



UW-Madison Administrative Policy
Policy # 300
Purchasing Card Policy

Effective Date: May 8, 2017
Last Updated: May 18, 2018
Last Reviewed: May 18, 2018
Next Review: June 21, 2018

Functional Owner	Controller, Division of Business Services, Dan Langer
Executive Sponsor	Associate Vice Chancellor (Interim), Division of Business Services, Dan Langer
Policy Contact	Purchasing Card Program Manager, Division of Business Services, Meghann Grove meghann.grove@wisc.edu

Policy Summary

The purchasing card is a UW-Madison credit card issued to an authorized university employee (excluding student hourly) by the Purchasing Card Program Office. Issuance of a purchasing card provides purchasing authority to that employee up to authorized limits. UW-Madison assumes full liability for the payment and use of the purchasing card. The cardholder is responsible for maintaining security of the card and for any misuse as outlined in this policy.

Divisions or departments must assign a site manager prior to enrolling in the Purchasing Card Program. A purchasing card site manager may not also be a cardholder.

UW-Madison purchasing cards are provided by U.S. Bank and remain the property of U.S. Bank. Purchasing cards must be canceled immediately upon termination of employment, leave of absence, transfer to another department, or request by an authorized person for any reason (e.g., Purchasing Card Program Manager, Controller, purchasing card site manager, Divisional Business Office).

All documents related to the purchasing card may be fully disclosed as public record to the extent required by state and federal open records laws.

Who This Policy Applies To

Employees of all UW-Madison schools, colleges, and auxiliary divisions including, but not limited to:

- Purchasing cardholders
- Purchasing card site managers
- Deans, Directors, Financial Officers, and other campus leadership

Rationale

The purchasing card's efficiency and ease of use reduce administrative burdens on UW-Madison staff but also expose UW-Madison to risk. Potential risks associated with the Purchasing Card Program include inappropriate use, fraud, inaccurate coding allocation, noncompliance with State of Wisconsin and UW System Administration purchasing policies, and reputational damage to UW-Madison. This policy helps ensure controls are in place to mitigate these risks.

Policy Detail

- I. **Mandatory Training.** All UW-Madison employees who are approved for a purchasing card must attend in-person Purchasing Card Policies and Procedures Training prior to obtaining their card. Department Card Administrators (DCA) must also complete Online Department Card Training. All employees assigned as site

managers must attend in-person Site Manager Training, in addition to Purchasing Card Policies and Procedures Training. Site Managers responsible for reviewing a Department Card must also complete Online Department Card Training. Cardholders and site managers must also complete annual online refresher training.

- II. General Card Use.** A UW-Madison purchasing card may only be used:
 - By the UW-Madison employee whose name is embossed on the front of the card.
 - For Department Cards only: By an authorized purchaser as outlined in [Procedure 300.7: Department Card Use and Account Management](#).
 - For UW-Madison business-related purchases.
 - In compliance with UW-Madison [purchasing policies and procedures](#).
- III. Purchase and Credit Limits.** All purchasing cards have a single purchase limit and a cycle credit limit. The limits are approved by the cardholder's Divisional Business Office and should be based on a cardholder's anticipated purchasing needs. In alignment with the best-judgment purchase limit, the maximum allowable single purchase limit is \$5,000.
- IV. Sales Tax.** Prior to using their purchasing card to make a purchase, cardholders must:
 - Present their sales tax exemption card/number/letter to the vendor, **or**
 - Verify the applicability of out-of-state sales tax for purchases made from vendors outside Wisconsin.
- V. Shipping Address.** Merchandise purchased with a UW-Madison purchasing card must be shipped to a UW-Madison campus address unless the cardholder can provide a written business justification for having items shipped elsewhere. The written justification must be submitted to the site manager along with other supporting documentation.
- VI. Supporting Documentation.** Supporting documentation (e.g., vendor receipt) is required for every purchasing card transaction, regardless of the dollar amount. Purchasing cardholders must submit documentation, including a stated business purpose, to their site manager at the end of each purchasing card cycle.
- VII. Account Management/Reconciliation.** Purchasing cardholders must review, sign, and date their Cardholder Account Statement at the end of each purchasing card cycle. Purchasing card site managers must review, sign, and date Cardholder Account Statements within 30 days of the cycle close date.
- VIII. Records Retention.** Site managers must retain purchasing card records, including supporting documentation, for six years plus the current year.
- IX. Card Security.** All purchasing cards and purchasing card data (card number, expiration date, and 3-digit verification code) must be kept in a secured location at all times.
- X. Lost or Stolen Cards.** Purchasing cardholders must immediately notify U.S. Bank Cardholder Customer Service if their card is lost or stolen.
- XI. Unauthorized Transactions/Suspected Fraud.** Purchasing cardholders must immediately notify the U.S. Bank Fraud Department of any unauthorized transactions or suspected fraudulent activity. Purchasing card fraud committed by a UW-Madison employee must be reported to the Purchasing Card Program Manager. Suspected fraud or abuse may also be reported to UW System Administration at <https://uwaudithotline.tnwreports.com>.
- XII. Notification of Termination of Employment.** Upon terminating their employment with UW-Madison, purchasing cardholders must notify the Purchasing Card Program Office and destroy any purchasing cards they have.

Consequences for Noncompliance

Failure to comply with UW-Madison Purchasing Card Policy or Procedures may result in disciplinary steps, up to and including dismissal.

Supporting Tools

Access Online: <https://access.usbank.com>

Accounting Services Policy & Procedure Index: www.bussvc.wisc.edu/acct/policy/ppindex.html

Cardholder Resources: www.bussvc.wisc.edu/acct/purchcd/tabcardholder.html

Purchasing Card Contacts: www.bussvc.wisc.edu/acct/purchcd/tabcontacts.html

Purchasing Card Forms: www.bussvc.wisc.edu/acct/purchcd/tabforms.html

Purchasing Card How To Documents: www.bussvc.wisc.edu/acct/purchcd/tabhowto.html

Purchasing Card Training: www.bussvc.wisc.edu/acct/purchcd/tabtraining.html

Site Manager Resources: www.bussvc.wisc.edu/acct/purchcd/tabsitemanager.html

Definitions

1. **Biweekly Cycle** – The Purchasing Card Program cycles on a biweekly basis. At the end of each biweekly cycle, cardholders and site managers are required to review and reconcile purchasing card accounts. See below for calendars specific to cardholders and site managers:
 - a. **Cardholder Calendar**: Displays biweekly cycle date ranges and dates Cardholder Statements are generated.
 - b. **Site Manager Editing Calendar**: Displays biweekly cycle date ranges and funding allocation deadlines.
 2. **Business Purpose** - An explanation as to how an expense is an appropriate UW-Madison business expense.
 3. **Cardholder** - The UW-Madison employee whose name appears on a purchasing card and who is responsible for all purchases made with that card.
 4. **Cycle Credit Limit** - The maximum amount that can be spent with a purchasing card during a two-week cycle.
 5. **Department Card** – A university-liability credit card issued to a UW-Madison employee which may be used by other authorized employees or enrolled students for business-related purchases.
 6. **Department Card Administrator (DCA)** - responsible for complying with purchasing card policy and procedures and managing the Department Card account.
 7. **Purchasing Card** - A university-liability credit card issued to a UW-Madison employee for business-related purchases.
 8. **Purchasing Card Program Manager** - The individual appointed by the Accounting Services Department in the Division of Business Services to manage, coordinate, and control purchasing cards for campus.
 9. **Single Purchase Limit** - The maximum amount that can be spent with the purchasing card on one transaction.
 10. **Site Manager** - The individual responsible for managing the purchasing cards for a department or division.
 11. **Supporting Documentation** - Any materials required to support a specific purchase as outlined in [Policy 201.L – Receipt Requirements](#).
-

Responsibilities

Purchasing Cardholders - Responsible for reading, understanding, and adhering to this policy and accompanying procedures.

Purchasing Card Site Managers –

- Review card applicant eligibility.
- Monitor use of purchasing cards to ensure all purchases are made in accordance with applicable policies and procedures.
- Allocate purchasing card transactions in U.S. Bank’s web-based transaction management tool, [Access Online](#), as appropriate.
- Ensure signed cardholder statements and supporting documentation are retained in accordance with UW-Madison records retention policy.
- Identify misuse of purchasing cards and notify cardholders via the [Purchasing Card Non-Compliance Form](#).
- Share program information/updates received from the Purchasing Card Program Manager with their cardholders and others, as appropriate.

Purchasing Card Program Office –

- Develops and maintains internal policies and procedures.
- Develops training and supports purchasing cardholders, site managers, and Divisional Business Offices with purchasing card-related questions and concerns.
- Performs periodic reviews of card activity to ensure compliance with all policies and procedures.

Divisional Business Office Leadership –

- Identify individuals who have an appropriate business need for a purchasing card.
- Establish individual cardholder credit limits.
- Ensure local compliance with this policy and accompanying procedures.
- Approve changes to existing purchasing card accounts (e.g., credit limit increases).

Link to Related Policies

- [Purchasing Policies and Procedures](#)
- [Records Retention Policy](#)

Revisions

Policy Number	300
Date Approved	May 8, 2017
Revision Dates	01/09/18 – Modified consequences for non-compliance related to designated purchasing card use. 03/20/18 – Modified Section XI to include UWSA Fraud reporting option. 03/29/18 – Modified Policy Summary to prohibit site managers from being cardholders. 05/18/18 – Added Department Card information. 7/13/18 – Removed compliance language regarding delegated use.