



MADISON
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MADISON COLLEGE Purchasing Card (PCard) Program Manual

Abstract

Everything you need to know regarding Madison College's Purchasing Card Program.

Purchasing Department
pcard@madisoncollege.edu

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Section 1

MADISON COLLEGE PURCHASING CARD (PCARD) PROGRAM OVERVIEW

The Madison College Purchasing Card (PCard) Program is administered by the Purchasing Department. The PCard is a tool provided to select employees with primary departmental purchasing responsibility. PCards are a valuable tool for quickly and efficiently purchasing and paying for small dollar items without sacrificing control or cost. The card may be used to purchase goods and services valued at \$4,999 or less.

Benefits of using a PCard:

- Reduces time needed to purchase and receive low dollar purchases by simplifying the procurement process
- Madison College receives a small rebate from US Bank

Pcard uses¹:

- Authorized for small incidental purchases; all printing purchases require 2 written quotes
- Authorized for Madison College business use only
- Authorized for use with certain categories of suppliers and commodities

A PCard should never be considered as:

- A right of employment
- A means to circumvent Madison College purchasing policies

A PCard is not to be used for:

- Alcohol
- Capital Equipment
- Computer Hardware/Software
- Gasoline
- Gift cards (except when specifically authorized)
- Internal purchases at Madison College ²
- Employee Travel-related purchases/Meals
- Purchases requiring a signed contract

¹ All supplier rebate dollars and supplier awards are to be directed to Madison College Purchasing and will be returned to the College's general fund.

² It is understood that emergency purchases may occur. However, the College strongly encourages the use of the Staples punch-out for all office supplies.

Section 2

HOW TO OBTAIN A PURCHASING CARD (PCARD)

- Prospective cardholders must have the primary responsibility for Purchasing in the department or have a specific role at the college that requires the use of a PCard
 - Students, as well as Student Clubs and Activities, cannot be issued College credit cards (PCard or Travel Cards)
- Read and understand the PCard Manual
- Complete and sign a Madison College Credit Card Request and Agreement form
- Simple written justification from the budget manager/dean/director regarding the need for a PCard, as well as your vice president's approval via email is required with all requests and renewals
- Submit completed form with all required information and approval signatures to Purchasing via email to: pcard@madisoncollege.edu

Section 3

AUTHORIZED/UNAUTHORIZED PURCHASES

Examples of Authorized PCard Purchases:

- Instructional & Non-Instructional Supplies not available through a Workday punch-out
- Memberships & Subscriptions
- Tools/Minor Equipment <\$1,000
- Food for Staff/Events. Food purchases that are used in conjunction with staff development, business meetings or for a Madison College sponsored event must comply with Madison College's Food Policy. Madison College Food Services catering has the first right of refusal for all catering opportunities at Madison College. An approved Reimbursement for Food Purchases form must accompany your PCard statement, as well as associated receipt documentation and evidence of first right of refusal from Madison College Catering.
- Charges for repairs/maintenance/service provided when no contract is required to be signed on behalf of Madison College
- Non-college employee travel with approval

Examples of Unauthorized PCard Purchases:

- Sales Tax
- Items for Personal Use
- Liquor (prior approval required from supervisor and PCard Administrator for purchases related to Instructional or Culinary use)
- Entertainment
- Internal purchases at Madison College ³
- Cash Advances
- IT Hardware and Software
- Capital Equipment/Assets
- Gasoline
- Split orders/transactions to circumvent the cardholder's one-time transaction limit, or bypass Madison College competitive bidding requirements for purchases over \$4,999
- Prizes, Gifts or Gift Cards (unless authorized) or Marketing/Advertising/Promotional purposes, which require special justification recordkeeping. A Gift Card purchase requires authorization and critical detail logs for audit purposes.
- Purchases of services that involve signing of an agreement, lease or contract
- Individual Meals. Business-related meals must be paid for with personal funds or a Madison College Travel Card and submitted for reimbursement using the Workday expense report process.
- Some travel-related items (e.g., hotel, rental car)
 - Conference Registration Fees may be paid for with a PCard
 - Employee business travel charges should be made on a Madison College Travel Card or personal funds and documented through the Workday expense report process for employees.

³ It is understood that emergency purchases may occur. However, the College strongly encourages the use of the Staples punch-out for all office supplies.

Section 4

INSTRUCTIONS FOR PCARD USE & CARDHOLDER RESPONSIBILITIES

Using your PCard/Cardholder Responsibilities:

- Orders may be placed with suppliers in person at a store, over the phone or via the Internet. Regardless of order placement method, the cardholder will be required to have original, proper documentation of the order detailing the item(s) purchased and the cost. Always inform the supplier of Madison College's Tax Exempt status, and provide supporting documentation if vendor does not already have it on file. Always ask for the most cost effective method of delivery (freight) that will ensure you receive the goods when they are required. It is the responsibility of the cardholder to provide the supplier with their complete Madison College delivery address. Department must appear on all shipments, and deliveries are allowable to a Madison College address only.
- The cardholder is responsible for ensuring that the goods received are the goods that were ordered in type and quantity, and that they are in acceptable and serviceable condition. If the cardholder is unable to reach an agreement with the merchant, the charge must be officially disputed with US Bank. You should document that you have contacted US Bank to dispute the charge and the reason for doing so. US Bank will notify the cardholder with the outcome of the dispute.
- Cardholders are responsible for ensuring that all purchasing policies are followed. Madison College purchasing policies and purchasing Matrix of Processes and Requirements is available on the [College's Financial Resources Faculty/Staff webpage](#).
- Cardholders are responsible for **reviewing transactions weekly** in their Workday inbox. This will allow the cardholder an opportunity to review transactions on their PCard and identify any transactions that may be fraudulent or incorrect. Notify US Bank immediately of any fraudulent charges, and communicate details of the fraud to the Purchasing Department by emailing pcard@madisoncollege.edu. In addition, **all transactions must be verified and allocated in Workday by assigning the appropriate spend categories and worktags for all activity on a weekly basis.**
- Cardholder will be accountable to ensure their supervisor approvals comply with the process.
- Cardholders are responsible for delegating their credit card approvals in their Workday In-Box when out of the office for an extended period of time. A Help Desk ticket is required.

- Cardholders must return the PCard to their supervisor upon termination of employment, transfer to another department or at the request of their supervisor or the PCard Administrator.

Using your Pcard for Non-Employee Travel

PCard procedures are established for Madison College to ensure that all non-employees are subject to a common set of guidelines.

Non-employee travel can be submitted on a department PCard with the following guidelines:

- Madison College PCard holder is responsible for travel arrangements, costs, submitting documents and verifying in Workday
- Non-employees may not personally arrange to have charges on their behalf charged to a Madison College PCard
- Expenses require receipts regardless of amount or method of payment: air, hotel, car rental, and rail tickets
- Original credit card receipts or itemized register receipts are acceptable forms of documentation

Non-employee expense of \$600 or more annually will generate a 1099 form.

Non-employees shall not invoice Madison College for any portion of their business travel expense paid on a Madison College credit card.

The Madison College Travel Portal is available to assist you in making travel arrangements.

<http://us.travelctm.com/madison/>

Section 5

SALES TAX EXEMPTION

- Madison College PCard Purchases are exempt from State of Wisconsin Sales & Use Taxes. The Tax Exempt Number (ES 43350) appears on the front of the PCard.
- Tax Exemption applies to all purchases in-store, over the phone and Internet purchases. Verification of tax exemption may be required to prove exemption status. A copy of Madison College's Wisconsin Sales and Use Tax Certificate of Exempt Status should be presented to the supplier. The most current certification of exemption is always available on the Madison College Website.
- It is the cardholder's responsibility to make every attempt to obtain a refund from the supplier of sales tax inadvertently charged on their purchase.

- It is important to always state that the purchase is for a tax exempt organization. All in-state and many out-of-state suppliers honor this tax exemption. Check the Madison College Website Sales Tax Exemption Certificates located in Travel Information for a list of participating states and respective exemption certificates.
- There is no mandatory reciprocal agreement for companies to accept sales tax exemptions from other states. Sales tax charged on purchases shipped from out-of-state should be paid. It is important to remember that many Internet websites do not provide an opportunity to submit tax exempt status. In those cases, place the order over the phone and email the Certificate of Exemption, if requested.

Section 6

PERSONAL USE OF THE PCARD

- Use of the Madison College PCard for personal purchases is strictly prohibited. In the event that a cardholder inadvertently uses a Madison College PCard for a personal purchase, the cardholder shall make every attempt to have the supplier credit the charge back to the Madison College PCard and correctly charge the transaction to their personal credit card.
- If the supplier is unable to reverse the charges or refuses to do so, the cardholder must:
 - Issue a personal check made payable to Madison College.
 - Attach photocopies of the check and the PCard receipts to the PCard verification as part of the PCard verification process in Workday.
 - Submit the original check to the Purchasing Department via inter-departmental mail.

Section 7

FAILURE TO COMPLY WITH PCARD POLICIES

Cardholders are expected to follow all procurement policies and procedures associated with PCard use. Violations may include, but are not limited to, disciplinary action, up to and including termination of employment.

- Failure to verify and allocate costing to transactions in Workday weekly.

- Failure to include required receipt and forms documentation in conjunction with PCard verification transaction processing in Workday.
- Purchase of unauthorized items, including personal purchases, capital equipment, and all technology-related purchases by departments outside of Technology Services.
- Transactions that require a different purchasing method by procurement policy such as Travel Card or Workday punch-out or purchase order.
- Failure to provide missing information or additional documentation in a timely manner upon request from the PCard Administrator.
- Splitting transactions to circumvent purchasing policies and procedures.
- Transactions that show repeated or willful intent to circumvent established College procurement policies and/or procedures.

Consequences for actions that are not in compliance with Madison College Procurement policies and procedures vary depending upon the severity and repetitious nature of the violation. These may include, but are not limited to:

- Email notice of non-compliance to cardholder and or supervisor
- Suspension of cardholder privileges
- Cancellation of credit card
- Garnishment of wages
- Disciplinary action, up to and including termination of employment

Cardholders agree to review/submit their purchasing card transactions at least weekly, and reconcile transactions twice or more a month via Workday's Verify Procurement Card Transaction process. Purchasing Card privileges will be suspended if a cardholder fails to turn in a reconciled statement within 31 days of the transaction date. A cardholder will be notified once their statement is 15 days overdue and may not be notified when it is 31 days overdue and card is suspended. Reinstatement of privileges will occur when Purchasing receives all outstanding statements. Privileges can be permanently revoked after the third suspension. Cardholder understands that Madison College may use payroll deduction to recover any unsubstantiated charges on statements that are over 60 days overdue, and that if payroll deduction is initiated, they lose their credit card privileges.

Section 8

PCARD SECURITY

Your PCard should be treated with the same level of care as your personal credit cards.

Your Pcard should not be given to other employees to use for purchases.

The PCard should be kept in a secure locked location in your office that is not accessible to the general public. Protect your Madison College credit card if you are required to carry it on your person or in your purse/wallet.

Lost or stolen cards or fraudulent activity should be reported immediately to US Bank Customer Service at (800) 344-5696. This number is located on the back of the PCard. After contacting US Bank, an email should be sent to pcard@madisoncollege.edu alerting the PCard Administrator that fraud has occurred on your PCard.

Section 9

AUDITS OF PCARD ACTIVITY

Madison College Purchasing staff conducts audits of all PCard use. The purpose of these audits is to ensure that the Purchasing Card Program policies and procedures are being followed.

Section 10

PURCHASING CARD PROGRAM KEY CONTACT INFORMATION

The Madison College Purchasing Department is responsible for the overall policies, procedures and administration of the PCard Program. US Bank is the card issuing institution.

Additional information regarding the PCard and the College's procurement policies and procedures are available on the Financial Resources website [<https://facstaff.madisoncollege.edu/in/financial-resources>]. If there are additional questions specific to PCards or procurement policies and procedures, please email your question(s) to pcard@madisoncollege.edu.

Madison College Purchasing Contact Information:

Phone: 608-246-2010

Email Address: pcard@madisoncollege.edu

US Bank Contact Information

Cardholder Support

Phone: (800) 344-5696

Outside of US Call Collect: (701) 461-2010

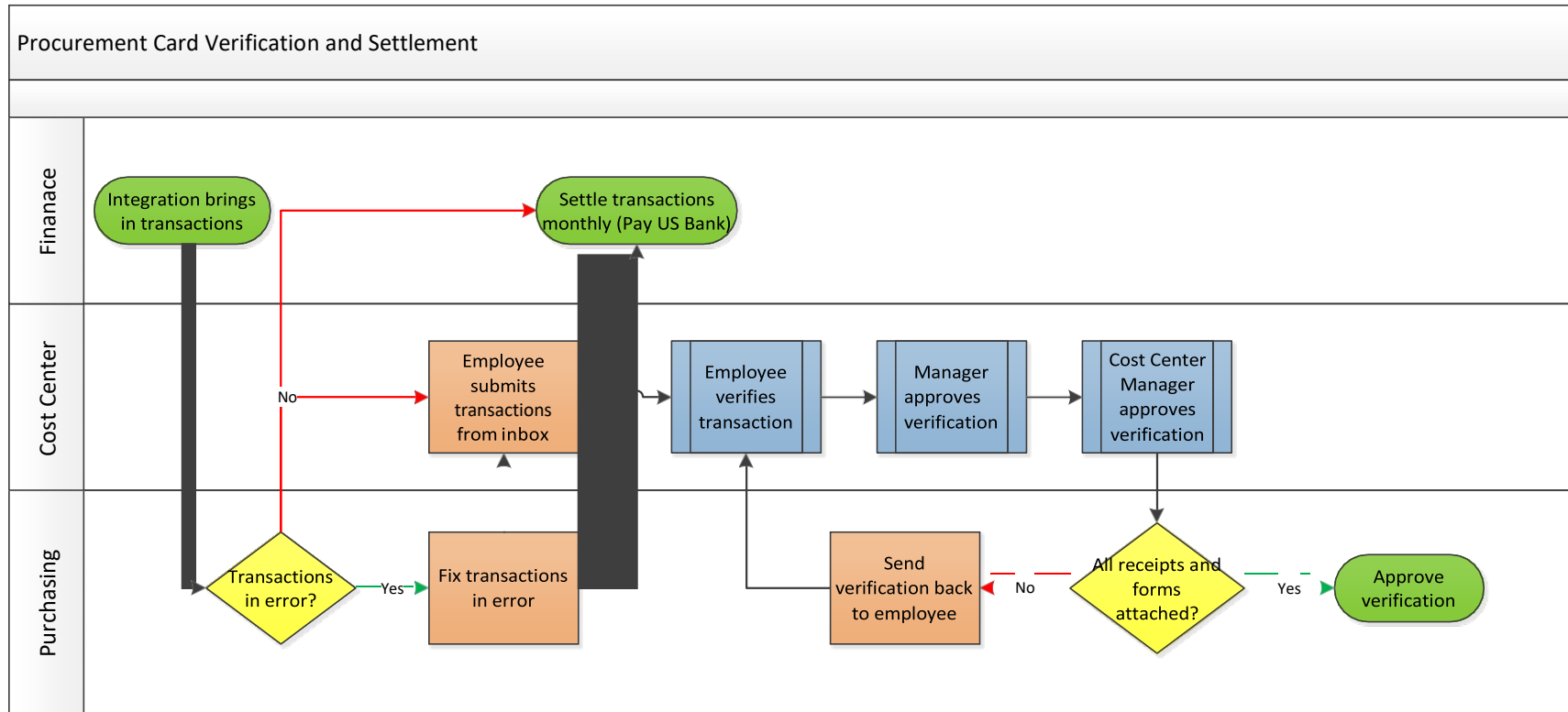
Section 11

PURCHASING CARD (PCARD) WORKDAY PROCESSING INSTRUCTIONS SUMMARY

- Review and submit PCard transactions weekly by checking your Workday inbox for a Credit Card Transactions Loaded action (See Purchasing Card Job Aid for detailed instructions).
- Reconcile/verify PCard transactions in Workday providing the appropriate worktags for each transaction and submit for approval(s). This should be done weekly using Workday Verify Procurement Card Transactions. (See Purchasing Card Job Aid for detailed instructions.)
- Attach receipt and any required forms of documentation during the Workday Verify Card Transactions process.

Section 12

PCARD PROCESSING FLOWCHART



1. Employee submits transactions from WorkdayInbox
2. Employee verifies transaction
3. Manager approves verification
4. Cost Center Manager approves verification
5. If all receipts and forms are attached, your verification will be approved
6. If not, verification will be sent back to employee
7. Steps 2-4 will have to be completed again

LINK TO MADISON COLLEGE PCARD PROGRAM WEBSITE

For the most up-to-date information on the Madison College PCard Program and access to all required forms, please visit: <https://facstaff.madisoncollege.edu/in/purchasing-p-cards>