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 Agnes Wong Nickerson (Sep 28, 2023 18:48 PDT)

METHODS OF PROCUREMENT/PAYMENT

CSU CONTRACTS AND PROCUREMENT POLICY

The CSU Contracts and Procurement Policy (Section II(B)(4)) recognizes that there are situations where standard procurement procedures provide little or no value in low-dollar, low-risk purchases. The campus CFO is responsible for developing and maintaining policies, limits and procedures governing such purchases.

PAYMENT METHODS

San Diego State University (SDSU or the University) offers several methods for the payment of goods and services utilized by the campus. These methods include

- University Credit Cards (PCC/CTC)
- Direct Payment Requests (DPR)
- Guest/Special Lecturer Payment Request (GL)
- Purchase Orders (PO)

This document provides guidance specifically for the types of lower risk, lower dollar goods and services and how they should be purchased and paid for. The intent is to provide the most efficient and effective way to purchase and pay for certain goods and services for the campus as a whole. This document also provides guidance to process and pay non-procurement items to include, but not limited to regulatory fees, subscription costs, reimbursements, and memberships.

SDSU CREDIT CARD PROGRAMS

SDSU offers two credit card programs to the campus, the Corporate Travel Card (CTC) program for travel related expenses and the Procurement Credit Card (PCC) program for small dollar purchases. The purpose of these credit card programs is to provide a convenient payment method for business related travel expenses and the purchase of low-dollar, low-risk goods and services required to conduct business on behalf of the University. These programs are also an attempt to prevent out-of-pocket expenses by faculty, staff, volunteers and students on behalf of the University.

The PCC single purchase limit for cardholders may not exceed \$10,000; however, special consideration for increased limits may be requested when a department's daily activities require a higher purchasing limit subject to the review and approval of the Procure-to-Pay department.

DIRECT PAYMENT REQUESTS

SDSU utilizes the Direct Payment Request Form to reduce the traditional paper and labor-intensive procurement process for purchases where there is no procurement action that can be taken.

The Direct Payment Request Form is one means to obtain authorized goods/supplies and services.

GUEST/SPECIAL LECTURERS

Guest/Special lecturers are defined as those given by **non-campus** speakers/service providers who are paid by honorarium/service fee. This payment is generally for a one time lecture/service or a short series of lectures/services over a specific date range. For tax purposes there are three types of Guest/Special lectures: Domestic, Foreign and CSU.

AUTHORIZED PURCHASES AND THE MOST APPROPRIATE METHOD OF PAYMENT

Generally, lower risk, lower dollar goods and supplies (including all taxes, fees and shipping charges) and certain services should be purchased with the PCC, which is a more efficient and less costly means of payment. If the noted payment method cannot be used or the purchase is outside of the governing source limitations, an Exception Form will be required, noting the reason for the exception, or a Purchase Order will need to be issued. For items noted with ** below, every effort should be made to use an on-campus provider.

Type of Expense (subject to PCC limits and thresholds below)	PCC	DPR	GL
Advertisements/Publications - one-time fee	X		
Catering/Food Purchases - from Aztec Shops, requires a Hospitality Justification Form.**		X	
Catering/Food Purchases - off Campus/non-Aztec Shops Vendor, requires a Hospitality Justification Form; requires First right of refusal from Aztec Shops**	X		
Computers / iPads (purchased from Aztec Shops Only)	X		
CSUBUY purchases - CSU's online Marketplace and one stop shop for ordering using your Procurement Credit Card (PCC) [1]	X		
Digital Materials - books, reference materials, periodicals or subscriptions for download onto University owned devices only and which have no Terms & Conditions, Including Athletics recruiting materials	X		
Document Shredding	X		
Dry Cleaning - (must be a business required uniform/costume, unrelated to business travel)	X		
Employee Reimbursements not to exceed \$500; exception for required for reimbursements greater then \$500		X	
Equipment - (\$5,000 and greater equipment purchases must be delivered on campus to central receiving to ensure items are properly tagged upon receipt)	X		
Equipment Rental less than \$1,000 (if performed on campus, campus department must ensure insurance requirements are met prior to the service being performed)	X		
Equipment Repairs less than \$1,000 (if performed on campus, campus department must ensure insurance requirements are met prior to the service being performed)	X		
General services (non-public works) under \$1,000 provided by in-state vendors (if performed on campus, campus department must ensure insurance requirements are met prior to services being performed) [2]	X		
Hazardous Materials/gasses (Propane is allowed up to 10 gallons) under \$500 (campus department is responsible to obtain the Safety Data Sheet (SDS))	X		
Memberships - (if vendor does not accept credit cards, a DPR may be used)	X		

Office Supplies (Staples is the supplier of choice for the CSU) [1]	X		
Online Trainings/Webinars	X		
Party Supply Rentals (if delivered and setup on campus, campus department must ensure insurance requirements are met prior to delivery)	X		
Permits/Fees/Assessments - considered a one-time fee for processing or a regulated/mandated fee to include legal fees through OGC or BFA Executive Team, non-recurring		X	
Printing/Copier - on campus through Reprographics **	Charged by Accounting Services		
Printing/Copier - off campus vendor, first right of refusal from Reprographics required prior to date of printing or copying**	X		
Room/Facility Rentals - on campus/Associated Students**		X	
Room/Facility Rentals - off campus vendor, **	X		
Shipping/Freight/Express Delivery Service (e.g. FedEx or UPS)	X		
Software requires TARP approval (with low risk) and not to exceed \$10,000	X		
Sponsorships related to community relations or fundraising events to promote the University - requires a Hospitality Justification Form		X	
Subscriptions (periodicals which have no Terms & Conditions)	X		
Accreditation/Committee Member Service Fees			X
Peer Reviews (note: payment for services can ONLY be issued to non-SDSU employees)			X
Special or Infrequent Lecture Fees			X
Test Reviewer Service Fees			X

[1] Staples is the supplier of choice for office supplies with the CSU and is available on [CSUBUY](#). Office supplies should NOT be purchased from Amazon.

[2] Services provided by individuals for things such as modeling or make up services where the supplier does not take credit cards and would historically be paid using a Guest Lecture Form, can continue to be paid using the Guest Lecture Form without an Exception Form.

Any exceptions to the above policy requirements must be documented on an Exception Form. If the exception is related to the use of the PCC, the exception form must be approved by the cardholder and their supervisor of record. Recurring exceptions may result in immediate cancellation of the PCC.

CORPORATE TRAVEL CARD (CTC)

The Corporate Travel Card (CTC) is intended for University business-related expenses such as transportation, lodging, conference registrations fees and incidentals. Its purpose is to provide the traveler a convenient payment method to make travel arrangements and to reduce the out-of-pocket expenditures made on behalf of the University. The card must never be used for personal expenses or travel related meals.

AUTHORIZED CORPORATE TRAVEL CARD (CTC) CREDIT CARD PURCHASES

The Corporate Travel Card may be used to make purchases for business travel services such as airfare, transportation (i.e. personal vehicle, rental vehicle, taxis etc.), lodging and business related expenses (i.e. copy services, internet access etc.). Non-travel related purchases made while traveling (books, supplies) are not allowed on the CTC. The [CSU Travel Policy](#) must be followed for authorized expenses related to

travel. See prohibited uses below.

PROHIBITED USES OF THE CORPORATE TRAVEL CARD (CTC)

The CTC may not be used for the following expenses:

- Any of the items noted in the table above
- Cash Advances
- Goods and services that are intended to be on the Procurement Credit Card (PCC)
- Meals related to business travel; this is to ensure the daily maximum meal reimbursement limit is not exceeded
- Personal Purchases [3]

[3] Personal purchases made with the CTC may result in immediate cancellation of the CTC and will require repayment to the University.

Any exceptions to the above policy requirements must be documented on an Exception Form and approved by the cardholder and their supervisor of record. Recurring exceptions may result in immediate cancellation of the CTC.

AREAS OF RESPONSIBILITY

PURCHASER/CARDHOLDER

The Cardholder/Purchaser is responsible for:

- The Cardholder is the sole authorized user or their credit card.
- Compliance with Contracts and Procurement Management policies for purchase of goods and services
- Verification that credit limits are adequate to cover purchases (if applicable)
- Ensuring duplicate payments do not occur
- Ensuring the Guest/Special Lecture or Direct Payment Request Form is properly completed.
- Coding each transaction in Oracle iExpense by submitting an expense report within 30 days of the *Posting Date* of the transaction;
- Ensuring the appropriate supporting documentation is included with the request/iExpense report.
 - Insurance Copy - Insurance is required any time a supplier or contractor provides service at the campus site. It is not required if service is performed at the supplier site. Insurance must include certificate and endorsement in the following limits:
 - For all projects, the insurance furnished by Contractor under this Agreement shall provide coverage in amounts not less than the following:
 - (i) Comprehensive or Commercial Form General Liability Insurance--Limits of Liability \$2,000,000 General Aggregate, \$1,000,000 Each Occurrence.
 - (ii) Business Automobile Liability Insurance-Limits of Liability \$1,000,000 Each Accident-- combined single limit for bodily injury and property damage to include uninsured and underinsured motorist coverage.
 - Safety Data Sheet Copy - Shipped with product or printed from supplier website. A copy must also be retained at the site where the product is used and/or stored.
- Use of Small Business, Disabled Veteran Business Enterprises (SB/DVBE) and recycled products is highly encouraged.

FAH APPROVER

The FAH Approver is responsible for:

- Review and approval that all purchases of goods or services were purchased for an appropriate business purpose
- Ensuring that all purchases are appropriate and no prohibited items have been purchased
- Verification that all proper documentation is attached to the expense report/payment request
- Ensure the transaction was coded properly
- Confirmation of available funds
- Approval of purchases

ACCOUNTS PAYABLE

Once expense reports or DPR/GL Forms are created by the purchaser and approved by the FAH approver, Accounts Payable is responsible for:

- Reviewing transactions for compliance with the CSU and Campus Policy
- Seek exception forms when policy violations are identified – these will be tracked by AP
- Complete the audit process in a timely manner to ensure transactions hit the GL as quickly as possible and that the department has a more accurate reflection of their budget
- Ensure timely payment once all required documentation has been submitted by the Preparer (DPR/GL)

QUESTIONS

For any questions on this policy, please contact Joshua Uhlich, Director of Procure-to-Pay.