

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? Ahhhhh! 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

