

## Stanislaus State Procurement & Contract Matrix - Common Purchasing Processes

Purchase Requisition	Direct Pay	Procurement Card (PCard)
<p><b>What:</b> A purchase requisition authorizes Procurement &amp; Contract Services to issue a purchase order (PO), and a contractual agreement if appropriate, on the university's behalf. A PO is a commercial document issued by a buyer to a supplier, indicating types, quantities, and agreed-upon prices for products or services. POs are required for higher value and contracted purchases.</p>	<p><b>What:</b> A Direct Pay is a process for paying suppliers for goods and/or services that does not require going through the formal procurement process. A Direct Pay should be used for <b>allowable</b>, low-value purchases when payment via PCard is not an option.</p> <p>Note: The formal procurement process requires a requisition, purchase order, and encumbrance of funds.</p>	<p><b>What:</b> A PCard is a payment method in the procurement card program. It is used to purchase <b>allowable</b>, low-dollar goods directly from suppliers and replaces the need for requisitions, purchase orders, Direct Pays, invoices, and checks.</p>
<p><b>Why:</b> The requisition process protects the CSU and ensures risk is mitigated through indemnification and proper insurance endorsements, other terms and conditions, the best price for products and services, utilization of CSU system-wide contracts, best terms and conditions, and other benefits.</p>	<p><b>Why:</b> If a supplier is unable to take PCard as a payment option, a Direct Pay is an alternative payment option for low-value purchases that do not require going through the formal procurement process.</p>	<p><b>Why:</b> An authorized PCard holder is delegated authority and responsibility as per the <a href="#">PCard Policy and Procedure Handbook</a>. There is no value added by involving buyers in the purchase of allowable low-dollar goods.</p>
<p><b>How:</b> Submit a requisition using the <a href="#">PeopleSoft Requisition process</a>. The process includes review and approval by delegated authorities. After the requisition is approved, the request will be handled and a purchase order issued to the supplier by a buyer.</p>	<p><b>How:</b> Submit the approved <a href="#">Direct Pay Form</a>, the State of California vendor data record (204 form) and the supplier's invoice to the Accounts Payable Department. The Direct Pay Form requires the delegated authority signature. For hospitality expenditures, please include a pre-authorized <a href="#">Hospitality Expenditure Form</a>.</p>	<p><b>How:</b> If you have completed a <a href="#">Pcard Application &amp; Cardholder Agreement Form</a> and are an authorized PCard holder, purchases must fall within the requirements of the PCard Policy &amp; Procedure Handbook.</p>
<p><b>Examples include but are not limited to:</b></p> <ul style="list-style-type: none"> <li>• Blankets (for recurring services or supplies)</li> <li>• Construction</li> <li>• Consulting Services</li> <li>• Contracts/Agreements</li> <li>• Equipment</li> <li>• Independent Contractors</li> <li>• Information Technology (software, hardware)</li> <li>• Installations</li> <li>• Leases</li> <li>• Maintenance, repairs, operations (MRO)</li> <li>• Request for Proposals (RFP)</li> <li>• Request for Quotes (RFQ)</li> <li>• Space Rentals</li> </ul>	<p><b>Examples include but are not limited to:</b></p> <ul style="list-style-type: none"> <li>• Accreditation Expenses</li> <li>• Advertisement</li> <li>• Books/Publications</li> <li>• Conference/Seminar Fees</li> <li>• Legal/Attorney Fees &amp; Settlements</li> <li>• Memberships</li> <li>• Non-employee travel</li> <li>• Refunds</li> <li>• Subscriptions</li> <li>• Taxes</li> </ul>	<p><b>Examples include but are not limited to:</b></p> <ul style="list-style-type: none"> <li>• Subscriptions, no automatic renewals</li> <li>• Dues &amp; Memberships</li> <li>• Advertising</li> <li>• Conference registration &amp; training</li> <li>• Goods (e.g. office supplies)</li> <li>• Food/catering</li> <li>• Off campus service and repairs</li> <li>• Equipment costing less than \$500.00 and does not <b>have the ability to hold sensitive data. Exception: Up to \$2,500.00 in Campus Marketplace.</b></li> </ul>

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Independent Contractor	Guest Lecturer/Honorarium	No-Cost Contracts/Agreements
<p><b>What:</b> An Independent Contractor is a service provider who is engaged in a distinct profession and is in the business of providing consulting and other services related to the job being contracted. Independent Contractors have total control over the work being performed, set their own hours, provide their own equipment, liability insurance, office space. An Independent contractor is not currently appointed to a temporary, probationary, or permanent university funded or reimbursed position. Personal liability insurance is not furnished by the university.</p>	<p><b>What:</b> A <u>guest lecturer</u> is an individual who is not a CSU employee who is paid for a one-time speaking engagement, musical performance, training, etc.</p> <p>An <u>honorarium</u> is a payment made to an individual who is not a CSU employee as an expression of gratitude for a non-recurring activity for which a fee is not legally or traditionally required such as a musical performance, training, etc.</p> <p>In general, if you are a designated employee, you may not receive an Honoria payment from a source that you must disclose on your Form 700. (please contact Human Resources for more information).</p>	<p><b>What:</b> A no-cost contract/agreement is a contract that defines the terms and conditions of no-cost and revenue agreements between two or more legal parties.</p>
<p><b>Why:</b> 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.</p>	<p><b>Why:</b> Payment is typically made to thank or recognize a service provided <u>when payment is not required</u>.</p>	<p><b>Why:</b> It is important to memorialize the terms and conditions agreed upon between two or more parties. A contract serves as a reference document throughout an agreement's term that defines the details of what the parties agreed to. It is also a legal document that is utilized in case of a legal dispute between/among the contract's parties.</p>
<p><b>How:</b> Department submits a requisition in PeopleSoft along with the attached documents;</p> <ul style="list-style-type: none"> <li>• Scope of Work describing the service to be performed and expected deliverables, agreed upon fee whether hourly, daily, monthly, etc., schedule including expected completion date or expected time for completion</li> <li>• Consultant/Independent Contractor Determination Checklist</li> <li>• State of CA Vendor Data Record (204 form)</li> <li>• May require proof of insurance or waiver/release from liability (check with Risk Management)</li> </ul>	<p><b>How:</b> Department submits completed <a href="#">Guest Lecturer/Honorarium Form</a> to Procurement &amp; Contract Services, which consists of the following items:</p> <ul style="list-style-type: none"> <li>• Guest Lecturer/Honorarium Agreement</li> <li>• Consultant/Independent Contractor Determination Checklist</li> <li>• State of CA Vendor Data Record (204 form)</li> <li>• May require proof of insurance or waiver/release from liability (check with Risk Management)</li> </ul>	<p><b>How:</b> Department completes a <a href="#">Business Contract Request Form (BCRF)</a> and submits the request to <a href="mailto:contracts@csustan.edu">contracts@csustan.edu</a>.</p>

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<p>Procurement receives and reviews requisition, prepares an Independent Contractor Agreement, sends to the supplier for signature and encumbers funds.</p>	<p>The individual is paid a flat rate through Accounts Payable. An IRS Form 1099 will be issued at the end of the calendar year for tax purposes if total payments made to the individual exceeds \$600.00.</p>	
<p><b><i>Examples include but are not limited to:</i></b></p>	<p><b><i>Examples include but are not limited to:</i></b></p>	<p><b><i>Examples include but are not limited to:</i></b></p>
<ul style="list-style-type: none"> <li>• Consulting Services</li> <li>• Recruitment Services not covered by existing CSU agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Speaking to a class because of his/her expertise</li> <li>• Publishing an article</li> <li>• Reading of scholarly papers, poems, etc.</li> <li>• Musical accompaniment</li> <li>• Conducting a workshop</li> <li>• Providing training</li> <li>• Attending a conference, convention, meeting, social event, meal, or similar gathering</li> </ul>	<ul style="list-style-type: none"> <li>• Memorandum of Understanding (MOU)</li> <li>• Facility Use Agreement</li> <li>• Internship Agreement</li> <li>• Service Learning Agreement</li> <li>• Sponsorship Agreement</li> <li>• Revenue (Sales/Service) Agreement</li> </ul>