

Administration and Finance 2020

PROCUREMENT AND CONTRACT SERVICES

LOW DOLLAR PURCHASE ASSESSMENT



CSUSB WE DEFINE THE *Future*

Low Dollar Purchases

■ Low Dollar, Low Risk Purchases

- Under \$1,000, or \$2,000, or \$3,000.
- Goods / Materials.
- Not Services due to agreements and insurance.

Low Dollar Goods/Material Orders

2019	Low Dollar Purchase Orders				Total
	Under	Between	Between	Greater than	
Calendar Year 2019	\$1,000	\$1,000 and \$3,000	\$3,000 and \$5,000	\$5,000	
Goods/Material Orders	666	785	344	842	2,637
Total Value	\$ 338,858	\$ 1,436,876	\$ 1,325,977	\$ 31,416,059	\$ 34,517,769
Percentage of Total POs	25%	30%	13%	32%	100%



Low Dollar Purchase Assessment

- Consider other Purchase Methods
 - Campus MarketPlace – Commodities on Contract
 - Procurement Card



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Low Dollar Purchase Assessment

■ ProCard Program Facts

- 210 ProCardholders
- 106 ProCard Approvers
- \$3.9 million spend annually
- 2.15% rebate
- \$86,158 actual rebate 2019
- \$5,823 average monthly credit limit per cardholder
- 1,000 single purchase with \$3,000 monthly default limit.



ProCard Rebate

Higher Spend, Higher Rebate

Campus	File Turn	Purchases	Credits	Cash Advances ^a	Fraud	Write-Offs ^a	DIRP	Credits, Cash	Volume	Percentage of CSU	Total PCard Rebate Distribution ^b
								Advances, Fraud, Write-Offs, DIRP Total	(Purchases Less Credits, Fraud, Write-Offs, DIRP) Volume ^c		
Bakersfield	15	\$ 6,756,269.53	\$ 187,400.64	\$ -	\$ 88.53	\$ -	\$ 99,446.71	\$ 286,935.88	\$ 6,469,333.65	3.54%	\$ 132,786.45
Chancellor's Office	52	\$ 7,244,745.13	\$ 224,216.47	\$ -	\$ -	\$ -	\$ 497,123.29	\$ 721,339.76	\$ 6,523,405.37	3.58%	\$ 134,286.86
Channel Islands	44	\$ 2,668,250.29	\$ 56,562.54	\$ -	\$ 7.99	\$ -	\$ -	\$ 56,570.53	\$ 2,611,679.76	1.43%	\$ 53,639.72
Chico	23	\$ 3,980,888.14	\$ 72,217.72	\$ -	\$ -	\$ -	\$ 28,076.04	\$ 100,293.76	\$ 3,880,594.38	2.12%	\$ 79,521.83
Domiguez Hills	11	\$ 5,857,918.21	\$ 137,940.30	\$ -	\$ 3,892.55	\$ -	\$ 300,100.02	\$ 441,932.87	\$ 5,415,985.34	2.96%	\$ 111,030.47
East Bay	10	\$ 5,568,328.90	\$ 144,084.53	\$ -	\$ 132.63	\$ -	\$ 36,577.67	\$ 180,794.83	\$ 5,387,534.07	2.95%	\$ 110,655.37
Fresno	9	\$ 9,110,954.64	\$ 184,350.61	\$ -	\$ 242.02	\$ -	\$ 776,455.73	\$ 961,048.36	\$ 8,149,906.28	4.46%	\$ 167,295.92
Fullerton	19	\$ 23,417,339.52	\$ 257,550.58	\$ -	\$ 1,915.25	\$ -	\$ 2,639,053.69	\$ 2,898,519.52	\$ 20,518,820.00	11.23%	\$ 421,240.63
Humboldt	21	\$ 4,158,910.32	\$ 67,017.01	\$ -	\$ 659.48	\$ -	\$ 128,975.00	\$ 196,651.49	\$ 3,962,258.83	2.17%	\$ 81,397.34
Long Beach	14	\$ 9,413,911.92	\$ 174,339.86	\$ -	\$ 3,329.77	\$ -	\$ 177,723.68	\$ 355,393.31	\$ 9,058,518.61	4.96%	\$ 186,051.07
Los Angeles	29	\$ 7,120,977.41	\$ 84,392.22	\$ 17,350.75	\$ 46.63	\$ -	\$ 1,168,631.54	\$ 1,270,421.14	\$ 5,867,907.02	3.21%	\$ 120,408.05
Maritime Academy	16	\$ 2,429,215.96	\$ 36,706.15	\$ -	\$ 1.97	\$ -	\$ 10,471.81	\$ 47,179.93	\$ 2,382,036.03	1.30%	\$ 48,763.38
Monterey Bay	34	\$ 3,452,782.85	\$ 69,920.90	\$ -	\$ 2,993.16	\$ -	\$ 101,647.41	\$ 174,561.47	\$ 3,278,221.38	1.79%	\$ 67,143.43
Northridge	28	\$ 13,080,855.62	\$ 232,427.62	\$ -	\$ 237,194.48	\$ -	\$ 380,380.95	\$ 850,003.05	\$ 12,230,852.57	6.69%	\$ 250,943.88
Pomona	9	\$ 6,955,818.53	\$ 118,720.52	\$ -	\$ 6.75	\$ -	\$ 1,404,633.50	\$ 1,523,360.77	\$ 5,432,457.76	2.97%	\$ 111,405.58
Sacramento	15	\$ 8,267,572.29	\$ 154,944.36	\$ -	\$ 7.81	\$ -	\$ 37,192.85	\$ 192,145.02	\$ 8,075,427.27	4.42%	\$ 165,795.51
San Bernardino	16	\$ 4,219,162.61	\$ 87,800.97	\$ -	\$ -	\$ -	\$ 200,495.71	\$ 288,296.68	\$ 3,930,865.93	2.15%	\$ 80,647.14
San Diego	10	\$ 16,300,242.05	\$ 202,479.61	\$ -	\$ 1,795.48	\$ (7.82)	\$ 1,056,700.01	\$ 1,260,967.28	\$ 15,039,274.77	8.23%	\$ 308,709.74
San Francisco	19	\$ 19,353,899.75	\$ 155,556.05	\$ -	\$ 47.11	\$ -	\$ 3,489,622.16	\$ 3,645,225.32	\$ 15,708,674.43	8.59%	\$ 322,213.44
San Jose	7	\$ 6,739,728.15	\$ 167,063.33	\$ -	\$ 19.81	\$ -	\$ 35,028.11	\$ 202,111.25	\$ 6,537,616.90	3.58%	\$ 134,286.86
San Luis Obispo	18	\$ 14,004,374.15	\$ 294,995.61	\$ -	\$ 1,963.05	\$ -	\$ 167,712.39	\$ 464,671.05	\$ 13,539,703.10	7.41%	\$ 277,951.29
San Marcos	12	\$ 7,227,109.85	\$ 121,202.02	\$ -	\$ 50.00	\$ -	\$ 24,922.94	\$ 146,174.96	\$ 7,080,934.89	3.87%	\$ 145,164.85
Sonoma	10	\$ 6,355,815.40	\$ 109,977.76	\$ -	\$ 18.86	\$ -	\$ 343,704.53	\$ 453,701.15	\$ 5,902,114.25	3.23%	\$ 121,158.26
Stanislaus	16	\$ 5,991,268.50	\$ 90,908.62	\$ -	\$ 643.54	\$ -	\$ 117,000.77	\$ 208,552.93	\$ 5,782,715.57	3.16%	\$ 118,532.54
Totals		\$199,676,339.72	\$ 3,432,776.00	\$ 17,350.75	\$ 255,056.87	\$ (7.82)	\$ 13,221,676.51	\$ 16,926,852.31	\$ 182,766,838.16	100.00%	\$ 3,751,029.61

US BANK TRAVEL CARD REBATE DISTRIBUTION (Period May 1, 2018 through April 29, 2019)



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Low Dollar, Low Risk on ProCard

- Recommend further review
 - Reduce the number of cards
 - Issue cards to a uniform set of positions
 - Increase limits



Low Dollar Purchase Methods

- Two Methods for Low Dollar Purchases
 - 1.) Campus **MarketPlace** for contract pricing
 - 2.) **ProCard**

Recommendations for Low Dollar, Low Risk Purchases

■ Assessment Outcomes

- Increase overall purchasing efficiency campus-wide by reducing:
 - POs and
 - Invoices
 - Check payment.
- Campus MarketPlace *as first choice*.
- Move all other low dollar purchases to ProCard
- Increase overall ProCard rebate.

