

**STATE OF WISCONSIN
DEPARTMENT OF MILITARY AFFAIRS**



PURCHASING CARD
USER'S MANUAL

(REVISED February, 2010)



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What Is a Purchasing Card?

The Purchasing Card is a tool for Department of Military Affairs employees for use in making low-dollar purchases for official agency business needs. The program is coordinated by the State Budget & Finance office (WING-SBF). It allows the Department to delegate the authority to purchase low-dollar items directly to you, the designated cardholder, enabling you to purchase supplies faster and more easily than before. You will no longer have to create a purchase requisition prior to buying qualifying items. Instead, you make purchases under \$5,000 with a VISA credit card issued in your name.

The VISA Purchasing Card payment system is an individual bill/central payment system. You, the cardholder, receive an account statement every two weeks for information and reconciliation purposes only. An electronic billing file is sent centrally to the State Budget and Finance office (WING-SBF), together with a summary of all charges with supporting detail. WING-SBF makes one payment to VISA on behalf of all cardholders. Expenditure transactions are processed through WING-SBF and posted to the various accounting code combinations.

In brief, a Purchasing Card is:

- Authority granted by the Adjutant General to individual state employees
- For official state use only
- Authorized for purchases \$5,000 and under (individual cardholder credit limits will be established by the Department). Most cards issued by DMA will be assigned a \$2,500 individual transaction limit.
- Authorized for use within certain categories of merchants and commodities

A Purchasing Card is **NOT**:

- A means to avoid appropriate procurement or payment procedures
- A card to access cash or credit
- For interagency or intra-agency transactions
- A right of employment
- For personal use
- For Purchases in excess of \$5,000 with a single vendor

What are the benefits of a Purchasing Card?

The Purchasing Card enables cardholders, purchasing, and accounting staff to perform more effectively and focus on the value-added aspects of your jobs by:

- Reducing time needed to purchase and receive supplies
- Reducing the number of requisitions and purchase orders
- Reducing reimbursements from petty cash
- Reducing invoicing problems
- Reducing the number of checks issued

Who are Likely Cardholders?

In addition to purchasing staff, other staff will benefit from being cardholders, such as:

- Field staff, who may need emergency parts or supplies
- Staff members who routinely buy subscriptions and books
- Program support staff who buy supplies
- Physical plant/maintenance staff/architects/engineers
- Staff who travel regularly in the course of their duties.

What can a purchasing card be used for?

The agency can issue a purchasing card to an employee for either of the following purposes, or both:

- For certain costs commonly incurred while traveling on official business,
- For the purchase of goods and certain services necessary to accomplish the mission of the employee's work unit.

How Do I Obtain a Purchasing Card?

1. Your supervisor needs to contact the WING-SBF Purchasing Card Coordinator, Lucinda Fritchett at 608/242-3156.
2. Review the P-Card user manual and sign a P-Card user agreement form stating you understand the rules set forth within the manual.

Personal Liability and Your Credit Rating

The use of the Purchasing Card results in an agency liability, NOT a personal liability for the cardholder. Your credit rating will **not** be affected. However, remember that you sign an agreement with the Department of Military Affairs prior to receiving the card and as such you are responsible for any misuse of the card as outlined in this manual.

Guidelines for Card Use

The Department has the responsibility to promote maximum competition in meeting the state's procurement needs. The competitive bidding process is the preferred method for selecting suppliers of goods and services. In low-dollar transactions (below \$5,000), the "Best Judgement (No Quotes Required)" rule applies.

While no quotes are *required* at this level, it is important that cardholders understand "Best Judgement" to mean, "making sound, reasonable, good sense, decisions." Cardholders are urged to consult with their supervisors or the State Budget and Finance Office (WING-SBF) in situations where they are not certain as to the reasonableness of the transaction PRIOR to execution of the transaction.

The Purchasing Card is to be used to purchase low-dollar value items with the total amount of any purchase not to exceed your established limit. Certain exceptions for the use of the Purchasing Card apply:

All purchases with a Single Vendor exceeding \$5,000 must have three bids and submitted via the regular purchasing process via a purchase requisition and a purchase order issued. Use of P-Card is NOT permitted. Attempts to circumvent this process by splitting purchases will NOT be permitted and will result in the suspension of the P-Card card.

Examples of items that **may not** be purchased with the card:

Insurance	Motor Vehicles
Alcoholic beverages	Printing
Leases	Radioactive Materials
Ammunition	Services/Repairs *
Audiovisual equipment	Flowers/gifts
Meals or entertainment	Gasoline/fuel for vehicles

*Examples of Services/Repairs: Contractors (plumbing, electrical, heating), Locksmiths, Service Technicians (copy machines, garage doors, appliances), etc. This ban is due to the Department's obligation to comply with the Internal Revenue Service reporting requirements for tax reportable services. The purchasing card program is not capable of tracking these expenditures. In the case of an emergency repair, please call WING-SBF – (608) 242-3156 for instructions.

**Gasoline may be purchased for use in rental cars when in travel status. This does NOT apply to

Department owned, DOA and GSA Fleet vehicles. These vehicles have assigned fuel cards that are to be used.

NOTE: Attempting to buy from merchants that provide these goods/services may cause your transaction to be denied.

Other exclusions:

- Cash Advances (ATM or other)
- Items, subscriptions and services for personal, non-business use.
- Commodities and services available on mandatory State Procurement Operational Bulletins (unless otherwise noted on the bulletin)
- Purchases from Sheltered Work Centers
- Recurring obligations (e.g. monthly billings for pagers, pest control, etc.) are excluded because of the need to encumber funds for the entire fiscal year.

General Instructions for Card Use

1. If the transaction value is greater than the dollar limit established for your card, use traditional purchasing procedures and follow the Department's established process.
2. If the transaction value is equal to or less than your established dollar limit:
 - Using best judgement, determine an appropriate vendor for the materials desired.
 - Give the vendor your Purchasing Card number and expiration date or present the card at the point of sale.
 - Tell the vendor that the State is exempt from State sales taxes. Purchasing cardholders will be issued a laminated copy of the agency's Tax exemption certificate.
 - If the material will be shipped or delivered, tell the vendor to enclose or mail a copy of the receipt/invoice with each shipment. Have the vendor mark it "paid" to avoid duplicate payments. If the material will be shipped to HQ-STARC, have the vendor include your name (first and last) and office symbol (e.g. WING-SBF) on the shipping label. This will prevent confusion in the mail center and assure proper delivery to you.

Also, ask the vendor to put the following code on the shipping label (where there would normally be a purchase order number): your organization number followed by the letters "VISA" (e.g. 1122 VISA). This will provide a means whereby receiving personnel will be notified that the shipment is related to a Purchasing Card Transaction.
 - If the material is picked up, obtain the itemized receipt indicating the purchase price.
3. **Transactions in excess of \$5,000 require a purchase order and the P-Card cannot be used.**
4. Office Supplies must be purchased as directed by the Mandatory State Procurement bulletin. As of this update, that authorized vendor is Corporate Express (Staples) on-line only. All purchases must go through this contract. Exceptions must include a valid business reason as to why state mandated vendor was not used.
5. Maintain a Purchasing Card Record (DMA Form 74):
 - Save the receipt/shipping invoices inside an envelope with the Purchasing Card Record for statement verification purposes.

- Log each transaction on the Purchasing Card Record.
- Supply a business purpose for purchase

Guidelines for Card Use for Travel

The Purchasing card can be a tool for you to use to pay for business related lodging and transportation expenses. There are two ways to be set up as a cardholder for travel purposes:

The use of a state-purchasing card is authorized only for the following travel costs:

- Lodging costs
- Intercity Transportation Costs (Airfare, Train, Intercity Bus)
- Airline Baggage Fee – **LIMIT 1 Bag per person** - anything over one bag requires justification and supervisor approval prior to travel
- Rental Vehicle Costs (from the state's contract vendor only).
- Airport Shuttles
- Parking for overnight hotel Stays only. "Day" Parking at ramps is not allowed. These Costs must be placed on a Travel Voucher.

Use of the Purchasing Card for travel does not exempt you from the State of Wisconsin Uniform Travel Guidelines or from the agency's mandatory out of state travel approval process.

General Instructions for Card Use for Lodging

1. Always identify yourself as an employee of the State of Wisconsin and ask for any available State discounted rate.
2. Lodging within the State of Wisconsin should be exempt from taxes. At check in, be certain you present your copy of the agency's tax-exempt certificate to hotel desk staff. In many out of state situations the tax exemption may not be honored.
3. Only room charges for state employees may be charged to your Purchasing Card. All other expenses such as meals, portorage, telephone calls, movies, room service, laundry, etc. must be paid separately with either cash or personal credit card. The other allowable costs can than be claimed on a travel reimbursement request.
4. All lodging charges must be supported by the original machine-printed or original handwritten receipt furnished by the hotel/motel. The receipt shall clearly indicate that only lodging was charged to your Purchasing Card.
5. **A photocopy of your lodging receipt must be included with your travel expense report (TER) for the trip, or your TER will not be processed.** The original copy of the lodging receipt should be submitted with your purchasing card log after the charges appear on your cardholder statements.
6. When filing a travel expense report for the non-lodging costs associated with the trip put "PC" in the lodging column of the travel voucher to indicate that the costs were charged directly to a Purchasing card.
7. Where lodging expenses exceed the state authorized travel guidelines, the employee's travel claim will be reduced by the amount of the overage, unless justification is provided that establishes the reasonableness of the choice of the hotel.

General Instruction for Card Use for Air Travel and Inter-city Transportation

1. When making airline reservations always identify yourself as an employee of the State of Wisconsin and ask for the lowest appropriate fare.
2. The State of Wisconsin is exempt from state and local taxes, but not from federal excise taxes on airfares. When making reservations, be prepared to provide the agency's tax-exempt number.
3. All airfare charges must be supported by an air itinerary receipt from the travel agency issuing the tickets showing a balance due of \$0. A copy of this receipt must be included with your travel expense report (TER) for the trip. The original copy should be submitted with your purchasing card log after the charges appear on your cardholder statement.
4. When filing a travel claim for the non-transportation costs associated with the trip, put "PC" in the airfare column of the travel voucher to indicate that you used the purchasing card to pay the fare.
5. The purchasing card can also be used for train and intercity bus fares. In these cases, a copy of the ticket or receipt should be included with your travel expense report as described in par (3), above.
6. The costs of local ground transportation (taxi, airport shuttle, etc) should not be charged to the purchasing card. Instead, these costs should be paid for separately and claimed on your travel expense report.

General Instructions for Card Use for Rental Vehicles

1. Use of rental vehicles is authorized only when specifically approved by the Adjutant General or authorized designee at the time an out of state travel request is approved. The use of a purchasing card for these costs is allowed only in cases where this pre-approval has been received.
2. The use of a purchasing card for car rentals is limited to transactions with the state's approved contract vendors only. For 1999-00, the approved vendors are Enterprise Rent-a-Car/National and Hertz.
3. Contract rental rates include the collision damage waiver, therefore no additional insurance cost should be incurred.
4. Car rentals shall be limited to economy-sized vehicles unless three or more individuals are traveling together.
5. Before traveling out of state, please review the travel guidelines outlined on DMA.wi.Gov web site, under Job Resources, Employee Resources, State Employees, Travel, Lodging and vehicle use for the most current information.

Other Provisions Relating to Travel

- Use of a state-purchasing card for costs associated with traveling with a spouse or family member is prohibited, even if the intent is to reimburse the state for non-business costs at a later time. Essentially, the state's tax-exempt status should not apply to individual travel costs. When an employee travels with a spouse or family member, the traveler must incur the expense and file for reimbursement for that portion of the costs that relate to the traveler's business purpose.
- **If an employee is issued a purchasing card that allows travel related charges the employee will no longer be eligible for a cash travel advance.**

Statement Verification

1. A statement for each account is mailed to you, the cardholder, every two weeks. (An electronic billing file is also sent to WING-SBF for payment processing.)

2. It is your responsibility as the cardholder to verify the correctness of the statement against your Purchasing Card Record and receipts. If there are inaccuracies and/or erroneous charges, you must report them to the US Bank Customer Service at (800) 344-5696. Please include documentation of any disputes in your P-Card submission.

Sign the Purchasing Card Record and submit it, bi-weekly, with **original detailed receipts** and a copy of the statement to WING-SBF. A valid receipt must provide details on what was purchased, how many, what price and itemized shipping costs. Submission containing dollar amount only are not allowed.

3. The bi-weekly billing cycle closes every other Friday, in accordance with the attached schedule. Cardholders should receive their statements from the card vendor in approximately 5 business days. Reports should be submitted to WIAR-F no later than 10 business days after the close of the billing cycle. (This will coincide with the close of the next billing cycle, as illustrated).

**WISCONSIN DEPARTMENT OF MILITARY AFFAIRS
RELATIONSHIP OF BILLING AND REPORTING CYCLE**

SUN	MON	TUES	WED	THUR	FRI	SAT
1	2	3	4	5	6 CYCLE ENDS	7
8	9	10	11	12	13	14
15	16	17	18	19	20 REPORT DUE	21

What If the Supplier Does Not Accept Credit Cards

Not all suppliers accept Purchasing Cards, if this happens:

- Choose another supplier or:
- Complete the transaction using traditional purchasing procedures.

Returns, Credits or Disputed Items

You are responsible for following up with the merchant or bank on any erroneous charges, disputed items or returns as soon as possible. Disputed billings can result from failure to receive the goods charged, defective merchandise, incorrect amounts, duplicate charges, credit not processed, as well as fraud and misuse.

If you have a problem with a purchased item or a billing resulting from use of the VISA Purchasing Card, you should first try to reach a resolution with the supplier that provided the item. In most cases, disputes can be resolved directly between the cardholder and the supplier.

Credits

Referring to your receipt, request from the merchant that a credit be placed on your card account. If the item was shipped, refer to the shipping form you kept with your Purchase Log.

Returns

A credit should be issued for any item that the supplier has approved for return. The credit will appear on a subsequent statement. Any item purchased with the VISA Purchasing Card that is returned must be returned for credit. **Do not accept a refund in cash or check format.**

Make sure you keep documentation of credits, returns and exchanges with your Purchase Log.

Disputed Items

If you have a disputed charge and cannot reach resolution with the supplier, complete the US Bank Visa Purchasing Card Billing Inquiry Form and send to US Bank Customer Service with a copy to the WING-SBF Purchasing Card Coordinator. This written notice of dispute must be received **within 60 days of the date that US Bank sent the first statement or transaction file.**

Credit Card Security

Your Purchasing Card should be treated with the same level of care you use with your personal credit cards.

- The card shall not be loaned to another person. The only person authorized to use the Purchasing Card is the person whose name is on the front of the card or who completed the Purchasing Card Application/Use Agreement.
- Your Purchasing Card account number shall be guarded carefully. Do not post it or write it in any location that is accessible to others.
- Prior to any transactions conducted over the Internet, make certain your web browser indicates that you are dealing with a secure site. (For example, Microsoft Internet Explorer displays a lock icon on the status bar when the site is secure).

Reporting Lost or Stolen Cards

Unlike personal credit cards where cardholders are responsible for paying the first \$50.00 if the card is stolen or misused, the Purchasing Card program holds the Department responsible for paying **all** charges resulting from stolen or misused cards **until US Bank has been notified.**

Therefore, you must notify your Agency Purchasing Card Coordinator immediately when you discover your card is lost or stolen.

On weekends or after agency business hours, you should report a lost or stolen card or other emergency situations, by calling US Bank at 800/344-5696. At the first available opportunity, report the same information to the WING-SBF Purchasing Card Coordinator.

Random Audits

State Budget & Finance, as well as the State Bureau of Procurement, the State Controller's Office, and Legislative Fiscal Bureau will conduct random audits of Purchasing Card use. The primary purpose of these audits is to ensure the Purchasing Card program procedures are being followed and that:

- Purchase volume appears reasonable
- The card is being used for appropriate transactions
- Documentation is complete
- Purchases are being made in accordance the State Procurement policies

Consequences of Failure to Comply with Program Guidelines

Any misuse of the card or other failure to comply with these procedures will result in the following cardholder consequences:

- Revocation of Card
- Corrective/Disciplinary measures, as appropriate

What If I Leave the Agency or Transfer to Another Unit?

If you leave your agency or transfer to another unit within the agency, you must return the Purchasing Card to your supervisor. The supervisor is responsible for contacting the WING-SBF Purchasing Card Coordinator, who will cancel the card, and for returning the card to the Coordinator's office. Returned Purchasing Cards are not reissued to other employees for use. Before returning a canceled Purchasing Card, cut the card in half.

Key Contacts

The following resource persons are available to provide assistance, answer questions, or help solve any problems that arise:

Department of Military Affairs Purchasing Card Coordinators

Lucinda Fritchen – 608 242-3156, (WING-SBF)

- For questions about ***budget/finance*** policies and procedures.
- To apply for a Purchasing Card.
- To replace damaged cards.
- For account inquiries
- For billing information.
- If you didn't receive your bi-weekly statement.
- To report a lost or stolen card.

Julie Breitzman, 608/242-3363, (WING-SBF)

- For questions about ***purchasing*** policies and procedures.
- For help in locating preferred sources of supply.
- For assistance with suppliers.
- To request exceptions to excluded transactions.
- To determine whether a commodity is available through State Contracts.

US Bank Customer Service: 800/344-5696

- To report lost or stolen cards.
- For questions about your statement.

Statewide Coordinator

State Bureau of Procurement

Cheryl Edgington – 608 267-6922

- For assistance with purchasing card ***statewide procurement*** policies and procedures.

DEPARTMENT OF MILITARY AFFAIRS
PURCHASING CARD USER'S MANUAL

FORMS & APPENDICES

APPENDIX 1
AGENCY CERTIFICATE OF EXEMPT STATUS

SALES & USE TAX		Wisconsin Department of Revenue PO Box 8902 Madison WI 53708-8902 PHONE (608) 266-2776 TDD (608) 267-1049			
CERTIFICATE OF EXEMPT STATUS (CES)					
(Religious, Charitable, Scientific or Educational Organization)					
<p>Sales to the below named organization are exempt from taxation on purchases under the Wisconsin Sales and Use Tax Law pursuant to Sec. 77.54(9a), Wis. Stats.</p> <p>This certificate is valid until revoked by the Wisconsin Department of Revenue.</p>	<table border="0"><tr><td style="padding: 2px;">CES NUMBER</td><td style="padding: 2px;">ES 40689</td></tr><tr><td style="padding: 2px;">DATE ISSUED</td><td style="padding: 2px;">04/09/97</td></tr></table>	CES NUMBER	ES 40689	DATE ISSUED	04/09/97
CES NUMBER	ES 40689				
DATE ISSUED	04/09/97				
<p>STATE OF WISCONSIN DEPT OF MILITARY AFFAIRS 101 E WILSON MADISON WI 53702</p>	<p>IMPORTANT:</p> <p>Sales to your organization are taxable unless you furnish your supplier with the CES number shown above.</p> <p>Sales by your organization may be subject to tax. If your organization has taxable sales, it must obtain a seller's permit and remit sales tax to the Department of Revenue.</p>				
<p>S-204 (R. 1-97)</p>					

CARD TYPE:
<input type="checkbox"/> TRAVEL
<input type="checkbox"/> PURCHASE
<input checked="" type="checkbox"/> BOTH



**STATE OF WISCONSIN
DEPARTMENT OF MILITARY AFFAIRS
PURCHASING CARD APPLICATION/USE AGREEMENT**

*(See Privacy Act Statement on Back)

Cardholder Name	Work Unit	Social Security No *

The undersigned hereby requests the issuance of a State of Wisconsin Purchasing Card to facilitate the purchase of items needed to accomplish the mission of the work unit listed above. I understand that the purchasing card is for business use only, and that any unauthorized personal use of this card can result in revocation of card privileges, disciplinary action up to and including dismissal, and potential recovery of funds from future payroll earnings.

I understand that the following items may not be purchased with the purchasing card:

Alcoholic Beverages	Fuel for Vehicle Use	Printing
Building Improvements	Hospitality/Entertainment	Radioactive Materials
Cash Advances	Insurance	Tax Reportable Services
Consulting Services	Leases/Rentals	Temporary Help Services
Contractual Svcs (Recurring)	Legal Services	Personal Use Items
Flowers/gifts	Motor Vehicles	

I understand that this card is the property of the Wisconsin Department of Military Affairs, and as such must be surrendered to the agency in event I terminate my employment with my current work unit within the agency. I accept full responsibility for the protection and **proper use of this card as indicated above and in the Department of Military Affairs Purchasing Card User Manual.**

Applicant Signature	Date	Supervisor Signature	Date

FOR STATE FINANCE USE: Issuance of a State Purchasing Card for the above named individual is hereby approved:

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Purchasing Card Administrator Date

AGENCY ACCOUNTING INFORMATION:

AGENCY	GROUP	SUFFIX	RPT LVL 1	RPT LVL 2	RPT LVL 3	RPT LVL 4	RPT LVL 5
FUND	ORGN	APPR	ACTV	OBJECT	RCAT		SPLIT %

VISA CARD # ISSUED	TRANS LIMIT	MONTHLY LIMIT