



CITY OF WAUKESHA

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Committee: Finance Committee	Date: 9/5/2019
Common Council Item Number: 19-1192	Date: 9/17/2019
Submitted By: Rich Abbott, Finance Director	City Administrator Approval: Kevin Lahner, City Administrator Click here to enter text.
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney Click here to enter text.
Subject: Review and Act on a request to approve the State P-Card contract and authorize the mayor to sign it	

Details:

The State of Wisconsin has a Purchasing Card program that allows members to earn rebates on amounts that are paid with the credit card. Beth Schaack in the Finance office has worked with US Bank to put together an implementation plan. The initial goal of the program would be to pay large vendors via the p-card with as little administration time as possible. We have some vendors that will accept p-card or credit card payments without the City incurring a fee on the transaction. We must be careful to not use the misuse the p-card with vendors that charge a fee to accept the card. It appears that the rebate is currently at 2.40%. If we put 3,000,000 annual total on the card, that would be approx. \$ 72,000 in rebates. It takes approximately 4 weeks to implement the contract/program, so we are hoping to have everything in place by 10/15/19. The only department with a P-card at this time would be the Finance department and we would handle paying the bill within the required 5 days of the close of the billing cycle.

Options & Alternatives:

- Option 1 – Accept the contract and implement the program (recommended)
- Option 2 – Not implement the program and forgo rebates

Financial Remarks:

At this point, I want to pilot the program. I will not be putting any funds in the 2020 budget at this point. The contract is good through 12/31/20 and we will have a better idea of how the program is performing for 2021. Hopefully by then we will also have the new contract with the new incentive rate. At this point all rebates would go to the general fund to help offset tax levy.

Executive Recommendation:

City Administrator recommends approving the contract, as presented.

