

CITY OF RICHLAND CENTER

AGENDA ITEM DATA SHEET

Agenda Item: Consider Request to Authorize an Application for the US Bank NASPO Commercial Card Program

Meeting Date: Tuesday, August 1, 2023

Requested by: Ashley Oliphant

Background: For approximately 20 years, the City has utilized BMO's credit card services (previously M&I). Around late spring 2023, at the request of the Library Director, the Clerk/Treasurer's Office contacted BMO to deactivate the Library's credit card. When terminating the Library's credit card account, BMO mistakenly terminated the entire corporate account for the City. As a result, the City lost the ability to engage in credit card transactions. While inconvenient, it was determined that the account should not be reopened to allow alternative options to be explored.

Recommendation:

It is recommended that the City participate in the NASPO Commercial Credit Card Program offered by US Bank. This program has been in existence since 2002 with thirteen states participating. This program is a specialized & pre-negotiated contract the State of Wisconsin participates in. The State's participation provides all municipalities access to the program. Richland County is currently participating in this program. They were contacted requesting feedback on the program. No issues or concerns were cited.

Highlights of the program:

- No fees or interest charges
- 45-day payment cycle
- Quarterly rebates provided based on purchases and timeliness of payments (1.35%)
- Direct integration with accounting software
- Online access allowing for the issuance of cards, credit limit adjustments, statement viewing, etc

City's Credit Card Policy (effective 11/3/2020):

Credit Cards: The Chief of the Police Department will hold a credit card that may be used in urgent situations for Police business only. The City Clerk/Treasurer's Office will hold the City's Credit Card and is the only department authorized to make charges for the remaining city departments. The maximum credit limit is \$5,000.00 per card. At no time may a credit card be used if the purchase is not in compliance with this purchasing policy.

No invoice will be paid unless turned into the City Clerk/Treasurer's Office signed by the employee who made the purchase and authorized by the department head. All contacts must be authorized by the City Council.

Funding Source: N/A

Financial Impact: No cost

Requested Action:

Finance Motion: To recommend to the Common Council to authorize the administrator to execute the application process necessary for the enrollment in US Bank's NASPO program.

Council Motion: To authorize the administrator to execute the application process necessary for the enrollment in US Bank's NASPO program.

Attachment(s): WI_NASPO-Brochure