

Part I Chapter 27 Purchasing Card

- A. Requirements.** A Commonwealth Purchasing Card, or “P-card,” is a credit card issued in the name of a Commonwealth employee or entity and used by agency personnel to pay for goods and services acquired in accordance with Commonwealth procurement policy.

The (P-card) is similar to a personal credit card in that the supplier receives payment directly from the bank that issues the P-card, rather than the Commonwealth. The supplier is required to pay a fee to the card issuer. The fee may not exceed the current Purchasing Card rebate rate, which can be found on the Office of Budget purchasing card program webpage.

1. In no case will the Commonwealth allow increases in prices to offset P-card fees paid by the supplier or other card issuer charges incurred by the supplier unless it is specifically stated in the terms of the contract or purchase order. Some suppliers may not agree to payment through the P-card.
2. Additional guidance can be obtained by referring to [Management Directive 310.23, Commonwealth Purchasing Card Program](#).
3. The P-card provides a method of payment for materials and services procured in accordance with the Commonwealth’s procurement policies. It is **NOT** a method of contract award. Procedural requirements for awards of contracts and orders must still be followed. Compliance with these requirements is the responsibility of the P-card user.

- B. Approved Usage.** Agency personnel may use the P-card for payment if **ALL** of the following are met:

1. The individual has been authorized by the Agency to use the P-card.
2. The Agency has authorized the use of the P-card for the intended purpose.
3. The material or service is being purchased according to procurement policy as outlined in this Handbook, or a waiver has been obtained.
4. The transaction amount is equal to or less than \$10,000. This includes materials and services that are exempt from Handbook provisions as listed in Part I, Chapter I. Transaction Limit waivers may be approved by the Chief Procurement Officer and Deputy Secretary for Comptroller Operations.
 - a. For procurements of materials and services for which the Commonwealth holds a contract, the P-card may be used as a payment mechanism when:
 - (1) The material or service is purchased through an SRM catalog from a supplier that accepts P-card payments.

- (2) The contract is identified as accepting P-card payments. This information can be found in each contract's Contract Overview posted on the [DGS eMarketplace](#).
- (3) When utilizing the P-card for on-contract purchases, the contract number must be identified in the Agency Comments field of the transaction.

C. Unapproved Usage. Agency personnel shall not use P-cards as a payment method when:

1. The purchase is artificially divided in order to remain below the Small No-Bid threshold.
2. The purchase is for a recurring shipment for the same material or service.
3. Purchase documents are encumbered in SRM/SAP.
4. The payment is for personal or non-Commonwealth purchases or to obtain cash.
5. The purchase is for inventory items.
6. The invoice has been previously rejected by the Bureau of Payable Services and/or Treasury, unless instructed to do so by the Director, or designee, of Bureau of Payable Services.

D. Abuse of P-Card: Violations will be addressed in accordance with Management Directive 310.23; DGS may impose additional disciplinary action as warranted.

References:

1. [pcard-rebate-rates.pdf](#)
2. [Management Directive 310.23, Commonwealth Purchasing Card Program](#)
3. [Part I Chapter 07, Thresholds and Delegations](#)
4. [DGS eMarketplace](#)