

PRESENTED BY **NC DOA**  
Department of Administration  
**Purchase & Contract**

# P Procurement C \$ card

Plastic Money in State Government:  
Understanding the Procurement Card

**2025 PEAK BREAKOUT SESSION**

**ELEVATING NC PROCUREMENT TOGETHER**



# NC Procurement Card **A** **Z**

**Jonathan Davis**  
Contract Manager

**Department of Administration P&C**





# Statewide Term Contract

## 946A – State Procurement Card

<b>Bid Number</b>	201800958
<b>Contract Name</b>	State Procurement Card
<b>Effective Dates</b>	March 1, 2019 through February 28, 2026, with the option to renew for three (3) additional one (1) year periods.
<b>Awarded Vendor(s) and Contacts</b>	<b>Bank of America</b> Primary Contact Austin Grainger Email: <a href="mailto:Austin.Grainger@bofa.com">Austin.Grainger@bofa.com</a>
<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. Like the 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**rocurement **C**ard

**The purpose of the Procurement Card (P-Card) program is to simplify procurement and payment processes for selected low dollar, high volume business commodities.**

**The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures such as purchase requisitions/orders, direct pay requests, and expense reimbursements.**





# **P**rocurement **C**ard

**The program provides the following benefits to cardholders:**

- ✓ **Prompt payment to suppliers**
- ✓ **Eliminate the use of personal funds for business and travel reimbursements**
- ✓ **Provides convenience, security, and flexibility to make small dollar purchases**
- ✓ **Allows staff to make small, authorized purchases, freeing up procurement staff for more complex, higher dollar procurements**
- ✓ **Significant cost savings in the purchase-to-pay cycle**
- ✓ **Increased expense analysis power**
- ✓ **Annual rebate incentive**



# Procurement Card

**At the time Bank of America was awarded the Purchasing Card Contract there were 30 participants, \$57 million in spend and 9,100 active cards. Through the years the program has grown exponentially, expanding participation, growing transaction volume and introducing new payment solutions.**



# P Procurement C \$-card

## State of North Carolina 2024 P-Card Program Statistics (Sept23-Aug24)

(All Programs Approximate)

Month	Purchase Volume
Sep-23	\$87,933,485.99
Oct-23	\$105,046,924.23
Nov-23	\$85,010,279.38
Dec-23	\$76,713,750.44
Jan-24	\$92,133,403.28
Feb-24	\$99,505,037.05
Mar-24	\$101,609,365.90
Apr-24	\$109,616,390.00
May-24	\$116,107,931.22
Jun-24	\$85,520,227.33
Jul-24	\$94,171,905.65
Aug-24	\$95,760,791.03
Monthly Avg	\$95,760,790.95
<b>Total</b>	<b>\$1,149,129,491.42</b>

# Procurement Card

## P-Card Program Rebates

Rebates based on total statewide annual volume are paid to participating agencies.

### REBATE CONDITIONS:

- 1) Company and Participant pay Bank of America the **total amount** of the new balance shown as due on each Billing Statement on or before the Payment Due Date;
- 2) Neither Company nor Participant has breached any obligation, covenant, representation or warranty contained in this Agreement;
- 3) Calculation Period Transaction Volume meets the minimum volume requirement as set out in the Standard Transactions Rebate Multiplier Table; and
- 4) The Agreement has not been terminated by either party prior to the completion of a rebate calculation period.





# **P**rocurement **C**ard

## **P-Card Program Rebates**

**2023 – 2024 Total Program Spend**

**\$1,149,129,491.42**

**2023 – 2024 Total Rebate paid out to NC participants**

**\$21,832,623.40**



# Procurement Card

## P-Card Program Participation

A Procurement Card Request Form must be completed to implement the program within a division. Prior to implementation the following information will be required.

- Cardholder Information - completed by the cardholder
- Purchasing Information - completed by the Division Designee/Division Administrator
- Finance - completed by the Division Designee/Division Administrator

**Forms MUST have all proper signatures before the program will be implemented.**



# P Procurement C \$ Card

## P-Card Program Participation

### Implementation

The chief purchasing or fiscal officer of the requesting agency shall send a P-Card Participation Letter (see below) to the P&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-Card Participation Letter for State Agencies and State Departments:

[Agency Request Letter for Participation](#)

P-Card Participation Letter for Other Eligible Entities:

[Other Entity Request Letter for Participation](#)

### Contract Manager

[Jonathan Davis](#) (984) 236-0225



# P Procurement C \$ Card Program Compliance

**To determine compliance and preparation for the P-Card program for agencies/entities, DOA will request the following:**

1. Current purchasing manual
2. Self-Certification Resolution, (titled SOG-Micro-purchase Threshold Certification Revised)
3. Completed P-Card Manual

**If you have any questions, please contact our Deputy State Procurement Officer for Risk and Compliance Management, Belinda Preacher at [Belinda.Preacher@doa.nc.gov](mailto:Belinda.Preacher@doa.nc.gov)**

- Agencies must have proper documentation, in accordance with its procurement policies and procedures to **support each purchase**.
- Each Agency has the authority to determine if travel related purchases are allowable and it must be documented in its P-Card Manual.







## **P-Card Single Transaction Limit Increase and Compliance Requirements**

**Effective June 20, 2022, increases for the Single Transaction Limit (STL) were raised from the previous level of \$5,000.00 up to \$25,000.00.**

**The limit for all travel related purchases, including airfare, hotel/lodging and transportation/rental cars remains at \$25,000.00.**

**This increase mirrors the Small Purchase Benchmark increase that was approved with the adoption of 01 NCAC 05B .0301 in March of 2022.**



# **P**rocurement **C**ard

## **P-Card Single Transaction Limit Increase and Compliance Requirements**

**Currently, the Division of Purchase & Contract, reviews all requests for a Single Transaction Limit Increase exceeding \$25,000.00.**

**The P-Card Administrator must submit these requests via an e-form, which will include the Cardholder Name, Vendor Name, Product/Service Description, Amount and Date(s) needed and any supporting documentation (quotes, justification documents).**

**Requests are typically addressed/approved within a 24-hour period.**



# Procurement Card

The increased STL of \$25,000.00 for both general purchases and travel also applies to split transactions exceeding the spend limits that have not received prior **State Purchasing Officer (SPO) approval**.

For instance, a single Cardholder purchasing multiple airline tickets, on the same day or within a few days, with a total exceeding \$25,000.00, shall be required to submit an approval request to the SPO prior to ticket purchase.

# P Procurement C \$-card



Purchase & Contract  
Department of Administration

## PROCUREMENT CARD SINGLE TRANSACTION INCREASE REQUEST

### PROCUREMENT CARD ADMINISTATOR

Name	Monica Geller
Email	MGeller1@ncsu.edu
Phone	(919) 515-2255

### PROCUREMENT CARD HOLDER

Name	Joey Tribbiani
Select the entity type:	University
Email address	DocRamoray@ncsu.edu
What are the last four (4) digits of the P-Card?	5541

### SINGLE TRANSACTION INCREASE REQUEST DETAILS

What is the anticipated purchase / start date?	May 06, 2025
What is the anticipated end date?	May 06, 2025
Enter the vendor(s)	Central Perk Pastry and Caffine Acadamy
What is the business purpose for this request?	Purchase of group conference for the Culinary and Barista Young Adults Educational Program
What is the agency's current single transaction limit amount?	5000
What is the single transaction	29000





# Procurement Card

All State of North Carolina procurement laws in General Statute 143 and N.C. Administrative Code (**01 NCAC 05B.1523**) apply to the use of the procurement card.

Refer to the NC Department of Administration website:

<https://ncadmin.nc.gov/government/purchase-contract-quick-links/procurement-rules>

**Per 01 NCAC 05B.1523: paragraph (h):**

No other charge cards that obligate payment by the agency or the State shall be used unless an existing contract obligation requires its use.



# **P**rocurement **C**ard

**We are a tax-free entity.**

**The tax exempt number is printed on the front of the card**



# P ro curement C ard

**The following are examples of what is NOT permitted with the P-Card:**

- Personal purchases
- Cash advances/reimbursements
- Telephone calls/monthly subscription services {Except when approved by DOA Card Administrator}
- Motor Fleet Vehicles – services, gas, etc.
- Furniture
- Computers
- Printers

# Procurement Card

## Misuse or Abuse of the Card

**If a cardholder is making unauthorized purchases for which the Card is not intended, he/she may be liable for the total dollar amount of such unauthorized purchases plus administrative fees charged by the bank in connection with the misuse**



# Procurement Card

**Disciplinary actions vary depending on the severity and repetitiveness of any policy violation.**

- Cardholder advised to stop using the Card outside of policy.
- Card cancellation for a term of one to six months.
- Permanent cancellation of the Card. Removal of the Cardholder's buying authority and appropriate disciplinary action up to and including termination.

# **P**rocurement **C**ard



If card holder **FRAUD** is detected

- Immediate cancellation of the Card
- Removal of Cardholder's buying authority.
- Termination of employment

# Procurement Card

## Appearance and Reasonableness Test

For all potential expenditures from all sources of funds, the “appearance test” should be used, i.e., how would this purchase look to External constituents if placed on the front page of a newspaper

# Procurement Card

## DOA Contract Manager

Jonathan Davis

[Jonathan.davis@doa.nc.gov](mailto:Jonathan.davis@doa.nc.gov)

- **Contract Manager:** Ensures that contract performance is in line with contract requirements, maintains relationships with vendors and agencies and serves as the point of contact for all matters concerning STCs.

## Bank of America

Primary Contact

Austin Grainger

Email: [Austin.Grainger@bofa.com](mailto:Austin.Grainger@bofa.com)





# Procurement Card

## Q&A