

# PROCUREMENT MATRIX

*COMMON PURCHASING PROCESSES (see Specialized Purchasing Processes on page 2)*

PURCHASE REQUISITION	DIRECT PAY	PROCUREMENT CARD
<p>Purchase Order will be issued and funds will be encumbered.</p> <ul style="list-style-type: none"> <li>Protects the CSU and ensures risk is mitigated through indemnification and proper insurance endorsements.</li> <li>Ensures the best price for products and services.</li> <li>Ensures utilizing CSU Master Agreement (price savings)</li> </ul> <p><i>Process: submit a requisition using the PeopleSoft Requisition process. The process includes reviews and approvals by delegated authorities. After the requisition is approved, a purchase order is created in PeopleSoft and is dispatched to the vendor. An encumbrance of funds is charged against the requesting department's budget.</i></p> <p><i>If purchase is for a low dollar amount use the Procurement Card if the transaction qualifies.</i></p>	<p>The following can be ordered/obtained by the department and be paid by a Direct Pay request.</p> <ul style="list-style-type: none"> <li>No value added by involving Buyers in the process (e.g., obtain quotes, apply purchase incentives, review documents)</li> <li>No purchase order issued to vendor</li> <li>No funds encumbered</li> <li>Expedites payments. A Vendor 204 Form must be submitted with the Direct Pay request if there is no current Vendor Data Record on file in PeopleSoft</li> </ul> <p><i>Process: submit the approved invoice with a Direct Pay form to the Accounts Payable Department. The Direct Pay Form requires the delegated approving authority signature. If the submittal should have been handled via a purchase requisition, a "PO Exception Notice" must be attached stating why a PO was not obtained (e.g., accommodate emergency repair or service). The Notice must be signed by the delegated approving authority.</i></p>	<p>Procurement Card usage should be used as the first option before other existing methods for low dollar purchases (purchases that are not restricted and fall within the purchasers transaction limit).</p> <ul style="list-style-type: none"> <li>Delegates authority and responsibility to the cardholder to purchase non-restricted items from suppliers.</li> <li>No Requisition or Direct Pay form to be completed.</li> <li>No value added by involving Buyers in the process (e.g., obtain quotes, apply purchase incentives, review documents)</li> </ul> <p><i>Process: the cardholder processes the purchase (non-restricted items or transaction only). If the transaction is over \$500, a P-Card Purchase Authorization must be signed by the division Vice President prior to purchase. The cardholder retains the receipt. The cardholder prepares a monthly reconciliation report (according to the PCard schedule) and obtains approval from their delegated approving authority. Reconciliation report is submitted to Accounts payable.</i></p>
CRITERIA FOR PURCHASE REQUISITION	CRITERIA FOR DIRECT PAY	CRITERIA FOR P-CARD
<ul style="list-style-type: none"> <li>Construction</li> <li>Consulting Services</li> <li>Contracts &amp; Agreements</li> <li>Electronic Purchases (e.g., computers, software)</li> <li>Fixed Assets-Items over \$500 requiring Property Control tracking</li> <li>Independent Contractors</li> <li>Installations</li> <li>Maintenance Agreements</li> <li>Repairs &amp; Rentals</li> </ul>	<ul style="list-style-type: none"> <li>Accreditation Expenses</li> <li>Advertisement</li> <li>Attorney Fees</li> <li>Books/Subscriptions/Publications</li> <li>Conference and/or Seminar Fee</li> <li>Game Officials (Athletics)</li> <li>Insurance Premiums (Risk Management)</li> <li>Legal Fees &amp; Settlements</li> <li>Memberships, Scholarships, &amp; Stipends (include W-9 for Stipends)</li> <li>Medical lab/Physician Fees</li> <li>Non-employee travel</li> <li>Reimbursements for non-travel business expenses up to \$500 (if involved food, drink, or entertainment must conform to Hospitality Policy)</li> <li>Refunds</li> </ul>	<ul style="list-style-type: none"> <li>Advertisement (non-staff recruitment)</li> <li>Books/Subscriptions/Publications</li> <li>Conference Registration</li> <li>Chartwell's Catering</li> <li>Goods under \$500</li> <li>Memberships</li> <li>Training</li> </ul>

**SPECIALIZED PURCHASING PROCESSES:**

<b>INDEPENDENT CONTRACTOR</b>	<b>GUEST LECTURER/HONORARIUM</b>	<b>PETTY CASH</b>
<p>Procurement prepares an Independent Contractor Agreement and encumbers funds.</p> <p><i>Process:</i></p> <ul style="list-style-type: none"> <li>• Department submits an E-Req to Procurement Office with description of service, beginning and ending dates of contract, total amount to be paid, and payment schedule (e.g., monthly, quarterly, percent of completion, etc.)</li> <li>• Department submits Vendor Data Record 204 Form if vendor not in PeopleSoft.</li> <li>• Department submits Independent Contractor Determination Checklist signed by the Contractor</li> <li>• May require proof of insurance or waiver/release from liability statement (check with Risk Management)</li> </ul>	<p>Based on the Guest Lecturer/Honorarium Agreement Form the person is paid a flat rate through Accounts Payable (not Payroll) and an IRS Form 1099 will be issued at the end of the calendar year for tax purposes if amount exceeds \$600.</p> <p><i>Process.</i></p> <ul style="list-style-type: none"> <li>• Department submits to Financial Services Guest Lecturer/Honorarium Agreement Form</li> <li>• Department submits Independent Contractor Determination Checklist signed by the Lecturer</li> <li>• May require proof of insurance or waiver/release from liability statement (check with Risk Management)</li> <li>• Note: if the payee is a CSU employee (any campus) payment must be made through Payrol. (see Special Consultant Agreement).</li> </ul>	<p>Accounts Payable processes a reimbursement to a person if the claim meets the criteria:</p> <p><i>Process: submit a Petty Cash Voucher Request for Reimbursement Form with the original receipt attached.</i></p>
<b>CRITERIA FOR INDEPENDENT CONTRACTOR</b>	<b>CRITERIA FOR GUEST LECTURER/HONORARIUM</b>	<b>CRITERIA FOR PETTY CASH</b>
<ul style="list-style-type: none"> <li>• Not currently appointed to a temporary, probationary, or permanent University-funded or reimbursed position.</li> <li>• Is engaged in an independent trade, business, or profession in which these same services are offered to the public (has business license number, taxpayer I.D.).</li> <li>• Services contracted are not available within CSU, cannot be performed by a CSU employee, or are of such a specialized or technical nature that the knowledge, experience or ability is not available through the normal staffing process.</li> <li>• University does not exercise control over details of the services to be performed (methods, hours worked).</li> <li>• Benefits and personal liability insurance are not furnished by the University.</li> <li>• Work area, supplies and equipment generally not furnished by the University.</li> </ul>	<ul style="list-style-type: none"> <li>• Person provides service as an independent contractor, not a current CSU employee or an instructor of record.</li> <li>• Guest Lecturer: Person comes to campus and speaks to a class because of his/her expertise.</li> <li>• Honorarium: Fee (an expression of gratitude) for a non-recurring activity for which a fee is not legally or traditionally required.</li> <li>• Limited time (usually less than one week) and a limited dollar amount (usually \$5,000 or less)</li> </ul>	<ul style="list-style-type: none"> <li>• Has to be \$50 or less</li> <li>• Cannot be travel related</li> <li>• Cannot be hospitality related</li> </ul>