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Revised Changes to Procurement Card (P-Card) Program
For Fiscal Year Beginning July 1, 2007

The Division of Financial Operations (DFO) is pleased to announce three significant changes to the DOE's P-card program; for the fiscal year beginning July 1, 2007.

- P-cards can be purchased using one object code thereby eliminating the need to purchase multiple P-cards
- The single transaction threshold has been increased to \$5,000 for all schools;
- The addition of an Expense Reporting and Certification screen.

These major enhancements will substantially reduce the need for out-of pocket expenses and subsequent **SIPP** transactions (Small Payment Item Process), which will now only occur in the event a vendor does not accept the DOE P-Card. In addition, the P-card should only be used for small/emergency purchases and where the use of a purchase order is not the appropriate method for a particular purchase.

The following are examples of out-of pocket expenses that may be reimbursed via a **SIPP**:

- Public transportation, car service and mileage for use of personal cars.
- Food and refreshments at meetings for vendors that do not accept a DOE p-card.
- Insufficient card balance.

However, schools are required to monitor card balances and replenish card spending limit by processing an encumbrance increase in the FAMIS portal **Card Application Process**

As you are aware, the current P-card expired on June 30, 2007. Beginning in FY 08, a single P-card may be purchased by encumbering the estimated costs to a new object code 179, provided that funds are available in object code 100. The encumbered amount of the purchase order represents each card's spending limit. The maximum card spending limit cannot exceed \$15,000; however, subsequent encumbrance increases can be processed following the current DOE business process.

To acquire a new card, please complete the on-line application in the FAMIS portal. If you do not have access to the P-card enrollment screen, please contact the ROC/ISC for assistance.

Please note: In calendar year 2008, the SIPP transaction on the FAMIS portal will be modified to process vendor payments and employee reimbursements for supplies that cannot be purchased with a P-card. Therefore, it is imperative that all schools purchase a card before the beginning of the new calendar year.

Expense Reporting and Certification

Each month, the bank will submit an electronic file containing each card's account transaction activity. DFO will make this information available in the FAMIS Portal; where it can be accessed via the new Expense Reporting and Certification Screen. All cardholder's or authorized FAMIS designees, will be required to indicate the appropriate expense type (e.g., supplies, parking and postage) for each transaction. School's certification of expenses will become an authorization and approval, to realign the spending plan used to purchase the card to the object code where the expense was made. This will ensure compliance with the NYC Comptroller's Office's requirement that all expenses of an agency be recorded to the proper object code. The re-alignment of funds and expenses has no impact on a card's total available balance.

As a reminder, purchases made with procurement cards must comply with all NYC Department of Education procurement guidelines as outlined in its Standard Operating Procedures (SOP).

If you have question, please contact Betty Dickerson at 718-935-2850 or Richard Carlo at 718-935-2841.