NORTH CAROLINA DEPARTMENT OF ADMINISTRATION

POLICIES AND PROCEDURES

AGENCY P-CARD

STATE OF NORTH CAROLINA DEPARTMENT OF ADMINISTRATION	SUBJECT: Agency P-Cards	
INTERNAL POLICY	TAB FISCAL ADMINISTRATION	NO. FA - 005

Table of Contents

Purpose:

To establish a policy regarding the use of Procurement Cards for small-dollar transactions.

Policy Statement:

The Department of Administration has established a procurement card program to provide a more rapid turnaround of requisitions for small-dollar value goods and to reduce costs, reduce paper flow, reduce processing time and provide spending controls in the area of purchases. DOA Fiscal Management will no longer receive an invoice from the supplier for these type purchases. Instead, Fiscal Management will receive a single consolidated monthly statement from the cardholder vendor, which Fiscal Management remits each month in a single payment.

The Card is an efficient tool a manager can offer his/her employees. However, the Card is not for all types of purchases and the manager must understand the Card process and must be willing to take responsibility for ensuring that the employee is using the card within Department guidelines.

Under the program, employees contact Vendors directly, thus eliminating the process of entering a requisition into e-procurement.

The Cardholder's Manager with Fiscal Management approves spending limits for each individual Cardholder. When a Cardholder makes a purchase, the vendor verifies the Card's authorization including the Card account number and spending limits.

The Cardholder, his/her Manager and the DOA P-Card Administrator will monitor spending in compliance with the Policy and monthly-generated reports provided by the Card Company (BOA). Reports provided by the Card Company (BOA) are for the purpose of reviewing charges. They are not invoices and should not be paid or submitted to Accounts Payable for payment.

The program is NOT intended to avoid or circumvent appropriate procurement process or payment procedures. Rather, the P-Card Program complements the existing process.

NOTE: MISUSE OR ABUSE OF THE CARD MAY BE GROUNDS FOR DISMISSAL.

Procurement Card Procedures for Acquiring and Using the P-Card:

Responsibility of Manager

1. Determine who in the division should have Cards and determine the per-transaction and per-month dollar limits for each cardholder.
2. Ensure the Application Form is correct and complete. Sign the Application authorizing the issuance of the Card.
3. Review the Card Vendor's monthly statement for compliance and approve transactions.
4. Discuss any discrepancies or compliance issues with individual Cardholders after reviewing monthly control reports.
5. Discuss any questions concerning discrepancies or compliance issues with Program Administrator.
6. Initiate appropriate action should misuse of Card become apparent.

Note: Any questions should be addressed to the Agency P-card Administrator.

Responsibility of Agency P-Card Administrator:

1. Furnish a copy of the P-Card Agreement Form to designee employee (must be signed by employee before P-Card is provided to employee).
2. Request, receive and distribute cards to employee when received from BOA.
3. Coordinate Cardholder enrollment, termination, and changes when notification is received from Manager and/or Chief Financial Officer (CFO).
4. Cancel card upon notification of termination, retirement, separation, transferred to other agency of employee via notification from Chief Financial Officer (CFO) via e-mail notification from Human Resources Management office.
5. Act as liaison between Cardholder and Cardholder Vendor (BOA).
6. Maintain Cardholder database to include the following:
    - Cardholder's billing account number
    - Transaction spending limits
    - Default account number and expense codes
    - Card expiration dates
    - All change requests (increase/decrease, credit limits, etc.)
7. Maintain files on all original applications.
8. Review applications for valid Departmental approval.
9. Advise the Cardholder's Manager when misuse or abuse of the card is detected.
10. Prepare/submit monthly reports to A/P Technician for processing.
11. Perform monthly audits of cardholder's records. Audits to be performed on 10% of cardholders per month ensuring that all cardholders are audited at least one time per year.
12. Monitor actual transaction volume performances.

Responsibility of A/P Technician

1. Reconcile and audit monthly cardholder statements from BAO and Agency Divisions.
2. Record entry into NCAS to distribute charge to appropriate expenditure line item.
3. Submit monthly bill for payment to BOA.

Responsibility of Human Resources

1. Notify Chief Financial Officer of employee's retirement.
2. Notify Chief Financial Officer of employee's termination.
3. Notify Chief Financial Officer of employee's transfer.

Approved by the Secretary of Department of Administration:	Kathryn Johnston **Kathryn Johnston**
Approval Date:	**Version : FA - 005 (V.1) – 07/01/2016**
Effective Date:	
Revision Date:	

THIS POLICY SUPERSEDES ALL PREVIOUS P-CARD POLICIES