



**Tompkins County  
Finance Department**

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**MEMORANDUM**

To: Government Operations Committee  
From: Rick Snyder, Director of Finance  
Date: October 24, 2017  
Subject: Procurement Card (P-Card) Resolution and "Award of Bid"

**1. Action Requested:**

Approval of the resolution by the Government Operations Committee and the Legislature.

**2. Background:**

This agreement will provide for a switch from our existing Procurement Card (P-Card) vendor, Elan Financial Services, Fargo, ND, to a new Procurement Card (P-Card) vendor, JP Morgan Chase. (JP Morgan Chase is one of the banks the County currently does business with.)

The Finance Department, after extensive research, determined that it would be in the County's best interest to evaluate competitive proposals for a new Procurement Card (P-Card) Program.

This Program is intended to reduce the costs affiliated with the purchasing and accounts-payable processes by streamlining the purchases, therefore issuing fewer requisitions, purchase orders, and checks. The Finance Department will continue to oversee the Program to ensure that County Policies and Procedures are followed in the acquisition of goods and services.

**3. Benefits to the County/Financial Implications:**

- Saves the County money because the various programs offered by banks now offer **rebates** to the County for purchases made on a P-Card;
- Rebate on 100% of the money spent with vendors that accept the card vs. the **zero rebate** we receive currently (current vendor: Elan Financial Services, Fargo, ND);
- Reduction in procurement and payment paperwork for both the requesting department(s) and the Purchasing and Accounting Divisions;
- Expedited payments to the vendors (24-48 hours vs. net 30) potentially reducing the need for manual checks; and
- Zero liability to the County for lost or stolen cards.

#### **4. Next Steps:**

The Finance Department solicited proposals (RFPs) from banks and the Purchasing Division received 5 responses. The Review Committee evaluated these 5 responses and compared them to the NYS State Contract vendor, Citibank. Three of the top banks were selected to give Vendor Demonstrations to the Procurement Card Review Committee during the week of October 9<sup>th</sup>, 2017. Those top 3 banks were PFM Financial Services, JP Morgan Chase, and Capital One.

After the Vendor Demonstrations, the Procurement Card Review Committee met and determined that JP Morgan Chase was the preferred vendor. (See attached memo from the Procurement Card Review Committee.)

The Review Committee recommends to the Government Operations Committee that an "Award of Bid" for the new Procurement Card (P-Card) vendor, JP Morgan Chase, be approved at its next meeting on November 1, 2017. We also ask that the Government Operations Committee adopt the resolution that authorizes the implementation of the Procurement Card (P-Card) Program with JP Morgan Chase.

After approval by the Government Operations Committee, this item will be forwarded to the full Legislature for their approval at the November 9, 2017, Legislative Meeting.

cc: Joe Mareane, County Administrator

### Tompkins County Procurement Card (P-Card) Program Status Update

| Activity  | Notes/Comments  |
|---|---|
| RFP Released  | July 27, 2017   |
| Email Notifications of Specification Availability Issued to Vendors | July 27, 2017 – Vendors:<br>TCTC<br>Chemung Canal<br>KeyBank<br>First National Bank of Groton<br>First National Bank of Dryden<br>Tioga State Bank<br>Community Bank<br>JP Morgan Chase<br>M & T Bank (web contact form)<br>PFM Financial Services (NYSAC endorsed) |
| Vendors who Downloaded Specifications                               | JP Morgan Chase<br>Capital One<br>Bank of America<br>MasterCard<br>PFM Financial Services<br>KeyBank  |
| RFP Due   | August 25, 2017 – Five Responses Submitted:<br>KeyBank<br>Capital One<br>JP Morgan Chase<br>PFM Financial Services<br>Bank of America   |
| Review Committee  | Rick Snyder, Finance-Accounting<br>Donna Shaw, Finance-Accounting<br>Julie Fergus, Finance-Accounting<br>Lisa Hall, Finance-Purchasing<br>Greg Potter, ITS<br>Katy Prince, ITS<br>Jackie Kippola, Administration  |
| Vendor Demonstrations   | October 10 – 13, 2017   |
| Award Recommendation to Committee                                   | November 1, 2017  |
| Legislature   | November 9, 2017  |
| Contract Commencement   | January 1, 2018   |