I. Procedure Statement

The UW-Madison purchasing card is for UW-Madison business purchases only. There are specific procedures that govern its use, including those for working with vendors, obtaining appropriate supporting documentation, handling returns, reviewing account statements, and generally managing the purchasing card account.

II. Who is Affected by This Procedure

Employees who are assigned a purchasing card; site managers; Divisional Business Office staff; the Division of Business Services Purchasing Card Program Manager; Purchasing Services staff.

III. Procedure

A. Things to consider before using a purchasing card: In many cases, the purchasing card may not be the best or most appropriate method of payment. The cardholder should consider the following before making a purchase with the card:

1. Card limits: Know the limits for the card. The cycle credit limit and single purchase limit can be obtained from the site manager or the Purchasing Card Program Manager. Do not exceed the single purchase limit by splitting purchasing transactions.

2. Best-judgment purchase limit: The best-judgment purchase limit at UW-Madison is $5,000. Purchases that exceed the best-judgment purchase limit must be coordinated through UW-Madison Purchasing Services. The purchasing card may not be used to make purchases that exceed this limit.
3. **Contracted vendors**: Use the Purchasing Services contract vendor page to identify contracted vendors and negotiated discount pricing. Purchases from non-contracted vendors may require additional justification. Contact Purchasing Services.

4. **Shop@UW**: Whenever possible, purchase items from UW-Madison’s contracted vendors via Shop@UW. Check the online supplier catalogues for the item(s) needed prior to using the purchasing card with a non-contracted vendor. Using Shop@UW guarantees contract pricing and tax exemption. More information can be found at Shop@UW.

5. **Vendor’s eligibility to do business with UW-Madison**: A vendor’s eligibility to do business with UW-Madison is contingent upon its compliance with state statutes. A number of vendors have been deemed ineligible by the State of Wisconsin because they are not compliant with our state tax laws or affirmative action employment requirements. The cardholder must not conduct business with vendors on either of the ineligible vendor lists.

6. **Alternate methods of making internal purchases**: While many internal vendors (e.g., DoIT Tech Store, campus catering, campus libraries, campus printing services) accept payments by credit card, the purchasing card should not be used for purchases between UW-Madison units. Vendors pay a transaction fee for all purchases made with a credit card. Departments should instead use the Inter Departmental Billing Form or other internal billing method (e.g., obtain and use a DoIT number for purchases from the DoIT Tech Store) for payments to other campus units in order to avoid these credit card processing fees.

7. **Purchases that require special approval or special handling**: Some products and services require special approval or special handling and may not be purchased without adhering to requirements found in Purchasing Policy and Procedure 4 – Exceptions/Approvals/Special Handling.

8. **Purchases that involve capital equipment and/or fabrications of capital equipment**: Purchases meeting the definition of capital equipment and/or fabrication have additional procedures and forms that must be completed prior to the purchase. If the coding of the expense uses an account code in the 46XX range, refer to the Capital Equipment Policy and Capital Equipment Procedures, and contact the Department Property Administrator for additional instructions.

9. **Frequently questioned purchases**: For additional information on items or services allowed to be purchased with the purchasing card, refer to the list of Frequently Questioned Purchases. Some of the items on this list are allowable and some are not. Read the whole explanation before determining if the card can be used.

**B. Making a purchase:**

1. Determine the appropriate vendor for the materials or services needed. See section A, 3-5.

2. Provide the purchasing card information to the vendor (e.g., account number, expiration date, Card Verification Value [CVV] number).

3. For the “Bill to” address, provide the vendor with the department address (as submitted on the card application). Do not use generic campus addresses (e.g., 21 North Park Street).
4. For the “Ship to” address (if the purchase requires a shipment of materials), provide a campus address. If the purchase must be shipped off campus, the cardholder must provide a reasonable justification in the supporting documentation.

5. Provide the vendor with the appropriate tax exempt information. *(Note: UW-Madison is exempt from state sales and use tax for purchases made from vendors in Wisconsin and in other states with which we have treaties).*

6. Ask whether the vendor offers educational or governmental rates or discounts.

7. Obtain required vendor documentation or receipts for all transactions regardless of the dollar amount. Required vendor documentation includes at least one of the following:
   a. Invoice (a packing slip is acceptable if no invoice is available and the cardholder includes a hand-written itemization)
   b. Confirmation screenshot or email
   c. Itemized cash register receipt
   d. Registration form with pricing detail
   e. Service agreement with pricing detail

   *(Note: If supporting documentation has been lost or destroyed, contact the vendor for a copy. If a copy cannot be obtained from the vendor, complete a Missing Receipt Form.)*

8. Obtain other supporting documentation, when required:
   a. For documentation requirements for travel: see section 201 of the Accounting Services policy index.
   b. For documentation requirements for hosted meals and events: see policy 202.
   c. For documentation requirements for gift cards: see policy 105.
   d. For documentation requirements involving capital equipment purchases (account series 46XX) including capital equipment fabrications: complete the Purchasing Card Capital Equipment Documentation Form on the day of purchase. Prior to submission, print a copy of the form to retain with purchasing card supporting documentation. Refer to procedure 110.4 – Fabrications for more information, or contact the Department Property Administrator for your area.

9. Ensure appropriate receipt of materials and services and follow up with vendors to resolve any discrepancies.

C. **Returning or requesting a refund for goods or services**: When returning an item or requesting a credit for services bought with the purchasing card, the cardholder should request that the credit be issued to the card used for the purchase. Cardholders may not accept a refund in cash or in-store credit to be used for another purchase. Since no new authorization is required, credits may be posted to closed purchasing card accounts.

   *(Note: If the original purchase was coded to a capital equipment account code (series 46XX), contact Property Control and the Department Property Administrator.)*

D. **Cardholder statement availability**: The purchasing card cycle is two weeks. The cardholder statement is automatically generated on a biweekly basis (see the current Cardholder Editing Calendar for the two-week cycle dates). The cardholder will receive an email notification when the statement is available and must log in to Access Online to view the statement (see How to Access a Bi-Weekly)
Purchasing Card Statement in Access Online. The statement contains the vendor name, transaction date, total dollar amount, and default funding string for each transaction posted in the previous two-week cycle.

E. Completing end-of-cycle reconciliation: At the end of each biweekly purchasing card cycle, the cardholder is required to:

1. Access, print, and review the cardholder statement verifying that the posted transactions are legitimate. For any unrecognizable or disputed transactions, the cardholder must follow up using the steps in section F.

2. Attach appropriate supporting documentation for each transaction posted. See section B, 7-8, for supporting documentation requirements.

3. Indicate necessary funding changes in the “Reallocate Funding To” field on the cardholder statement.

4. Indicate the business purpose for each transaction either in the “Business Purpose” field on the cardholder statement or directly on supporting documentation (e.g., vendor receipt).

5. Sign and date the cardholder statement.

6. Forward the cardholder statement and all supporting documentation to the site manager. Allow sufficient time for the site manager to review, allocate, and approve the transactions prior to the biweekly deadline (one week after the cycle close date).

F. Following up on unrecognizable or disputed transactions: It is the cardholder’s responsibility to follow up on any unrecognizable transactions that post to the account. To do this, the cardholder must first determine if business has been conducted with the vendor in the past:

1. If yes, the cardholder should contact the vendor to see if they are able to explain the charge or clear up any discrepancies. If the vendor is unwilling or unable to rectify the situation, the cardholder must work with the site manager to dispute the transaction via Access Online. The disputed amount(s) will be credited back to the cardholder’s account on a subsequent statement.

   Note: Per U.S. Bank, transactions must be disputed within 60 days of the transaction date.

2. If no, the cardholder must contact the U.S. Bank Fraud Investigation Unit at (800) 523-9078. The bank will initiate a fraud claim and send a fraud form to be completed by the cardholder. The fraudulent amount(s) will be credited back to the cardholder’s account, the account will be closed, a new account will be opened, and a new card will be sent directly to the cardholder.

G. Updating account information: To update account information (e.g., demographic information, credit limits, default funding), the cardholder should complete the Account Update Request Form, obtain the appropriate approvals, and route the form to the Purchasing Card Program Office.

   Note: Cards cannot be transferred from one individual to another or from one department to another (e.g., in the event of an employee transfer).
H. **Renewing a purchasing card:** Purchasing cards automatically renew every four years provided the cardholder has successfully completed required annual refresher training. Renewed cards are mailed directly to the cardholder at the address indicated on the cardholder statement, at the end of the month prior to expiration. Cards remain active until the end of the month in which they expire.

I. **Warning and card revocation:** If, as a result of an audit or monitoring, a transaction is found to violate UW-Madison Purchasing Card Policy or Procedures, the following will occur:
   1. If the cardholder has not had a violation within the previous two-year period, the cardholder will receive a written warning from the Purchasing Card Program Manager. A copy of the written warning will also be sent to the site manager, the divisional Chief Financial Officer, the Controller, and the Assistant Vice Chancellor for Business Services. The written warning will remain on file in the Purchasing Card Program Office for two years. Two years from the date of the communication, the warning will be expunged.
   2. If the cardholder has two violations within a two-year period, all purchasing cards issued to the cardholder will be revoked. After one year, the employee may reapply for a purchasing card. If the application is approved, the employee will be required to attend purchasing card training.

IV. **Contact Roles and Responsibilities**

   A. **Cardholder:** responsible for complying with purchasing card policy and procedures and managing the purchasing card account.

   B. **Site manager:** responsible for reviewing all assigned card activity, serving as the liaison between cardholders and the Purchasing Card Program Manager, and retaining all purchasing card documentation for the required timeframe (six years plus the current year).

   C. **Purchasing Card Program Manager:** responsible for overseeing the Purchasing Card Program at the campus level, providing training and resources for cardholders and site managers, and collaborating with campus leadership and program stakeholders to continuously review and improve the program.

V. **Definitions**

   A. **Access Online:** the web-based transaction management tool used to support the Purchasing Card Program at UW-Madison.

   B. **Cardholder statement:** an electronic document containing card transaction detail; generated biweekly by U.S. Bank and accessible to cardholders via Access Online.

   C. **Department Property Administrator (DPA):** an individual in a department or division who serves as the liaison between that department or division and Property Control for all matters regarding capital equipment.

   D. **Shop@UW:** a UW-Madison eCommerce marketplace staffed by the Division of Business Services. It provides online ordering for purchasing contracts.

   E. **Site manager:** the individual who manages purchasing cards at the departmental level. The site manager is responsible for reviewing all card activity, acting as the main communication link between cardholders and the Purchasing Card Program Office, and retaining all purchasing card documentation
for the required timeframe (six years plus the current year). Cardholders who are unsure who their site manager is should contact the Purchasing Card Program Manager.

VI. Related References

- Purchasing Card Policy
- Purchasing Policy and Procedure 3: Best Judgement Purchasing
- Cardholder Editing Calendar

VII. Revisions

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