

State of South Dakota: Credit Card Programs Overview

May 2025

State Purchasing Card (P-Card) Program

P-Card Program Overview

- Managed by the Office of Procurement Management (OPM)
- Used by executive, legislative, and judicial branches, and Board of Regents
- Supports daily operations and emergency response efforts
- Streamlines small purchases of supplies and services

Program Usage

- Averages around 4,700 purchases per month
- \$1.12 million average monthly spend
- \$238 average purchase amount
- Currently there are approximately 1,250 cardholders

Benefits of the P-Card Program

- **Saves Time:** Speeds up purchasing and approval processes
- **Reduces Costs:** Cuts paperwork, staff hours, and admin costs
- **Simplifies Payments:** One monthly statement per cardholder instead of multiple POs or vouchers
- **Faster Delivery:** Quicker processing results in faster delivery of goods and services
- **Enhances Emergency Response:** Allows fast purchasing during urgent situations
- **Improves Vendor Relations:** Timely payments and flexible credit card acceptance
- **Program Rebate:** Generated over \$260,00 rebate revenue in 2024. Rebate reduces internal billings to agencies.

Common P-Card Purchases

- Office supplies, paper products and cleaning supplies
- Janitorial, building, and electrical supplies
- Maintenance, Repair and Operation (MRO) items
- Safety gear, uniforms and medical supplies
- Equipment parts and small tools
- Books, periodicals and training materials

Compliance & Proper Use

- All purchases must comply with state procurement laws, policies, and procedures
- P-Card transactions undergo the same review as direct vouchers and purchase orders.
- Built-in controls help prevent fraud, waste, and abuse by limiting spend and restricting unauthorized Merchant Category Codes (MCC). Default single purchase limit is \$4,000; default monthly spend limit is \$25,000

Authorized Uses

- Official state business, including supplies, subscriptions, training, and repairs

Pre-Authorization Required

- Travel expenses, technology items, and purchases over \$4,000

Prohibited Uses

- Personal expenses, alcohol, cash advances, jewelry and other restricted items

P-Card Policy Violations

- **Reporting:**

- Report any policy violations immediately to the Site Coordinator.
- The Site Coordinator escalates concerns to dept./agency leadership and the Program Administrator for prompt review and action.

- **Consequences:**

- Unauthorized purchases may require reimbursement.
- Violations can result in disciplinary action, card revocation, and potential criminal charges.

Conclusion

The P-Card Program supports efficient, compliant purchasing across all branches of state government. It reduces paperwork, ensures timely payments, and provides flexibility in routine and emergency situations. Also, it decreases the risk of misuse through controls like spending limits and Merchant Category Code restrictions.

Thank you for your time and attention.
Questions or comments?

State Wex Fleet Card Program

Wex Card Usage

Each vehicle has a specific WEX card inside. To allow the State to maintain accurate records for each vehicle, a WEX card must not be used for any purchases for a vehicle other than the vehicle assigned to that card. To use a WEX card, the driver will be assigned a personal identification number (PIN) which is unique for each driver. The PIN must not be shared with other individuals, and each person receiving an assigned PIN will be responsible for all purchases that PIN.

Proper Usage

- Used as a backup to the state bulk fuel sites
- Only used for fleet related (MCC) purchases
- Requires pin
- Requires odometer reading
- Receipts for non-fuel items must be turned in

Card Controls

- Spend is reviewed monthly
- Wex Bill is paid by Holman, and the State reimburses Holman monthly
- In the event of a non-allowed charge, it is sent back to the agency via non-cash voucher

Allowable Products	Amount per Transaction	Transactions per Period	Amount per Period
Total Fuel	\$250.00	5	\$1250.00
Oil And Fluid	\$100	3	\$300.00
Quick Lube	0	0	\$0.00
General Merchandise	0	0	\$0.00
Total All Non-Fuel Products	\$100.00	3	\$300.00
Total All Products	\$350.00	8	\$1,550.00