust these chartfield. Multiple chartfields may be used if needed on a single transaction.
    - ✓ Check the Account codes carefully. Example, hospitality account code must be used for all hospitality charges. Educational equipment vs other equipment with each having different account codes based on total cost.
    - ✓ If the period is closed, it is the department's responsibility to complete the Expenditure Transfer Request and submit completed form to the accounting department for processing. Procurement will not process. Writing changes on the CFS form will not result in Chartfield corrections. It is suggested to attach a copy of the completed Expenditure Transfer Request (clearly marked copy) with the ProCard submittal.
4. Add any required uncharged Sales Tax.
  - **Tax:** Check the Tax box if the charge is for a taxable good and sales tax was NOT included on the receipt/invoice or if the tax was incorrect. Services are usually not

taxable. Please check out-of- state charges carefully, as most out-of-state merchants do not include tax.

When the TAX box is checked, add a second and third distribution line row:

- On the 2nd row, input the same chartfield string as in row 1 and an amount equal to the calculated use tax at the prevailing rate.
  - Note that shipping, when listed separately, is excluded from the use tax calculation.
  - On the 3rd row, input the following chartfield string: Account 201008, same Fund and **no** Dept. ID; for the “Distrib.Amt”. input the negative of the use tax amount in row 2.
5. Print out the CFS transaction detail report (CFS ProCard Statement) in **landscape** format, when CFS entries are completed. This will be signed by the Cardholder first and then the Approving Official and submitted to Procurement with all documentation.
  6. Number the receipts/invoices or credits in the order they appear on the CFS ProCard Statement.
  7. Arrange monthly ProCard Statement documentation in the following order:
    - Monthly ProCard Statement from CFS.
    - Required documentation and other pertinent details in same order of the CFS ProCard statement invoice.
      - ✓ Do not staple individual pages or receipts (avoid scanning jam)
      - ✓ Tape small receipts/invoices on the edges, not stapled, to an 8-1/2” x 11” sheet of paper to ensure they are not lost in transit.
      - ✓ Do not fold and tape receipts – cut in appropriate area to fit on sheet
      - ✓ Do not tape on ink if at all possible – tape fades the ink
  8. Binder clip (preferred) or staple the top left corner of ProCard above “Maritime Academy”.
    - ✓ Do not use heavy duty staples as they are difficult to remove.
    - ✓ Do not use paperclips as receipts can become separated.
  9. Sign and date Monthly ProCard statement.
  10. Forward original documents to Approving Official for review and approval.
  11. Make a complete copy of the monthly ProCard statement and support documentation to keep in the department records for one (1) year.
  12. Submit approved monthly documentation to the Procurement mailbox no later than the 10th of the following month.

In the event a Cardholder will be away from the office when the Monthly ProCard Statement is due, arrangements must be made with their designated backup to prepare and edit entries in CFS. The designated backup does **not** sign the ProCard certification. If their Approving Official will be away from the office, the designated back-up for the Approving Official will be responsible to review and approve the Cardholder’s Monthly ProCard statement and submit to Procurement mailbox by the deadline date.

During summer cruise, the Captain, as Approving Official, may sign and submit all ProCard submittals within two weeks of the final cruise’s return without being considered late. Notification must be made to Procurement prior to cruise of dates for late ProCard submittals.

## **Audits and Record Retention**

The Accounting or Procurement Department will conduct periodic post-audits to ensure compliance with the ProCard Policy. Audits will be documented on the ProCard Audit Form.

- The Procurement Office will retain the Monthly ProCard Statements and documentation for five (5) years.
- The Cardholder's Department shall retain a copy of the Monthly ProCard Statements for one (1) year. The copies shall be easily accessible by the department.

## **ProCard References and Forms**

Current, revised copies of policies and forms are located on the Cal Maritime ProCard Program website.

Link: <https://www.csum.edu/fiscal-services/procurement/procard-program.html>

Please use current forms for reference and documentation.

Contact the ProCard Administrator for any questions regarding this Procurement Card Program Manual, Procurement Procedures, or forms.