

Policy and Guidelines For Electronic Commerce

Office of the State Controller (OSC)		Effective Date: August 16, 2000 Revision Date: October 1, 2005
Policy Area: Electronic Commerce	Title: Funding for Electronic Payment Services	

Authority: Session Law 1999-434, Senate Bill 222, ratified in July 1999 amended various statutes, authorizing state government agencies to maximize the acceptance of electronic payments, a term which includes credit / debit cards (merchant cards) and electronic fund transfer (EFT). Electronic payments involve both inbound and outbound flows of funds. The primary statutes pertaining to the utilization of electronic payments for State agencies include: G.S. 147-86.10; G.S. 147-86.11(h); G.S. 147-86.20; G.S. 147-86.22; and G.S. 143B-426.40G(a).

Statutes authorizing the Office of the State Controller to issue policies regarding electronic payments include G.S. 143B-426.39(1) and (5); G.S. 147-86.11(a); and G.S. 147-86.22(b).

“Electronic Commerce in Government” is covered under Chapter 66, Article 11A (G.S. 66-58.1 through 66-58.19).

The statutes authorizing the payment of fees for services include:

- G.S. 147-86.22(b) - Funding from General and Highway Fund appropriations
- G.S. 86-58.12 - Funding from Special Fund receipts
- G.S. 147-69.3(f) - Funding from State Treasurer’s investment programs

Program Administration: The State of North Carolina business environment includes all agencies, institutions, departments, bureaus, boards, commissions, and other entities subject to the Cash Management Law, as specified in G.S. 147-86.10. Although state agencies offer diverse services, North Carolina intends to use a statewide enterprise approach for the utilization of electronic payments.

Reference: Policy on “Charging Transaction Fees”

Policy: The following requirements are to be adhered to in regards to funding for electronic payment costs:

- When General and Highway fund appropriations are to be used, the state entity must obtain approval from the Office of State Budget and Management (OSBM) on the availability of an appropriation.
- When Special Fund receipts are used, the agency must pay for the fees from the Special Fund established with approval of the Office of State Budget and Management (OSBM).
- For services deemed appropriate for the State Treasurer to pay the fees, prior arrangements must be made with the State Treasurer.
- Universities may determine the appropriateness of using institutional trust funds.
- Non-State participants using non-State funds are to adhere to their respective budgeting procedures.