



Purchase & Contract  
ADMINISTRATION

# Statewide Term Contract 946A – Procurement Card

<b>Bid Number</b>	501220
<b>Contract Name</b>	Procurement Card
<b>Effective Dates</b>	July 1, 2006 through June 30, 2017
<b>Awarded Vendor(s) and Contacts</b>	<p><b>Bank of America</b> Primary Contact/Escalation/Optimization/Strategic Planning for Existing Clients:</p> <p>Tracey Wopperer 101 South Tryon Street Charlotte, NC 28255 980-388-7297 Fax: 960-233-7643</p> <p>Establish New P-Card and/or ePayables Program:</p> <p>Richard (Rick) T. Brown Senior Vice President Public Sector Banking Bank of America, N.A. 3100 Tower Blvd., Suite 910 Durham, NC 27707 Phone: 919-433-5641 Fax: 919-433-5616</p>
<b>Contract Scope</b>	<p>Procurement cards (also known as purchasing cards) enable organizations to make small purchases more quickly and efficiently by minimizing paperwork and processing time. Similar to familiar VISA, MasterCard, etc., formats, procurement cards can be processed by Vendors just like personal charge cards. (They do not have to enroll specifically in a procurement card program.) Rather than making multiple small payments to many vendors, the using organization writes one check to the card provider.</p> <p>Users, accounts payable, and purchasing can all benefit from the cards' streamlined process. It also offers an easy method of making emergency purchases (for repairs, for example). Vendors receive payment from the card processor within a few days, without extra paperwork, thus encouraging small local businesses to do business with the State.</p> <p>Under P&amp;C's contract with Bank of America for their VISA card, there is <u>no charge</u> for issuance or maintenance of the cards. (Costs for special programming and related services are shown on <a href="http://www.doa.state.nc.us/PandC/BOA_rebateschedule.pdf">http://www.doa.state.nc.us/PandC/BOA_rebateschedule.pdf</a>).</p> <p>Control of the program is with the purchasing officer or chief fiscal officer, who determines who may use the cards and for what types of purchases.</p>

- a) **Program Control and Maintenance.** Agency Purchasing and Accounting Departments shall determine who may use the cards and what types of purchases may be allowed. These Departments must work together to monitor card use and make any changes needed. Make full use of Bank of America's reporting mechanisms and management tools. Report lost or stolen cards immediately and make sure cardholders return their cards when they leave or change jobs.
- b) **The cards are for official use only.** Improper use of a card must be dealt with by the agency in the same way it would handle wrongful use of any purchasing process (petty cash, local pick-up authorization, or purchase order). Agencies are strongly advised to make signed acknowledgment of all procedures, regulations, etc., prerequisite to receipt of a card.
- c) **Procurement cards do not change WHAT you can buy; they offer another means to process the purchase.** Term contract items will still be bought from vendors on contract but you may be able to process small orders with the card. Competition is to be sought on open-market items as you would for other small purchases.
- d) **Transaction limits for State Agencies and State Departments.** Each transaction on the procurement card is not to exceed \$2,500. Agencies may set lower limits either for all purchases or specific cases, as they think best. Purchases can be limited by amount per transaction, total per time period, number of purchases per period, Merchant Category Codes (MCC), and in many other ways. Each card can have specific controls unique to that cardholder's responsibilities. Exceptions to this limit are described in 01 NCAC 05B .1523.
- e) **Transaction limits for Other Eligible Entities.** Other Eligible Entities may set limits either for all purchases or specific cases, as they think best. Purchases can be limited by amount per transaction, total per time period, number of purchases per period, Merchant Category Codes (MCC), and in many other ways. Each card can have specific controls unique to that cardholder's responsibilities. Other Eligible Entities should develop a Procurement Card Manual specific to their organization and monitor card usage on a regular basis to insure cards are being used appropriately.
- f) **Choose cardholders carefully.** The most likely candidates are those employees who have frequent need to make small purchases and who have demonstrated that they are responsible and will follow proper procedures. In exchange for a faster way of making purchases, cardholders must be willing and able to keep good records for accounting/reporting purposes. (This may be as simple as a receipt envelope and log sheet, but is very important.) By designating cardholders, the participating agency shall represent and warrant that:

**(1) Each Cardholder is a current employee or agent of Agency; and  
 (2) The identification information relating to the Cardholder is accurate and consistent with the information contained in Agency’s employment records.**

g) **The full balance is to be paid at least once a month**, as specified in our contract with Bank of America. Payment of interest goes against the State’s Cash Management Plan. You can choose the best billing date for your accounting cycle when your agency’s card program is established with Bank of America. If there is a questionable transaction on the statement, it can be coded as “disputed” (Ask your account representative for more information.). A single payment is required from each Agency and must include full payment of all current cardholder balances.

h) **The card program does not change existing reporting requirements.** You still must account for taxes (both in-state and out-of-state), report HUB expenditures, and maintain sufficient budget information to comply with the Executive Budget Act and related statutes. Your Chief Fiscal Officer must certify annually that your agency is in compliance. Start planning how your agency will handle these requirements before the first card is issued! Bank of America can provide a variety of reports to assist you. In addition, there are several automated models created by state agencies and university campuses, who are willing to share them. If you are unsure how to handle a particular category of purchases, prohibit or block that.

**NOTE:** Many agencies require their cardholders to get an itemized receipt at time of purchase so expenses can be assigned to the correct account code. This is easier than receiving separate invoices later from the merchant, but still provides necessary information.

i) **Rebate Program.** Rebates based on total statewide annual volume will be paid to participating Agencies. See [http://www.doa.state.nc.us/PandC/BOA\\_rebateschedule.pdf](http://www.doa.state.nc.us/PandC/BOA_rebateschedule.pdf) for details.

<b>Rules Governing Procurement Cards</b>	<a href="#">01 NCAC 05B.1523 Procurement Cards</a>
<b>Convenience Contract</b>	This Statewide Term Contract is intended as a convenience contract to provide a Statewide Procurement Card Program for <b>State Departments, most State Agencies and State higher education institutions</b> (except under the conditions specified in G.S. §115D-58.14(a) and G.S. §116-13). The contract may also be utilized, without further competition, by <b>non-mandatory State Agencies and other eligible entities</b> .
<b>Card Violation</b>	Any serious violation involving suspected theft, fraud, or similar misuse of a procurement card, which has been reported to and/or investigated by the State Bureau of Investigation or other law enforcement agency, shall be reported by the local card program administrator to the Division of Purchase and Contract (P&C) within not more than thirty (30) calendar days after referral to the law enforcement agency. A follow-up report describing resolution of each

	<p>case is due to P&amp;C within thirty (30) calendar days after final resolution. Specific identifying information, especially, that related to an investigation, is not needed and should not be included in your report to P&amp;C. Follow the law enforcement agency's guidelines on confidentiality.</p>																														
<b>Card Cancellation</b>	<p>Lost or stolen cards shall be reported to the p-card issuer immediately, and that account number cancelled. (A new account number/card can be requested if needed.)</p> <p>As part of review of possible misuse of a card, the program administrator shall consider cancellation if warranted.</p> <p>Each participating agency shall have policies/procedures to ensure p-cards are turned in prior to departure of a terminated or retiring employee, so the account can be closed.</p> <p>If an employee transfers to another section or to different responsibilities, review to determine whether the p-card is still needed shall be conducted (by card program administrator, local contact, etc.).</p> <p>At least annually, the card program administrator at each location shall review account activity and determine whether inactive cards should be cancelled</p>																														
<b>Implementation</b>	<p>The chief purchasing or fiscal officer of the requesting agency shall send a PCard Participation Letter (see below) to the P&amp;C contract administrator requesting to participate in the procurement card program and identifying the Agency's local card program administrator. After confirmation that the Agency's compliance review (if applicable) is current and favorable, a welcome letter will be sent to the Agency with a copy to the Vendor. Agency and Vendor can then begin to plan implementation. Rules governing procurement cards (01 NCAC 05B .1523 PROCUREMENT CARDS) are identified above.</p> <p>PCard Participation Letter for State Agencies and State Departments</p> <p><b><u><a href="#">Agency Request Letter for Participation</a></u></b></p> <p>PCard Participation Letter for Other Eligible Entities</p> <p><b><u><a href="#">Other Entity Request Letter to Participate</a></u></b></p>																														
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<b>Contract Addenda</b>	<table> <tr> <td>March 17, 2008</td> <td>1</td> <td>Contract Administrator changed to Garey Graham</td> </tr> <tr> <td>August 8, 2013</td> <td>2</td> <td>Contract Administrator changed to Avery Johnson</td> </tr> <tr> <td>January 22, 2014</td> <td>3</td> <td>Contract Administrator changed to Kimberly Williams</td> </tr> <tr> <td>June 16, 2014</td> <td>4</td> <td>Contract Extension</td> </tr> <tr> <td>October 2, 2014</td> <td>5</td> <td>Revised "Schedule of Rebates" and Rebate Grid</td> </tr> <tr> <td>March 3, 2015</td> <td>6</td> <td>Updated Bank of America Contact Information</td> </tr> <tr> <td>September 24, 2015</td> <td>7</td> <td>Contract Administrator Change to Sherri Garte</td> </tr> <tr> <td>November 3, 2015</td> <td>8</td> <td>Contract Administrator Change to Margaret Serapin</td> </tr> <tr> <td>April 20, 2016</td> <td>9</td> <td>Contract Extension through June 30, 2017</td> </tr> <tr> <td>December 16, 2016</td> <td>10</td> <td>Updated Request Forms</td> </tr> </table>	March 17, 2008	1	Contract Administrator changed to Garey Graham	August 8, 2013	2	Contract Administrator changed to Avery Johnson	January 22, 2014	3	Contract Administrator changed to Kimberly Williams	June 16, 2014	4	Contract Extension	October 2, 2014	5	Revised "Schedule of Rebates" and Rebate Grid	March 3, 2015	6	Updated Bank of America Contact Information	September 24, 2015	7	Contract Administrator Change to Sherri Garte	November 3, 2015	8	Contract Administrator Change to Margaret Serapin	April 20, 2016	9	Contract Extension through June 30, 2017	December 16, 2016	10	Updated Request Forms
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