I. Procedure Statement

The UW-Madison Department Card Program is designed to allow employees and enrolled students without a purchasing card the ability to use a Department Card to make infrequent, pre-approved purchases. The Department Card is for UW-Madison business purchases only. There are specific procedures (in addition to those outlined in Procedure 300.2 – Purchasing Card Use and Account Management) that govern its use, including obtaining pre-authorization to use a Department Card, tracking Department Card usage and documenting Department Card purchases.

II. Who is Affected by this Procedure

Department Card Administrator (DCA); users of a Department Card; site managers; Divisional Business Office staff; the Division of Business Services Purchasing Card Program Manager; Purchasing Services staff

III. Procedure

A. Determining Who May Use a Department Card: The Department Card can be used by the DCA, other authorized employees and authorized enrolled students. Non-employees are not eligible to use a Department Card. The Department Card is intended to be used by those required to make occasional purchases, but not enough to warrant having a purchasing card of their own.

B. Intended Uses of the Department Card: The Department Card is intended for low-dollar, occasional in-person purchases from local or online vendors. It is not recommended that the Department Card leave the DCA’s headquarters city, unless absolutely necessary (e.g. student group travel).
C. **Obtaining Pre-Authorization to Use a Department Card:** No more than five (5) days prior to each request to use of the Department Card, purchasers must obtain approval from their supervisor. For enrolled students, this approval may come from a Hoofers Advisor, Club Leader, Department Chair or equivalent. Purchasers must complete the Department Card Pre-Authorization Form with their name, the item(s) intended to be purchased and the UW-Madison business purpose for the intended purchase. Supervisors are to approve the appropriateness of the purchase, not the appropriateness of the use of the Department Card as a payment mechanism. Approval from the supervisor may be in the form of a signature on the Department Card Pre-Authorization Form or in an email which restates the item(s) intended to be purchased.

D. **Requesting the Department Card from the Department Card Administrator:** Once a purchaser has obtained approval from the supervisor, the purchaser may request the Department Card from the DCA. The DCA must review the Department Card Pre-Authorization Form and determine if the Department Card is the most appropriate method of payment for the intended purchases. If a more appropriate payment method or purchasing mechanism exists (e.g. Shop@UW, internal billing, purchase order) or if it is determined the intended purchase is non-compliant with UW Policy, the DCA must withhold the Department Card from the purchaser and redirect them accordingly.

E. **Department Card Use in Concur Profiles:** DCA preapproval is required for all Department Card transactions. If a Department Card account number is stored in a traveler’s Concur profile, the traveler may not use it to make a purchase without obtaining pre-authorization from their supervisor or club leader and the DCA as outlined in Sections B and C above. If a traveler makes a purchase without obtaining pre-authorization from their supervisor or club leader and the DCA, the purchase is considered unauthorized (see Section G. Handling Unauthorized Purchases).

F. **Tracking Department Card Usage:** If the DCA determines the intended purchase is compliant with UW policy and is an appropriate Department Card purchase, the DCA may provide the Department Card to the authorized purchaser along with a the University’s Tax Exempt Letter and Certificate or a Tax Exempt Wallet card, if applicable. The DCA must track the location and authorized use of the Department Card or account number by completing the Department Card Tracking Log as the card is used. The log, which must be completed in Excel, requires the DCA to note the following for all Department Card transactions (including those initiated by the DCA):

1. Purchaser’s name
2. Card check-out date/time
3. Card check-in date/time
4. Purchase date
5. Purchase amount
6. Vendor
7. Item(s) purchased
8. Business purpose statement which identifies why the purchase is being made and how it relates to the activities of the department
9. Receipts received (acknowledge yes/no)
10. Pre-Authorization Form received (acknowledge yes/no)
11. Statement date (entered when transaction posts to DCA’s Cardholder Statement)

**Note:** A new Department Card Tracking Log must be created at the beginning of each billing cycle. It is likely the transactions noted on a Department Card Tracking Log during a billing cycle will not exactly match the transactions posted to the Cardholder Statement generated after the billing cycle close date due to lag time between the Transaction Date and the Posting Date.
G. **Department Card Reconciliation:** The Department Card Program operates on the same billing cycle as the standard purchasing card. In addition to standard purchasing card reconciliation procedures, DCAs, Site Managers and Account Services staff are responsible for the following:

1. **DCA Responsibilities:** Standard purchasing card reconciliation requirements are outlined in Section III.E. of Procedure 300.2: Purchasing Card Use and Account Management. In addition to these requirements, the DCA must also do the following:
   
i. Ensure all transactions posted to the Cardholder Statement were previously noted on a Department Card Tracking Log.
   
ii. Include Department Card Pre-Authorization Forms for all transactions on the Cardholder Statement with other supporting documentation to be provided to site manager.
   
iii. Include any Department Card Tracking Logs which relate to corresponding transactions on the Cardholder Statement with other required supporting documentation to be provided to site manager.

2. **Site Manager Responsibilities:** Standard purchasing card reconciliation requirements are outlined in Section III of Procedure 300.5: Purchasing Card Site Manager Review and Reconciliation. In addition to these requirements, the site manager must also do the following:
   
i. Review the Department Card Tracking Logs and ensure each purchase posted to the Cardholder Statement is reflected on a tracking log.
   
ii. Ensure each purchase on the Cardholder Statement NOT made by the DCA is supported with a Department Card Pre-Authorization Form.

H. **Handling Unauthorized Purchases:** If unauthorized purchases appear on the Cardholder Statement, the DCA must follow up to determine how the transactions originated. If it is determined a previously authorized purchaser retained the Department Card account number and used it to make an unauthorized purchase, the DCA must initiate a fraud claim through US Bank and request a cancellation/reissuance of their Department Card. The DCA may not allow the unauthorized purchaser to use the new Department Card or account number to make future purchases, regardless of supervisor approval. Further, the DCA is required to inform the Divisional Chief Financial Officer (CFO) of the unauthorized use and provide additional information as requested.

   **Note:** If the unauthorized purchase was not made by a previously authorized purchaser, the DCA must follow the standard procedures in Section III.F. of Procedure 300.2: Purchasing Card Use and Account Management.

I. **Non-Compliance:** If the site manager identifies an instance of non-compliance and determines the DCA is responsible, standard procedures apply, as outlined in Section III.D. of Procedure 300.5: Purchasing Card Site Manager Review and Reconciliation. If Accounting Services identifies an instance of non-compliance, standard procedures apply as outlined in Section III.I. of Procedure 300.2: Purchasing Card Use and Account Management.
IV. Contact Roles and Responsibilities

A. **Department Card Administrator (DCA):** responsible for complying with purchasing card policy and procedures and managing the Department Card account.

B. **Authorized purchaser:** employee or enrolled student authorized by the supervisor (or equivalent) and DCA to make a purchase.

C. **Supervisor/Club leader/Hoofers Advisor:** responsible for reviewing employees’ or enrolled students’ Department Card purchase requests for appropriateness.

D. **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).

V. Definitions

A. **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.

B. **Department Card Administrator (DCA):** The UW-Madison employee whose name appears along with a Department name on a Department Card and who is responsible for all purchases made with that card.

C. **Department card:** A university-liability credit card issued to a UW-Madison employee that may be used by other authorized employees or enrolled students for business-related purchases.

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

VI. Related References

- Site Manager Editing Calendar
- Cardholder Editing Calendar
- Policy 300: Purchasing Card

VII. Revisions

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<td>Date Approved</td>
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