



January 16, 2009

MEMORANDUM

TO: Deans, Associate Deans, Department Chairs, Directors, Managers and Campus Business Partners

FROM: Stephen G. Garcia
 Vice President for Administration/CFO

SUBJECT: Procurement and Travel Restrictions for the 08/09 CSU Operating Fund

On January 9, 2009 Chancellor Reed announced mandatory cost saving measures: travel restrictions for employees; cancellation of non-critical equipment and supply purchases; and a hiring freeze. This memo addresses travel and purchases charged to the CSU Operating Funds (funds beginning with M, THS and TS). Effective immediately, requisitions (including travel) will require the completion of a “Procurement Critical Assessment Expense Justification” form when a purchase or travel exceeds the following:

Request Exceeds \$1,000	Requests Exceeds \$5,000	All Requests
Consultant/Guest Speaker Food Purchases	Equipment/Commodity Service Computers/Software Other	Travel Expenses

A “Procurement Critical Assessment Expense Justification” form will also be required for all requisitions that are currently out to bid or have not been changed to a purchase order. Procard purchases should be restricted to below \$1,000. Office Max orders will continue as is however departments are encouraged to be prudent when ordering supplies and only order those that are truly needed. These requirements are in addition to the existing policy and procedures that are still in force.

A requisition that exceeds the amount indicated for its category will not be changed to a purchase order until an approved justification form has been received by Procurement. Requisitions/bids requiring a justification will be cancelled if not approved within two weeks of submission of the requisition/bid. The [“Procurement Critical Assessment Expense Justification”](#) form can be found on Procurement’s website or by clicking on the hyperlink.

Although these restrictions only apply to the General Operating Funds, it is strongly recommended that other funds also be conservative in their travel and purchases. We are in unknown territory with the State budget and cannot predict when it will be resolved or the impact on us until it is resolved. It is best to be prudent in these circumstances.

If you have any questions or concerns about these restrictions or about this notice, please contact Leah Davis at x87810, or email at ldavis@csus.edu for travel. For purchasing questions please contact the appropriate buyer for the commodity being purchased (see [Buyer Assignment](#) list on Procurement’s website).

SGG: kg