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RICHMOND
COMMUNITY COLLEGE

Procurement Card Policy (P-Card)

RCC Purchasing Office

910-410-1818

July 2024

BANK OF AMERICA 

RCC Procurement Card Program

Welcome to the RCC Procurement Card Program. The main purpose is to simplify and expedite the purchase of goods and services. The program is designed to maintain accountability while reducing the cycle time and administrative burden of procurement procedures such as E-P purchase requisitions/orders, direct pay requests, and expense reimbursements. The card is issued by Bank of America via the Statewide Term Contract 946A and is widely accepted by vendors that support Visa card purchases.

The P-Card is one of two procurement tools (EP or P-Card) offered by the State of North Carolina Division of Purchase and Contract, which offers an expansion of the existing RCC procurement processes. Having a P-Card is a privilege that comes with responsibilities. This manual will serve as your guideline when using your P-Card. Whenever in doubt, you should always contact our office. We are here to assist and to ensure the success of the program.

Benefits to the Cardholder

- Eliminates the need to use personal funds and obtain reimbursements
- Provides convenience, security, and flexibility to make small dollar purchases
- Empowers cardholders with choices and immediate access to goods
- Substantially reduce acquisition cycle time

Benefits to Richmond Community College

- Significant cost saving in the purchase-to-pay cycle
- Significant reduction in the number of low-value transactions handled by Purchasing and Accounts Payable
- High levels of user satisfaction
- Increased expense analysis power
- Increased ability to provide value-added services
- Provides RCC with a rebate incentive

Card Renewal

P-Cards are issued and valid for five (5) years. Renewal cards will be mailed from the bank to the college and distributed by the P-Card Administrator to the Cardholder. You should receive your new card approximately thirty (30) days before the expiration date.

Cardholder Employment Changes

If you leave the college or no longer use your card in the performance of daily job duties, your P-Card must be turned in to the Business Office immediately.

Regardless of the type of employment change, the card remains the property of ***Richmond Community College*** and must be surrendered immediately upon request for any reason by an authorized person (such as the department head or the P-Card Administrator).

Card Inactivity

In the event a card is inactive for **six months**, the card will be reviewed for possible cancellation by the P-Card Administrator.

Lost or Stolen Card

If you believe you have lost your card or that it has been stolen, immediately report the problem to Bank of America at 1-877-451-4602. Customer assistance is available 24 hours a day. Immediately after reporting to Bank of America, notify your Procurement Card Administrator of the event. It is extremely important to act promptly in the event of a lost or stolen card to avoid company liability for fraudulent transactions.

You will no longer be able to use the account number after notifying the bank. Bank of America will automatically reissue a new card. The Procurement Card Administrator will notify you as soon as the new card is received. A card that is subsequently found after being reported lost should be sent to the Procurement Card Manager.

Authorized Use

- ✓ Most departments will have \$5,000 or less per single transaction limit including current NC sales tax, applicable freight, and installation.
- ✓ Some departments may have \$10,000 or less per single transaction limit including current NC sales tax, applicable freight, and installation.
- ✓ Accounts Payable, and Purchasing will have \$25,000 single transaction limit including NC sales tax, applicable freight, and installation.
- ✓ Memberships (**Institutional, not Individual**) and organization dues. Membership must be transferable if the employee leaves the college. **(All memberships must be reviewed by the Business Office prior to payment.)**
- ✓ Subscriptions
- ✓ Advertising
- ✓ Certification
- ✓ Gift cards as door prizes or giveaways
- ✓ Office Supplies (Mandatory State Contract is with Forms and Supply, order should be over \$50.00 or a small order fee of \$5.00 will be added)
- ✓ Office and Instructional Supplies
- ✓ Maintenance Contracts
- ✓ Equipment Repairs
- ✓ Equipment (any cost) will only be purchased using E-procurement or the Purchasing P-card
- ✓ Meals and/or food associated with meetings and/or visitors
- ✓ Seminar and Conference registrations, webinars, hotels, airline tickets, shuttle and taxi services, and parking fees (cardholder only). *****A RCC Travel Authorization form must have been completed and approved prior to these charges being made.*****

*****Important Note *****

Purchasing will not be responsible for verifying. It is the responsibility of the cardholder to ensure this happens.

Unauthorized Use

- ✓ NO splitting purchases into multiple transactions so that previously mentioned limits or state purchasing guidelines are avoided
- ✓ NO weapons; all weapon and ammunition purchases for BLET will be performed by the Purchasing Department P-Card.
- ✓ NO cash advances, alcoholic beverages, controlled substances, personal purchases, telephone calls, or monthly telephone service fees.
- ✓ NO gift cards/debit cards for employees (IRS regulations consider gift cards/debit cards to be a cash equivalent with a requirement to be added to an employee's W-2 earnings as taxable income.)
- ✓ NO laptops, tablets or software purchases of any type. **All IT related purchases will be processed between the IT and Purchasing Department.**
- ✓ NO meals (travel related) State provides a Subsistence Rate. This rate is an allowance related to meal costs (including gratuities)
- ✓ NO gas for personally owned vehicles except on authorized and official college business trips.
- ✓ No International transactions can be made with a P-Card.

When uncertain if a purchase can be made with a P-Card, contact the Purchasing Office for guidance.

P-Card Use

VENDORS (P-Card vs E-Procurement)

The P-Card does not change **WHAT** you can buy, they offer another means to process the purchases to vendors that accept credit cards as form of payment. Vendors do not need to be registered with E-Procurement. With the increase volume of credit card purchases, vendors are charging a merchant fee (2-4%). RCC will allow the payment of that fee because the fee can be recouped at the end of the year from the rebates. RCC earns an annual rebate from Bank of America based on a percentage from total spend for a 12-month period.

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 that exceed the small purchase delegation amount.

Forms and Supply (FSI) is the Mandatory Vendor on State Contract 615A for Office Supplies. Amazon Business is an alternative vendor for those supplies not covered under contract with FSI.

All college purchases must be made on the Amazon Business for Richmond Community College. No college purchases should be made on the individuals Amazon account.

Depending on the department, other cardholders will be given online access to the following vendors and more:

- Grainger
- CDWG
- McKesson

Only the individual to whom the card has been issued may use the card. When purchasing items, the following procedures should be followed:

1. Always follow proper procurement procedures when using the P-Card. If unsure as to whether an item to be purchased does or does not fall within the RCC Procurement Card guidelines, please contact the Purchasing Office.
2. Verify your card available credit. This can be done in WORKS, Bank of America's online system.
3. Inform vendor that RCC is **not** tax exempt and all applicable taxes apply
4. Packages must be clearly marked "P-Card Purchase" with recipient name, Building and Room Number.
5. Merchandise **must** be shipped to the college campus:

Richmond Community College
Attn: "Cardholder Name/P-Card"
1042 W Hamlet Ave
Hamlet, NC 28345

6. All transactions are required to have an itemized receipt. A receipt can be a charge slip, invoice, etc. as long as it includes the vendor's name, date of transaction, itemized list of goods/services, unit cost and total cost. All receipts must match the total(s) of the transaction in "WORKS".
7. Charges should not appear on the P-Card until the merchandise has been shipped. If your transaction appears and you have not received the merchandise, you must call the vendor to check the status of your order.
8. The Cardholder is responsible for resolving disputes with vendors such as incorrect pricing, delivery problems, incorrect items received, damaged items, etc.
9. Most disputes can be resolved by calling the vendor and having them issue a credit back to the card account. Never accept cash, store credits, or gift cards in lieu of a credit.
10. For security purposes, P-Card purchases cannot be made via email. Card numbers should never be included in an email to a vendor or anyone else.

Return of Goods Purchased

Items purchased with the P-Card will periodically need to be returned. When this occurs, a vendor usually offers a Return Materials Authorization (RMA) number and issues a credit invoice upon receipt of the goods. Make certain to document the RMA number and keep the credit invoice to use in the reconciliation process at the end of the billing cycle.

When receiving goods that you may need to return, consider the items below.

- ▶ Always retain boxes, containers, special packaging, and packing slips, until certain that you are going to keep the items. Items that are fragile or computer-related generally cannot be returned without the original packing materials.
- ▶ Read all enclosed documents carefully. Often a critical phone number and other instructions about how to return items are included.
- ▶ Contact the vendor and obtain a Returned Materials Authorization (RMA) number for the return.
- ▶ To facilitate the return of goods, follow vendor shipping instructions, if applicable.
- ▶ In some cases, you may encounter a restocking fee. The P-Card may be used to pay this fee as long as it does not exceed any of the card limits.
- ▶ Contact Shipping and Receiving to inform them of the return.

Policy Enforcement

The delegation of authority to purchase goods using the card is a privilege that automatically ceases upon separation from the college or upon reassignment to another department. The authority to enforce this policy lies with the P-Card Administrator and the Business Office.

Appendix I: Procurement Card Contact List

Purchasing is responsible for the day-to-day operations of the RCC Procurement Card program and is available during work hours to assist campus employees with any questions regarding P-Card policies and procedures.

Martin Bridges

Purchasing Agent

Phone: 910-410-1818

RCC Procurement Card Administrator

Chief Financial Officer (CFO)

910-410-1800

Bank of America (Bank of America)

To contact Bank of America, call the number on the back of your card. Any time Bank of America is contacted, you should also contact the Procurement Card Manager.