

# Office of Management and Budget

## Purchasing

July 1, 2009

### **Policy 300 - Purchasing Card**

- The State has authorized the use of a purchasing card for individual transactions. Use of the purchasing card does not exempt the agency or its employees from the purchasing/procurement requirements of the State of North Dakota.
- Even though a purchasing card is issued in an employee's name, it is considered the property of the State of North Dakota and must be used only for State business. Failure to use the purchasing card in accordance with applicable policies and procedures may result in revocation of the purchasing card and may involve appropriate disciplinary action, up to and including termination and prosecution.
- To ensure the adequacy of internal control surrounding agency purchasing card programs, the agency purchasing card administrator or authorized signer(s) may not be cardholders. If an agency size or other constraints make this unfeasible, OMB may assume card maintenance duties for an agency. Contact OMB for more information regarding card maintenance.
- The purchasing card should not be used for 1099 reportable services. If the purchasing card is used for such services, the agency is responsible for any 1099 reporting requirements. It is acceptable to use the card for training, conference registrations, and other non-reportable services.
- Many times the first night's lodging is required to be paid up front when making a reservation and this can be paid with the purchasing card.
- Reconciliation Process –
  - Once cardholders have reconciled their receipts to their monthly statement, they should sign it and submit it to their supervisor for review.
  - The supervisor should sign the cardholder's statement certifying that the purchases were made for the use of state business and that they comply with appropriate procurement rules and regulations. Cardholder statements and original receipts must be submitted to the agency Card Administrator and maintained on file.
  - Card Administrators should run an agency statement with the State's current card provider and reconcile it to the individual statements. They should sign the agency statement denoting reconciliation.