I. Procedure Statement

The UW-Madison Purchasing Card Program is designed to expedite the purchasing process and reduce the costs associated with processing low-dollar, best-judgment purchases. The site manager is the individual responsible for managing purchasing cards at the departmental or divisional level. This procedure provides the site manager with specific instructions on how to review and reconcile the purchasing cards assigned to him or her. The site manager must not make purchases with a purchasing card he or she manages.

II. Who is Affected by This Procedure?

Site managers; purchasing cardholders.

III. Procedure

A. Collect cardholder statements and supporting documentation from cardholders at the end of each biweekly purchasing card cycle (see Site Manager Editing Calendar).

B. Review posted transactions for policy compliance:
   1. Verify who made the purchase. A UW-Madison purchasing card may only be used by the employee whose name is embossed on the front of the card.
2. Verify that the purchase is considered best-judgment and within the cardholder’s single purchase limit. The best-judgment purchase limit at UW-Madison is $5,000.

3. Verify that the cardholder did not intentionally split transactions to avoid the single purchase limit and/or the best-judgment purchase limit.

   **Note:** A cardholder’s single purchase limit is noted at the top of the cardholder statement.

4. Verify that purchases do not require special approvals (see Purchasing Policy & Procedure 4 – Exceptions/Approvals/Special Handling).

5. Verify that purchases of capital equipment and/or fabrications are allocated to a 46XX account code and a Purchasing Card Capital Equipment Documentation Form is included with the supporting documentation. Contact the Department Property Administrator or Property Control if help is needed.

6. Identify purchases that should have been made at Shop@UW.

7. Verify that purchases are in compliance with UW-Madison policies:
   a. Purchasing Card Policy
   b. Accounting Services Policy & Procedure Index
   c. Frequently Questioned Purchases

8. Identify purchases made from ineligible vendors (see the State of Wisconsin Ineligible Vendor Lists).

9. Identify purchases made with internal vendors and encourage purchasers to use different mechanisms for making internal purchases.

10. Identify sales and use tax paid in error. Question any sales tax charged unless the service or supply is used outside Wisconsin. If sales tax is paid in error in an amount greater than $5, verify that the cardholder has documented an attempt to recover the amount from the vendor.

C. Verify that required supporting documentation is included:

1. **Cardholder statement:** Verify that the cardholder has signed and dated the cardholder statement (this cannot be a transaction activity report).

2. **Vendor receipts:** Invoices, packing slips, cash register receipts, confirmation screens, service agreements, and registration forms are acceptable forms of documentation. All receipts should include the date of purchase, vendor name, items purchased, and prices. Any exceptions must be documented in writing.

   **Note:** The Purchasing Card Missing Receipt Form is available for occasional use only. Repeated use of the form should be addressed with the Purchasing Card Non-Compliance Form.

3. **Other supporting documentation:** Other documentation may include agendas, attendee lists, conference brochures, etc., as required by Policy 201.L – Receipt Requirements.

4. **Business purpose:** Any purchase that is non-routine in nature, quantity, or dollar amount must include a business purpose. The business purpose for each purchase should be clear to the site manager and/or an internal or external auditor without further inquiry. The business purpose may be recorded on the cardholder statement, a purchasing card log, or other supporting documentation.
D. Work with cardholders to rectify any instances of noncompliance:
   1. Noncompliant purchases:
      a. If appropriate, obtain the required supporting documentation and/or justification for the purchase in question.
      b. If necessary, instruct the cardholder to return the merchandise to the vendor for a full refund.
      c. If the noncompliant purchase cannot be returned for full credit, instruct the cardholder to reimburse the university with a personal check and the Check Deposit Form. Attach a copy of all reimbursement documentation to the cardholder statement.
   2. If the cardholder fails to rectify the situation prior to the biweekly edit deadline, complete the Purchasing Card Non-Compliance Form and send it to the cardholder.
   3. The cardholder has 10 days to respond upon receipt of the form.
   4. If the issue is not resolved within 10 days, route the form to the Divisional Business Office for review and recommended course of action.
   5. The Divisional Business Office indicates the recommended course of action on the reverse side of the form and routes the form to the Purchasing Card Program Manager.
   6. The Purchasing Card Program Manager reviews the form and takes action (e.g., issues a warning, suspends the account, closes the account).

E. Verify intended funding source(s):
   1. All purchasing card transactions are initially allocated to the cardholder’s default funding source in Access Online. The site manager has the ability to reallocate the transactions to more appropriate funding sources prior to the edit deadline following the end of each biweekly cycle (see the Site Manager Editing Calendar).
   2. Cardholders are instructed to indicate necessary funding changes on their cardholder statement. Site managers should review the requested funding changes for appropriateness (see Accounting Services Coding Information).

F. Sign and date the cardholder statement (not a transaction activity report) on the Supervisor/Site Manager line, verifying that the review process is complete. The statement should be signed within 30 days of the cycle close date.

G. Retain the purchasing card records for six years plus the current year in a central storage area that can be accessed by others in the department in the event of a change in site manager assignment. Electronic files containing all relevant documentation can be considered the official record provided the following requirements are met:
   1. All scanned documents are reviewed at the point of creation to ensure they are readable and unaltered. This review can be performed by the person scanning the document (e.g., the cardholder). Redaction of sensitive information in electronic records (e.g., credit card numbers) is considered an acceptable alteration.
   2. Quality control procedures are performed to verify that scanned records are readable and unaltered. Verification must be completed by someone other than the person who scanned the document (e.g., the site manager).
3. Controls are in place to provide assurances that the electronic record cannot be altered without detection.

4. The original paper records are kept a minimum of 30-90 days after scanning is complete to allow for any errors to be detected and corrected, if necessary.

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 card activity, including cardholder statements, on a biweekly basis to verify that the cardholder provided all required documentation and adhered to purchasing card policies; 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.

V. Definitions

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

B. **Cardholder:** the UW-Madison employee whose name appears on a purchasing card and who is responsible for all purchases made with that card.

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. **Site manager:** the individual who manages purchasing cards at the departmental or divisional level.

VI. Related References

- [Site Manager Editing Calendar](#)
- [Purchasing Card Policy](#)
- [Accounting Services Policy & Procedure Index](#)
- [Purchasing Services Policy & Procedure 4 – Exceptions/Approvals/Special Handling](#)
- [Ineligible Vendors Lists](#)
- [Frequently Questioned Purchases](#)
- [Shop@UW](#)
- [Accounting Services Coding Information](#)
- [Purchasing Card Missing Receipt Form](#)
- [Purchasing Card Non-Compliance Form](#)
- [Capital Equipment Policy](#)
- [Capital Equipment Procedure, 110.4 - Fabrications](#)
VII. Revisions

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