



## **ProCard Program Manual**

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# 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 CSUBUY supply orders. Cards are issued in the name of the individual (Cardholder) whose purchases are reviewed and authorized by their Approving Official<sup>1</sup>.

The Cardholder is the only one authorized to make a purchase with the ProCard. Approving Official must have the authority to spend department funds as stated in the [Delegation of Authority for the Approval of Financial Expenditures](#). 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 [Payment Services](#). 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 & Procurement Services. The Contracts & Procurement Services has further delegated limited purchasing authorization to individuals in departments outside the Procurement Services through the use of the procurement credit card.

Strategic Sourcings' Contracts & Procurement Services and Payment Services 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:

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<sup>1</sup> As outlined in the Delegation of Authority for the Approval of Financial Expenditures Guidelines.

- 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.
- 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. 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 monthly limit per month, or conflict with the restricted items list must be submitted to the [Associate Director of Procurement to Payment](#) for approval.

## ProCard Application

Eligible employees can request a ProCard by submitting an approved [ProCard Application](#) (DocuSign) to the program coordinator in Payment Services. This form can be submitted prior to completing the required Introduction to Finance class. When the ProCard is ready for pickup, the Cardholder will receive an overview of the program's policies from the [ProCard Program Coordinator](#).

SJSU Auxiliary employees may apply for a ProCard if they have state funded purchases, approved by an SJSU employed approving official.

## Training

The Cardholder is **required** to complete the Introduction to Finance class (Course Number: FIN009). This course provides an overview of Finance policies/guidelines related to purchasing and financial activity at the university as well as introduce employees to Finance and the services they provide to the campus. The Cardholder will not be granted access to the CFS system used for completing the ProCard reconciliation until FIN009 is completed.

The ProCard/GoCard Reconciliation Workshop is recommended to attend and it covers the process of completing the reconciliation of the ProCard statement in the CFS system.

Additional resources are available to assist cardholders, visit [Finance Training and Tutorials](#) for more information about subscribing to the FinanceConnect Blog, training opportunities and tutorials.

## Finance Systems Access

After completion of the required Introduction to Finance class, the Cardholder must complete the [Finance Systems Access Request](#), a DocuSign Form, to request access to the finance systems used for purchasing and financial activity. Refer to [Finance Systems](#) for more information.

## 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:

- Ad services \*
- Books
- Bottle water delivery service from strategic partner [Nestle Waters](#)
- [CSUBUY](#)
- Chemicals \*
- Computer monitors \*
- Computer supplies/accessories (e.g., extended memory, mouse, keyboards, 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
- Memberships (professional or organizational)
- Miscellaneous hardware supplies
- Miscellaneous classroom or lab supplies
- Office supplies from strategic partner [Staples Advantage](#) \*\*
- Shredding services from strategic partner [Iron Mountain](#)
- SJSU logo business stationery and business cards from strategic partner [Medius Corp.](#)
- Subscriptions \*
- Testing forms/exams
- UPS CampusShip \*\*\*
- 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. No air fresheners or aerosol spray allowed.

\*\*\* Contact Distribution Services at 4-1590 to request an account.

## What Cannot Be Purchased with the Card

The following are examples of prohibited transactions. For a complete list, please see the [Procure to Pay Guidelines](#) list.

- Customized items with or without logo \*
- Engraving (trophies, plaques, awards)
- Fans, heaters, air conditioners
- Furniture
- Household appliances (e.g., refrigerators, microwaves, coffee makers)
- Items for personal use
- Ingested medication
- Postage, excluding UPS CampusShip
- Printing or other related services
- Registration Fees (use [GoCard or Direct Payment](#))
- Services (such as repairs, rentals, and online) \*\*
- Software or any electronic and information technology product (E&IT) that requires an ATI review \*\*\*
- Travel expenses (use GoCard)

\* Customized rubber stamps require University Advancement's approval.

\*\* All rentals are restricted from the ProCard programs with the exception of regalia rentals from the SJSU [Spartan Bookstore](#). Automobile repair services, not including parts, allowed for UPD and FD&O.

\*\*\* E&IT are products such as software, laptops, TVs/monitors, and DVDs. [ATI](#) review and approval are required in order to ensure Section 508 compliance. Thus, not allowable purchase with the ProCard.

If you have a question on whether a particular item is allowed under the ProCard program, please contact the ProCard Program Coordinator in Payment Services.

## Allowable Purchases with Restrictions

Note: No splitting purchases to circumvent transaction limits.

Commodity	Restrictions
Ad services (publication or online)	<ul style="list-style-type: none"> <li>Allowed only when <b>no</b> SJSU signature is required on a contract/agreement.</li> <li>\$1,500 purchase limit.</li> </ul>
Chemicals	<ul style="list-style-type: none"> <li>Hazardous substances require SDS to be obtained with goods.</li> </ul>
Computer Computer monitors Equipment	<ul style="list-style-type: none"> <li>Employee use only.</li> <li>\$5,000 purchase limit on unit or parts for a billing cycle.</li> <li>Up to three computers (including tablets) or computer monitors can be purchased in a billing cycle.</li> <li>Cannot be related to <a href="#">Accessible Technology Initiative (ATI)</a><sup>2</sup>.</li> <li>Except for Apple Care or Dell's service warranty, item cannot involve a maintenance or service contract.</li> <li>Item cannot have any terms and conditions attached.</li> </ul>
Food/Catering	<ul style="list-style-type: none"> <li>Must comply with <a href="#">Catering Policy</a> and <a href="#">Hospitality Guidelines</a>.</li> </ul>
Gifts (examples: flowers, and Gold Point cards/gift cards)	<ul style="list-style-type: none"> <li>Must comply with <a href="#">Hospitality Guidelines</a></li> </ul>
Subscriptions	<ul style="list-style-type: none"> <li>Pertains to view only subscriptions such as to a newspaper, online journals, or professional publication.</li> <li>Cannot be software related.</li> </ul>

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

## 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 10<sup>th</sup> Street**  
**San Jose, CA 95192-xxxx** (ordering department's extended zip)

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 or Use Tax

San José State University is required to pay California sales tax on all tangible goods received, including goods shipped from vendors outside California who do not charge sales tax. As is the case with all purchase orders, California 'use tax' shall be accrued on all ProCard purchases from out-of-state vendors.

Therefore, if you receive goods from a vendor outside of California, use tax, an amount equal to the current sales tax rate, will be accrued by Payment Services as a separate expense to the department's Chartfield account.

If you receive goods from a California vendor and they do not include sales tax on their invoice, you should contact the vendor and advise them that SJSU is subject to sales tax and ask if they want to provide an invoice for the difference. Please contact the ProCard Program Coordinator in Payment Services if there are any questions about sales or use tax.

## 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 Statement to the ProCard Program Coordinator by the 7<sup>th</sup> of each month, unless notified otherwise.

## 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, business purpose of expense, and for an employee only related event, an agenda or flyer is required. 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 or documentation for every transaction, including fraud and credits.
- Obtain credit from merchant on returned goods and disputed items.
- Review purchases online and distribute to appropriate chartfields.
- Enter description regarding purchase(s) in the comment field during the online reconciliation.
- Reconcile monthly statements with receipts and deliver to Approving Official for approval and submission to Payment Services by the 7<sup>th</sup> of each month.
- Immediately report lost/stolen cards and questionable/fraudulent charges 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 [Procure to Pay Guidelines](#) list.
- Know the policy/ramification for late submission of statements.
- Notify ProCard Program Coordinator whenever a Cardholder leaves the university.
- Submit signed ProCard statement and receipts by the 7<sup>th</sup> of each month.
- Agree to uphold the expectations of the ProCard program policy and procedures.

## Fiscal Year End

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

## Billing Cycle

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

## Reconciliation

### By Cardholder

Around the 23<sup>rd</sup> 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](#). The notification will include reminders, and updates about the program and policy. Paper statements will not be mailed to the Cardholders.

Each Cardholder or their designee will reconcile their account. For detailed instructions on completing the ProCard Reconciliation in CFS, visit [Finance Tutorials](#). If a Cardholder is unavailable to reconcile the statement (e.g., vacation or medical leave), assign a designee to process the reconciliation.

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 Chartfield for an expense or split an expense between two Chartfield strings.
- Utilize the description field to provide details related to the transaction such as comments about the purchase or provide a justification to Payment Services.

**Note:** Research Foundation and Tower Foundation funds are not an allowable funding source. However, Tower Foundation funds are an allowable funding source when the item 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.
- Include an explanation and/or documentation with your ProCard statement.
- 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 Payment Services, 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.

Transactions will not be available for review and update in the system when the next billing cycle starts, though your statement will be available to view in completed inquiry in CFS.

When preparing the reconciliation to submit to Payment Services, Cardholders must:

- Save the reconciled ProCard Statement from CFS as one file.
- Organize the receipts and backup documentation in the same order the expenses appear in the ProCard statement and scan them as one document, unless the size is too large. Combine the ProCard Statement and receipts/backup documents into one file.
- Upload the ProCard Statement and receipt/backup documentation files using the [DocuSign](#) ProCard/GoCard Statement Approval Signatures form. Cardholder will electronically sign the statement and route package to Approving Official for review and approval using DocuSign. If Approving Official is not available, then reconciliation can be directed to a designee (an MPP level employee or higher). A text box can be added to the ProCard Statement in DocuSign to print the name of designee, title and reason they are signing in place of the Approving Official on file.
- Upload completed and signed ProCard Statement and itemized receipts/backup documentation files to the ProCard/GoCard Statement Submission portal in [FTS](#) by the 7<sup>th</sup> of each month. Do not send hardcopies to Payment Services.

## By Approving Official

The Approving Official must:

- Review Cardholders ProCard Statement and receipts/backup documentation in DocuSign 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.
- Complete review and electronically sign all ProCard Statement in DocuSign by the 7<sup>th</sup> of each month.

## 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:

- Missing documentation and/or invoices for all transactions, including fraud and credits.
- 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.

### Late Statements / Missing Documentation

All paperwork (ProCard statement, receipts, and any required justification) must be received in Payment Services by the 7<sup>th</sup> of each month. Failure to comply will result in revoking of card privileges and/or other disciplinary measures:

- 1<sup>st</sup> Time:** Cardholder's account will be inactivated until the completed statement is received, including a memo from Approving Official.
- 2<sup>nd</sup> Time:** Cardholder's account will be inactivated for 30 days after the completed statement is received, including a memo from Approving Official.
- 3<sup>rd</sup> Time:** Cardholder's privileges will be reviewed for termination.

### Purchasing Restricted Items

- 1<sup>st</sup> Time:** Email notification to Cardholder and Approving Official for a memo from Approving Official.
- 2<sup>nd</sup> 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.
- 3<sup>rd</sup> Time:** Review account for cancellation of card with no reinstatement. Further disciplinary action may be taken.

## Key Contacts

### ProCard Bank

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

- Report lost or stolen card
- Report/dispute questionable or fraudulent charges
- Access account information 24/7
- Enroll in e-statements
- Opt-in for fraud alerts

### ProCard Program Coordinator

Jill Joy  
(408) 924-1685  
[jill.joy@sjsu.edu](mailto:jill.joy@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
- Review decline reasons/codes

## Forms

- **ProCard Application**  
<http://www.sjsu.edu/finance/financeconnect/resources/pathways/procard/index.html>
- **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)
- **DocuSign** <https://one.sjsu.edu/>
- **Finance Systems Access Request Form** <https://one.sjsu.edu/task/all/system-access-request-form>
- **Hospitality Expense Justification**  
[http://www.sjsu.edu/finance/docs/hospitality\\_expense\\_justification.pdf](http://www.sjsu.edu/finance/docs/hospitality_expense_justification.pdf)

## References

- **Accessible Technology Initiative (ATI)**  
[http://www.sjsu.edu/finance/policies\\_guidelines/ati/index.html](http://www.sjsu.edu/finance/policies_guidelines/ati/index.html)
- **CSUBUY and Staples Advantage**  
[https://www.sjsu.edu/finance/about\\_us/ss\\_contracts\\_procurement\\_svcs/csubuy/index.html](https://www.sjsu.edu/finance/about_us/ss_contracts_procurement_svcs/csubuy/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 (Common Finance System)** <https://one.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 and Tutorials** <http://www.sjsu.edu/finance/financeconnect/training/>
- **FTS (Financial Transaction Services):** <https://one.sjsu.edu/>
- **GoCard**  
<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)
- **Iron Mountain**  
[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)
- **Medius Inc. for SJSU Business Stationery and Business Cards**  
<http://www.sjsu.edu/communications/identity/powersource/stationery/>
- **Nestle Waters of North America**  
[http://www.sjsu.edu/finance/about\\_us/purchasing/strategic\\_partners/index.html#bottled\\_water](http://www.sjsu.edu/finance/about_us/purchasing/strategic_partners/index.html#bottled_water)
- **Procure to Pay Guidelines** [http://www.sjsu.edu/finance/docs/procure\\_to\\_pay\\_guide.pdf](http://www.sjsu.edu/finance/docs/procure_to_pay_guide.pdf)
- **Procurement Pathways**  
<http://www.sjsu.edu/finance/financeconnect/resources/pathways/index.html>
- **SJSU Spartan Bookstore**  
<http://sjsu.bncollege.com/webapp/wcs/stores/servlet/BNCBHomePage?storeId=65133&catalogId=10001&langId=-1>
- **Strategic Sourcing – Payment Services**  
[https://www.sjsu.edu/finance/directory/directory\\_bydept/payment\\_svcs\\_directory/index.html](https://www.sjsu.edu/finance/directory/directory_bydept/payment_svcs_directory/index.html)