The Purchasing Post

Business Procurement Card Program

Would you believe the business procurement card (BPC) program is twelve years old? Seems like just yesterday, Purchasing & Accounting were touring the departments, talking about the new purchase/payment tool and signing departments and people up. We have come a long way from only 100 cards with a $500 per purchase limit. Remember when absolutely no services were allowed on the cards? Ahhhh! The good ol’ days.

K-State’s BPC program now has close to 700 individual cardholders, 385 automotive cards, and 12 contract accounts. The “per purchase” amount is now $5000, with a monthly limit of $10,000, for most cardholders.

Our colleges & departments have embraced the BPC program; K-State is one of the top BPC users for the State of Kansas. But there is still potential growth in the program. Things to consider………

Did you know …?

- BPC transactions are posted to E-Forms within 48 hours of purchase? Cardholders and preparers are therefore able to track activity on their BPC more closely.
- By charging purchases to the BPC, credit applications are unnecessary and there is no tracking of numerous charge accounts? One card fits all.
- You can charge all types of items to the BPC, e.g. books, light bulbs, seeds, fabric, mats, videos, subscriptions, etc?
- You can purchase items via the internet, phone, mail, or in person with the BPC?
- The BPC contract account allows you to charge contract purchases (e.g. office supplies & copy paper from Corporate Express, delivery services from Fed-Ex, industrial supplies from Grainger, laboratory supplies from Fisher Scientific, software from SHI, printers from Business Computer Center, computers from Dell, Gateway, Apple, etc.) without a dollar limit?
- There is an automotive BPC for department vehicles? Fuel and minor repairs for the vehicle are allowed on this BPC?
- A BPC helps reduce the number of personal reimbursements?
- Purchasing has on-line access to UMB Bank/VISA and can arrange special exceptions directly, when needed, such as approving international companies, raising purchase limits, removing blocks on accounts?
- You can charge purchases from international companies (see above re: approval) and the bank will figure the currency exchange rate?
- Most vendors like the BPC? Vendors receive their money within three days of the purchase.
- The cost to process a paper purchase order to payment by check is estimated at $80/transaction, while a BPC purchase/payment is estimated to cost $10/transaction?

REMINDER: The BPC is for purchasing services and commodities with state or grant funds. It is not for travel. No registration, hotels, meals, or transportation is allowed on the BPC. Purchases with Foundation funds are also not allowed on the BPC.

Contract Spotlight

~ Business Procurement Card ~

Contractor: UMB Bank
Contract #: 09999
Purpose: To establish a more efficient, cost-effective method of purchasing and paying for small dollar transactions.
Includes: In-store, mail, phone, and fax purchases using state or grant funds.
Restrictions: Transactions must be under $5,000 and within established usage limits. The BPC is not to be used for travel or related purposes.
Examples of Blocked Merchant Category Codes:
- Hotels and Motels
- Restaurants
- Airlines
- Transportation
- Caterers
- Package Stores
- Insurance Services
- Some Service Providers