

10.2 Purchase Card Policy (PCard)

Policy Statement

It is the policy of the Province of Nova Scotia to offer a corporate Purchasing Card Program as a means of making certain purchases.

Definitions

CARDHOLDER

An employee who is identified by the Cost Centre Manager to be issued a PCard in the employee's name who shall receive and use the PCard in accordance with the requirements of this and other related policies, and the Corporate Purchasing Card Agreement.

PURCHASE CARD (PCARD)

A credit card issued under an agreement between the banking institution and the Province of Nova Scotia and issued to employees for the purchase of goods, services and construction that are authorized government business transactions.

UNAUTHORIZED CHARGES

Charges against a PCard not related to purchasing goods and services for government use or made by someone other than the cardholder, or are not in accordance with the Corporate Purchasing Card Agreement.

UNAUTHORIZED PAYMENTS

Payments on any PCard made by anyone other than Operational Accounting.

Policy Objective

The objective is to establish a policy to maximize purchasing and payment efficiencies using corporate purchasing cards (PCards). The PCard is intended to provide a simplified purchasing and payment tool for the acquisition of goods, services and construction directly from suppliers in accordance with the provincial procurement policy.

Application

This policy applies to all civil servants, whose terms and conditions are set out in accordance with the *Civil Service Act* and regulations, who are employed by the Government of Nova Scotia as well as any other employees who have been issued a PCard in accordance with this policy.

Policy Directives

- Approval for a PCard is based upon the need to purchase business-related goods, services and construction in the course of employment with the Province, where there are efficiencies to be gained by simplifying the payment process. Cardholders must complete a PCard application.
- The Cardholder is the only person entitled to use their PCard and is responsible for all charges made against it. PCard purchases must be consistent with established procurement thresholds (individual transactions must be \$5,000.00 or less), and cannot conflict with existing procurement directives. PCards cannot be used for obtaining goods or services for which there is a current standing offer (see Sustainable Procurement Policy).
- Cardholders are responsible for reviewing statements regularly to ensure that all charges are appropriate and accurate and must report unauthorized charges immediately to the financial institution and Operational Accounting for resolution. Cardholders must notify the banking institution immediately if their card is lost or stolen.
- Cardholders must obtain a detailed receipt or email statement when making purchases using PCards. Typical details include a description of the item or service being purchased, date of purchase, company name and mailing address, and amount of purchase. A summary receipt without these details will not be accepted for processing.
- Cardholders' transaction logs must be submitted and approved by their Cost Centre Manager and forwarded to Operational Accounting for reconciliation by the 10th day of each month.
- Cardholders shall not make payments on the PCard.
- The PCard may be revoked at any time based on a Cardholder's change of assignment or location because of inappropriate use of the Card or failure to follow the directives and guidelines of this policy. The PCard is not an entitlement nor is it reflective of an employee's title or position.

Policy Guidelines

- Statements are emailed to the Cardholder on a monthly basis when charges are incurred. Cardholders can view online transactions and print statements from www.centresuite.com.
- Each PCard is given a monthly purchase limit, based on expected monthly usage.
- The use of multiple transactions to circumvent the single purchase limit, established in the Sustainable Procurement Policy, is a violation of PCard policies and procedures.
- Any use of the PCard for purchases of a personal nature is strictly prohibited.
- A PCard cannot be used for travel expenses including meals, airfare, accommodations, and parking with the exception of airfare and hotel expenditures for Senior Officials, Cabinet Ministers and staff of the Premier's Office. Notwithstanding this exception, reporting of travel expenses will continue in accordance with the *Finance Act* and other directives.
- Unauthorized charges or improper use of the PCard will be subject to appropriate disciplinary action ranging from having the card revoked and up to and including termination.
- Cardholders submit receipts, credit card statements and Credit Card Transaction logs to the Cost Centre Manager for approval as per department-set deadlines.
- Cost Centre Managers monitor card use to ensure compliance with the policy as they approve PCard transactions through the Cardholder's Credit Card Transaction logs.
- Cardholders will advise the banking institution of any charges on the statements which are incorrect and if these disputed transactions are not resolved, must contact their Card Coordinator. If the PCard becomes lost or stolen, Cardholders must immediately advise the banking institution and notify the Card Coordinator on the first business day.

PCARDS ISSUED FOR FUEL FOR HELICOPTERS/PLANES

- Given that the Fleet Card cannot be used to buy fuel for provincially owned planes or helicopters, a PCard may be requested for this purpose. The PCard will be issued in the serial number of the plane or helicopter. The issuing department accepts the role and responsibilities of Cardholder upon requesting such a card.

Accountabilities

OPERATIONAL ACCOUNTING

- Approving PCard application forms.
- Providing the cardholder with a Corporate Purchasing Card Agreement, a copy of the PCard Policy, Credit Card Transaction Log, and a document entitled Cardholder's Responsibilities.
- Advising cardholders on the use of PCards.
- Ensuring Cost Centre Managers are aware of and are adhering to the Procurement Policy, Corporate Purchasing Card Agreement, and PCard Best Practices Manual.
- Following departmental and corporate policies and procedures when faced with misuse of the PCard, such as unauthorized purchases.
- Ensuring the PCard is monitored and audited by reviewing transactions to policies and documenting action taken as needed.

COST CENTRE MANAGER

- Approving requests for PCards.
- Setting monthly PCard limits for each application based on anticipated usage to minimize liability if lost or stolen. If a limit other than the default limit is requested, the Cost Centre Manager must review and approve this request.
- Forwarding original, fully completed applications to Operational Accounting.
- Maintaining control procedures to ensure adherence to appropriate authorization and purchasing practices.
- Adhering to the Procurement and PCard Policies.
- Reviewing and approving monthly transaction logs ensuring statements and receipts are valid and attached, ensuring compliance with corporate policies and procedures before approving.
- Following departmental and corporate policies and procedures when faced with misuse of the PCard, such as unauthorized purchases.

CARDHOLDER

- Signing, understanding, and adhering to the Corporate Purchasing Card Agreement.
- Safekeeping of the PCard.
- Following PCard and Procurement Policies.
- Obtaining a detailed receipt or e-mail confirmation at time of purchase.
- Ensuring receipt of monthly e-statement.
- Completing, reconciling and submitting monthly PCard Transaction log to your Cost Centre Manager for review and approval.

- Following accounting processes and deadlines as set by your Financial Services group.
- Reporting lost or stolen PCard immediately to the card banking institution and their Card Coordinator.

Monitoring

Procurement, Operational Accounting, Internal Audit Centre and/or the Office of the Auditor General carry out audits of transactions regardless of value.

Freedom of Information

Expenditures made using a PCard, and their corresponding records, are subject to Nova Scotia's *Freedom of Information and Protection of Privacy Act* and its regulations.

References

Fleet Card Policy

Hospitality Policy

Sustainable Procurement Policy

Freedom of Information and Protection of Privacy Act

Freedom of Information and Protection of Privacy Regulations

Nova Scotia Provincial Corporate Purchase Card – Best Practices Manual

Enquiries

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