

**NORTHERN NEW JERSEY NIGP
MINUTES OF THE REGULAR MEETING – JUNE 14, 2018
VENUE 518, BOUND BROOK, NEW JERSEY**

The meeting was called to order at 10:10 A.M. by Vice President Elizabeth Crescibene. After the flag salute, a moment of silence was observed. New guests were welcomed and self-introductions were made by the attendees.

There was a joint motion to approve both the Treasurers Report (Beginning Balance \$10,830.37, Ending Balance \$11,895.32) and the previous meeting's minutes which had been posted to the website. The motion was approved.

GUEST SPEAKERS

Africa J. Nelson, NJ START Operations

Africa is the State Contract Manager on State Contract # T-1654 (Procurement or P-Cards). As the contract term with the current vendor, Bank of America, will be expiring soon, the State will be issuing an RFP for these services later this year. The purpose of a P-Card, the usage of which is covered in Local Finance Notice 2013-7 and Local Finance Notice 2018-13, is to streamline processing of payments. Local units are allowed to use P-Cards.

The benefits of a P-Card which she enumerated are:

- Reduce payment cycle time
- Reduce Accounts Payable expenses
- Improve vendor relations
- Provide the ability to order on-line, over the phone & in-person.
- Provide purchasing power during national disasters

Through the Bank of America system, you are able to get detailed reports on P-Card transactions. There are controls built in to safeguard the usage of the card. A program administrator must be set up by each unit. The manager sets up the card users and dollar limits (at the company and user level). In addition, Merchant Codes can be set up to block purchases from merchants such as jewelry stores or gambling establishments. \$90 million was spent in total by the State & locals on this program. There is an annual rebate (.0183 x total dollars spent). Additional reasons to use a P-Card are:

- Cost Savings (It costs \$75 on average to cut a paper Purchase Order)
- Fraud Protection
- Reporting Capabilities
- Convenience (can use 24/7)
- Rebate

To participate, first read the Method of Operation; issue a Resolution; complete the Linking Authorization Form and email to Tina Schwartz at Bank of America. Her email is tina.schwartz@baml.com.

The timeframe to be issued a card once all the paperwork has been received is 4-6 weeks for existing BofA customers & 10-12 weeks for non BofA customers.

William Weir, Bank of America, Director of the Northeast Public Sector Banking

Bank of America has held the State Contract for P-Cards for the past 5 years.

He reiterated several of the points made by Ms. Nelson as to the advantages of having a P-Card.

- Cost savings vs issuing a PO
- Ease of use vs. danger (perception vs. the reality). The card addresses the need to quickly obtain the necessary goods and services. Concerns over the control and expenditure of funds can also be negated with good internal controls, security chips and pin numbers.
- One payment being made to multiple vendors can improve cash flow

He discussed LFN 2018-13 which permitted electronic payments. He also discussed the decreasing use of paper checks. In the last 6 years, paper check usage has declined from 62% to 47%. He also stated that using a P-Card, reduces the number of steps traditionally needed from procurement to payment which is 9, to only 4:

1. ID needed to buy
2. Order Goods
3. Receive Goods
4. Review & pay statement

The Bank of America system allows you to review activity in real time and receive detailed reports that can be customized. In terms of fraud protection, you can set alerts for suspicious activity and assign unique user names and passwords. The Program Manager must be a QPA. If you are concerned about suspicious activity you can contact Bank of America at abuse@bankofamerica.com To date, 95 public sector entities are using P-Cards. It should be thought of as another tool in your purchasing belt.

Kathi Cupano, Assistant Director, Center for Government Services, Rutgers Continuing Education

Registration for spring courses is up 2%. Summer Course Brochures are now available. Feedback on the 49th Educational Forum that was held in May at the Golden Nugget (topics, location, etc.) was requested. From what Kathi has heard, the feedback has been mostly positive. Attendees seemed to find the venue more enjoyable than the previous location. There were 256 attendees this year. 250 is the average attendance figure.

Kathi thanked everyone who helped to make it a success (moderators, scanners, certificate distributors and the participants). She would like to set up panels to select topics for the future. If you have any ideas, please email or call her at 732-932-3640 x632.

Francis Decibus, Purchasing Agent, Bernards Township

Francis asked to address the attendees regarding the upcoming retirement of Dennis Bollhardt, Purchasing Manager at Bergen County Utilities Authority. He is a long standing member of the Association who was in attendance and wished him well.

Elizabeth Crescibene, Vice-President

OLD BUSINESS:

None

NEW BUSINESS: The future meetings will be held on September 13 and December 13th.

The meeting was adjourned at 12:00 PM.

Respectfully Submitted,
Mary Richers