



ProCard Program Manual

Table of Contents

General Information.....	3
Overview of Program	3
Ethics	3
Credit Card Controls	4
Fiscal Year End.....	4
Training	4
Using the Card.....	5
What Can Be Purchased with the Card	5
What Cannot Be Purchased with the Card.....	5
Allowable Purchases with Restrictions	6
How to Make Purchases with Your ProCard	6
Sales Receipt Requirements	7
Hospitality Expenses.....	7
Responsibilities.....	7
Cardholder	7
Approving Official.....	8
Consequences for Failure to Comply with Program Policy and Procedures	8
Consequences of Late Statements / Missing Documentation	8
Consequences of Purchasing Restricted Items.....	8
Billing Cycle	8
Reconciliation by Cardholder	9
Reconciliation by Approving Official	10
Key Contacts	10
Forms.....	10
References	10

General Information

Overview of Program

The ProCard program has been implemented to provide easy and expeditious method for campus departments to make low dollar purchases and Campus Marketplace supply orders. Cards are issued in the name of the individual (Cardholder) whose purchases are reviewed and authorized by their Approving Official¹.

The Cardholder is the only one authorized to make a purchase with the ProCard. Approving Official must have the authority to spend department funds and be registered on file in the Accounts Payable Office. Each Cardholder and Approving Official participating in the program is required to attend a training session. Cardholders must also sign a Cardholder Participation Agreement prior to receiving a card.

The ProCard is billed directly to the university; eligibility for a card is not based on cardholder's credit history. Monthly payments are made to the bank immediately upon receipt of the master bill in Accounts Payable. Each Cardholder and Approving Official must verify that the charges on the statement are valid and that the goods have been received. Such charges must be supported with itemized receipts for each transaction on the statement.

Cards will be renewed automatically unless the individual Cardholder's privileges have been terminated.

The university is using an agreement made with US Bank. The card is a Visa card.

Ethics

Cardholders and their Approving Officials have been granted limited authorization to purchase on behalf of San José State University. Authority to purchase goods and services has been delegated from the Chancellor to the President and to the university Contracts & Purchasing Services. The Contracts & Purchasing Services has further delegated limited purchasing authorization to individuals in departments outside the Purchasing Services through the use of the procurement credit card.

Contracts & Purchasing Services and Accounts Payable Offices have implemented internal controls as regulated by the Chancellor's Office that mitigate procurement abuses, comply with Trustee policy, ensure observance of good business practices, and provide appropriate checks and balances.

As a ProCard cardholder, you are responsible for ensuring all your purchasing transactions are in compliance with State and Federal laws, including conflict of interest laws and any potential impact your purchase may have on personal financial interests.

All ProCard Cardholders and Approving Officials are responsible for conducting business in an ethical manner as outlined by the SJSU Procurement Ethics Policy:

- Conduct business in good faith; demanding honesty and ethical practices from all participants in the purchasing process.
- Strive to obtain the maximum value for each dollar of expenditure.
- Avoid unfair practices by granting all competitive suppliers equal consideration insofar as State, Federal, and CSU regulations require.
- Make reasonable efforts to negotiate equitable and mutually agreeable settlements of controversy with a supplier(s).
- Personal gifts or gratuities from vendors will be politely and firmly declined.
- Avoid involvement in any transactions/activity that could be considered to be a conflict between personal interests and the interests of the CSU.

¹ As outlined in the [Delegation of Authority for the Approval of Financial Expenditures Guidelines](#).

- Enhance proficiency by acquiring and maintaining current technical knowledge and pursuing related educational opportunities and professional growth.
- Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.

Credit Card Controls

Maximum dollar amount per transaction

For each Cardholder within his/her area of responsibility, the Approving Official will determine the maximum dollar amount per transaction allowed for the individual Cardholder. The maximum cannot exceed \$5,000 per transaction and such maximum includes shipping, handling, and freight. Should a transaction exceed the allowed maximum for the Cardholder, it will be denied when the merchant processes the charge. Splitting of purchases to circumvent this limit is not allowed.

Maximum dollar amount per monthly billing cycle

For each Cardholder within his/her area of responsibility, the Approving Official will determine the maximum dollar level allowed for charges per month (not to exceed \$10,000). Should a purchase be attempted that would put the Cardholder over the established limit, it will be denied when the merchant processes the charge.

Merchants from whom purchases cannot be made

The card is **restricted** from use by certain merchant types such as airlines/airports, drug stores, hotels/motels, and restaurants/bars. Goods and services provided by business travel-related merchant types are more appropriately charged on a university [GoCard](#).

Exceptions

Any request for delegation of authority that would exceed \$5,000 per transaction or \$10,000 per month, or conflict with the restricted items list must be submitted to the Accounts Payable Manager for approval.

Fiscal Year End

All charges with a US Bank postdate **on or before** May 20th of each year will be paid from the current fiscal year. Charges posted after May 20th will be charged to the next fiscal year. (Date subject to change)

Training

The Cardholder is recommended to complete the ProCard/GoCard Reconciliation class (Course Number: FIN903). This class covers the process of completing the reconciliation of the ProCard statement in the CFS system. The class does not have to be completed to apply for a ProCard or to gain access to the CFS module used for reconciliation. For more information on training and to enroll in a session, refer to [Training](#) in the Finance website.

When the ProCard is ready for pickup, the Cardholder will receive an overview of the program's policies from the ProCard Coordinator in Accounts Payable.

The Cardholder must request access to the CFS ProCard module used to perform the monthly reconciliation by completing and submitting the [System Access Request](#) form to CMS Security Group.

Using the Card

What Can Be Purchased with the Card

Allowable purchases include most items that are acceptable via Petty Cash and Direct Pay. The following are examples of acceptable ProCard expenditures:

- Books
- [Campus Marketplace](#)
- Chemicals or other hazardous substances *
- Computer Monitors *
- Computer supplies/accessories (e.g., extended memory, mouse, keyboards, desktop printers, external hard drives, speakers)
- Equipment (refers to whole units or parts to build or used to run a unit) *
- Food/Catering from suppliers listed in the [Catering Policy](#). *
- Gifts *
- Gold Point Cards *
- Items from the Spartan Bookstore
- Miscellaneous hardware supplies
- Miscellaneous lab supplies
- Office supplies from strategic partner [Staples Advantage](#) **
- Registration fees from CSU Chancellor's Office, other CSU campus, or UC
- Shredding services from strategic partner [Recall](#)
- SJSU logo business stationery and business cards from strategic partner [Medius Corp.](#)
- Software *
- Subscriptions
- Testing forms/exams
- Videos (in compliance with Section 508 and California Code 11135)

* Allowed with limited restrictions. Refer [Allowable Purchases with Restrictions](#) for details.

** Office supplies include facial tissue and hand sanitizer.

What Cannot Be Purchased with the Card

The following are examples of prohibited transactions. For a complete list, please see the [Standard Exclusions](#) list.

- Custom promotional items with imprints
- Engraving (trophies, plaques, awards)
- Fans, heaters, air conditioners
- Furniture
- Household appliances (refrigerators, microwaves, coffee makers, etc.)
- Items for personal use
- Narcotics or ingested medication
- Postage
- Printing or other related services
- Registration Fees (use [GoCard](#))
- Services (such as repairs and rentals)***
- Travel expenses (use [GoCard](#))

*** All rentals are restricted from the ProCard programs with the exception of regalia rentals from the [SJSU Spartan Bookstore](#).

If you have a question on whether a particular item is allowed under the ProCard program, please contact the [ProCard Program Coordinator](#) in the Accounts Payable Office.

Allowable Purchases with Restrictions

Note: No splitting purchases to circumvent transaction limits.

Commodity	Restrictions
Ad Services	<ul style="list-style-type: none"> Allowed only when no SJSU signature is required on a contract/agreement. \$1,500 purchase limit
Chemicals or other hazardous substances	<ul style="list-style-type: none"> MSDS must be obtained with goods
Computer Monitors	<ul style="list-style-type: none"> Up to three monitors can be purchased for a billing cycle
Equipment, Computers and Peripherals	<ul style="list-style-type: none"> \$5,000 purchase limit on unit or parts for a billing cycle Up to three computers (including tablets) can be purchased in a billing cycle Cannot be related to Accessible Technology Initiative (ATI)²
Food/Catering	<ul style="list-style-type: none"> Must comply with Hospitality Guidelines
Gifts (examples: flowers, Gold Point cards/gift cards, and plaques)	<ul style="list-style-type: none"> Must comply with Hospitality Guidelines
Software	<ul style="list-style-type: none"> \$1,000 purchase limit Up to three software licenses can be purchased in a billing cycle Each license must be for a single user Cannot be related to Accessible Technology Initiative Cannot be Software as a Service (SaaS) such as cloud service

How to Make Purchases with Your ProCard

Cardholders may use the ProCard to secure goods by either:

- Picking up goods directly from merchant at merchant's location.
- Telephoning, faxing, internet or mailing request to merchant, with goods shipped to the university.

When ordering by telephone, fax, internet, or mail, it is the Cardholder's responsibility to instruct the merchant to ship the goods to the following address:

San José State University
Attn: Cardholder's Name & Department
129 South 10th Street
San Jose, CA 95192-xxxx (ordering department's extended zip)

² ATI refers to the CSU's ongoing commitment to provide access to information resources and technologies to individuals with disabilities.

Emphasize that all information is to be included on the shipping label, especially the Cardholder's name and department. Should goods arrive in the Distribution Services Department without the above information, Distribution Services personnel will be unable to identify where merchandise is to be delivered, resulting in goods being returned.

Sales Receipt Requirements

Regardless of the method used for obtaining goods, the Cardholder must obtain an *itemized** receipt. When ordering, the Cardholder *must* advise the merchant verbally or on the written transmittal that an itemized receipt must be provided with the shipment or faxed to the Cardholder.

* Itemized is defined as a description of goods secured, the quantity, the amount, tax and shipping charges (if applicable) and total. If the merchant's receipt is not itemized (e.g., merely states *miscellaneous supplies*), the Cardholder must supply a written description to justify the purchase.

Should a receipt be lost, the Cardholder must attempt to obtain a duplicate copy from the merchant. If the Cardholder is unsuccessful in securing a copy, he/she must complete a [Certification of Receipt of Goods](#) form. If there are excessive instances of lost receipts, university ProCard privileges will be revoked.

Receipts should be attached to an 8.5" x 11" piece of paper, if they are smaller than that size. When taping receipt, the tape should not cover any portion of the text to prevent fading. Receipts are to be submitted along with an approved ProCard Adjustment Report to the ProCard Program Coordinator by the 10th of each month.

Hospitality Expenses

In addition to the receipt requirement, purchases pertaining to hospitality must have a completed [Hospitality Expense Justification](#) form submitted with the reconciliation. Information required on the form includes names of attendees, date, time, location, and business purpose of expense. For more information refer to the [Hospitality Guidelines](#).

Responsibilities

Cardholder

- Use of card is restricted to Cardholder only
- Keep card and card number secure
- Comply with university ProCard program policy and procedures
- Obtain itemized receipts for each transaction
- Obtain credit from merchant on returned goods and disputed items
- Review purchases online and distribute to appropriate chartfields
- Reconcile monthly statements with receipts and deliver to Approving Official for approval and submission to Accounts Payable by the 10th of each month
- Immediately report lost or stolen cards to the credit card company, ProCard Program Coordinator and Approving Official
- Return the card to the ProCard Program Coordinator before leaving the university or when there is no longer a need for the card
- Submit an updated ProCard Application form if a change in Approving Official Change is made
- Agree to the consequences of violating the ProCard program policy and procedures

Approving Official

- Review charges for appropriateness of expense(s)
- Be familiar with SJSU procurement policies
- Know which items are on the [Standard Exclusions](#) list
- Know the policy/ramification for late submission of statements
- Notify ProCard Program Coordinator whenever a Cardholder leaves the university
- Submit signed ProCard adjustment reports and receipts by the 10th of each month
- Agree to uphold the expectations of the ProCard program policy and procedures

Consequences for Failure to Comply with Program Policy and Procedures

Individual Cardholder and/or department card privileges may be revoked and/or face other disciplinary actions for the following reasons including and not limited to:

- Splitting of orders to circumvent transaction limits.
- Failure to comply with ProCard program procedures defined in this manual.
- Excessive instances of lost receipts/invoices.
- Loaning the ProCard out for others to use.
- Purchasing of restricted items.

Consequences of Late Statements / Missing Documentation

All paperwork (ProCard adjustment reports, receipts, and any required justification) must be received in Accounts Payable by the 10th of each month. Failure to comply will result in revoking of card privileges and/or other disciplinary measures:

- **1st Time:** Spending limit on card will be set to \$1.00. Limit will be reset 5 working days after receipt of all documents.
- **2nd Time:** Spending limit on card will be set to \$1.00. Limit will be reset on the 1st day of the next billing cycle following receipt of all documents.
- **3rd Time:** Cardholder privileges will be terminated.

Consequences of Purchasing Restricted Items

- **1st Time:** Email notification to Cardholder and Approving Official.
- **2nd Time:** Email notification to Cardholder and Approving Official as well as a conference meeting and retraining of both Cardholder and Approving Official required. ProCard limit reduced to \$1.00 until training is complete. Further disciplinary action may be taken.
- **3rd Time:** Cancellation of card with no reinstatement. Further disciplinary action may be taken.

Billing Cycle

The billing cycle of the US Bank Visa ProCard is from the 23rd of the first month to the 22nd of the next month (depending on calendar work days). E-statements are available through US Bank's online service.

Reconciliation by Cardholder

Around the 25th of each month an email notice is sent to all Cardholders from the ProCard Program Coordinator indicating that charges for the previous month are available for reconciliation in [CFS](#). Paper statements will not be mailed to the Cardholders.

Each cardholder or their designee will reconcile their account per the instruction received during their ProCard Reconciliation training with Finance. For detailed instructions on completing the ProCard Reconciliation in CFS, visit [Finance Tutorials](#).

When reconciling the statement in CFS, Cardholders can:

- Verify charges are accurate and receipts support transactions.
- Confirm expense is being charged to the correct Chartfields.
- If necessary, modify Chartfields for an expense or split an expense between two Chartfield strings.
- Utilize the description field to add comments about the purchase or provide a justification to Accounts Payable.

Note: Research Foundation and Tower Foundation funds are not an allowable funding source. However, Tower Foundation funds are an allowable funding source when the expense is split with the university.

If an item is billed incorrectly or is questionable (e.g., purchases which the cardholder does not believe he/she made), the cardholder must contact US Bank within 14 days of statement date and:

- Notify vendor that made the charge that the transaction is being disputed.
- Maintain an accounting of expected credits for disputed items.
- Remember the chartfield string(s) original payment was made from.
- Ensure future charges do not appear on statement.

If a purchased item is defective, return the item to the merchant for replacement or credit. If the merchant refuses to replace the defective item and/or fails to issue a credit, the purchase will be considered in dispute and the Cardholder should contact US Bank.

Cardholder statements will be paid in full by Accounts Payable, including disputed items, to avoid late fees and penalties. It is the Cardholder's responsibility to secure a reversal of charges (credit) from US Bank.

The ProCard reconciliation in CFS must be completed by the Cardholder no later than the 5th of the following month. After the 5th, transactions will not be available for review and update in the system; though, your statement will be available to view in completed inquiry.

When preparing the reconciliation to submit to Accounts Payable, Cardholders must:

- Organize receipts and backup documentation in the same order the expense appears in the ProCard statement.
- Sign and obtain Approving Official's signature on the ProCard Adjustment Report.
- Attach receipts and backup documentation to the approved ProCard Adjustment Report and forward to the ProCard Program Coordinator by the 10th of each month.

Reconciliation by Approving Official

The Approving Official must:

- Review the monthly charges made by the Cardholders to make sure they are appropriate, that prohibited items were not purchased, and that appropriate account numbers were assigned to each charge.
- Ensure that disputed items are credited.
- Sign and forward to Accounts Payable all ProCard Adjustment Reports, receipts, and backup documentation by the 10th of each month.

Key Contacts

ProCard Bank

US Bank
(800) 344-5696
<https://access.usbank.com>

- Report lost or stolen card
- Report/dispute questionable charges
- Access account information 24/7
- Enroll in e-statements

ProCard Program Coordinator

Sara Tipton (Perez)
(408) 924-1569
sara.tipton@sjsu.edu

- Report lost or stolen card
- Apply for, terminate, replace, or make changes to a card
- Clarify policy
- Submit receipts and accounting information for review

Forms

- [ProCard Application](http://www.sjsu.edu/finance/docs/procard_application.pdf) (http://www.sjsu.edu/finance/docs/procard_application.pdf)
- Cardholder Participation Agreement: Presented to cardholder after program overview meeting and card pick up.
- [Certification of Receipt of Goods](http://www.sjsu.edu/finance/docs/receipt_of_goods.pdf) (http://www.sjsu.edu/finance/docs/receipt_of_goods.pdf)
- [Hospitality Expense Justification](http://www.sjsu.edu/finance/docs/hospitality_expense_justification.pdf) (http://www.sjsu.edu/finance/docs/hospitality_expense_justification.pdf)
- [System Access Request](http://my.sjsu.edu/docs/admin/FR_System_Access_Request.pdf) (http://my.sjsu.edu/docs/admin/FR_System_Access_Request.pdf)

References

- [Accessible Technology Initiative](http://www.sjsu.edu/finance/policies_guidelines/ati/index.html) (ATI): (http://www.sjsu.edu/finance/policies_guidelines/ati/index.html)
- [Campus Marketplace](http://www.sjsu.edu/finance/about_us/purchasing/campusmarketplace/index.html) (http://www.sjsu.edu/finance/about_us/purchasing/campusmarketplace/index.html)
- [Catering Policy](http://www.sjsu.edu/finance/policies_guidelines/catering/index.html) (http://www.sjsu.edu/finance/policies_guidelines/catering/index.html)
- [CFS](http://my.sjsu.edu) (Common Finance System): (<http://my.sjsu.edu>)
- [Delegation of Authority for the Approval of Financial Expenditures Guidelines](http://www.sjsu.edu/finance/policies_guidelines/daafe_guidelines/index.html) (http://www.sjsu.edu/finance/policies_guidelines/daafe_guidelines/index.html)

- [Finance Training](http://www.sjsu.edu/finance/financeconnect/training/index.html) (http://www.sjsu.edu/finance/financeconnect/training/index.html)
- [Finance Tutorials](http://www.sjsu.edu/finance/financeconnect/training/fin_tutorials/) (http://www.sjsu.edu/finance/financeconnect/training/fin_tutorials/)
- [GoCard](http://www.sjsu.edu/finance/financeconnect/resources/pathways/gocard/index.html) (http://www.sjsu.edu/finance/financeconnect/resources/pathways/gocard/index.html)
- [Hospitality Guidelines](http://www.sjsu.edu/finance/policies_guidelines/hospitality/index.html) (http://www.sjsu.edu/finance/policies_guidelines/hospitality/index.html)
- [Medius Corp.](http://www.sjsu.edu/communications/identity/powersource/stationery/) (http://www.sjsu.edu/communications/identity/powersource/stationery/)
- [Procurement Pathways](http://www.sjsu.edu/finance/financeconnect/resources/pathways/index.html)
(http://www.sjsu.edu/finance/financeconnect/resources/pathways/index.html)
- [Recall](http://www.sjsu.edu/finance/about_us/purchasing/strategic_partners/index.html#shredding) (http://www.sjsu.edu/finance/about_us/purchasing/strategic_partners/index.html#shredding)
- [SJSU Business Stationery and Business Cards](http://www.sjsu.edu/communications/identity/powersource/stationery/)
(http://www.sjsu.edu/communications/identity/powersource/stationery/)
- [SJSU Spartan Bookstore](http://sjsu.bncollege.com/webapp/wcs/stores/servlet/BNCBHomePage?storeId=65133&catalogId=10001&langId=-1)
(http://sjsu.bncollege.com/webapp/wcs/stores/servlet/BNCBHomePage?storeId=65133&catalogId=10001&langId=-1)
- [Standard Exclusions](http://www.sjsu.edu/finance/financeconnect/resources/pathways/standard_exclusions/index.html)
(http://www.sjsu.edu/finance/financeconnect/resources/pathways/standard_exclusions/index.html)