



## **INTRODUCTION**

The PFM “Power Card” (procurement card) program was developed over the past eighteen months in consultation with a steering committee comprised of the following Executive Directors: **Dr. Carter Ward**, Missouri School Boards Association; **Dr. Charles Kyte**, Minnesota Association of School Administrators; and **Jay Himes**, Pennsylvania Association of School Business Officials.

After visiting with various school districts already using procurement cards, PFM realized the importance of this service – the P-Card could improve the controls over expenditures and in turn, reduce staff time by eliminating the paperwork related to small purchases. It was also noted that districts already utilizing P-Card services through various banking institutions were using a Master Card or Visa Card, paying monthly, quarterly or yearly fees, in many cases received their statements in the mail and unfortunately, none of the districts visited received **Rebates** on the dollars spent by their district.

PFM developed a national “Request for Proposal” to provide procurement card services that addressed issues of technology, support/training, fraud/misuse, fees/costs and rebates. The RFP was sent to 19 banking institutions; nine responses were received, and three finalists were selected. The above steering committee interviewed the four finalists and selected **Harris Bank, IL** as the service provider to our national procurement card program using **MasterCard**.

The PFM “Power Card” (procurement card) program offers qualifying districts the following benefits:

1. Cost free payment mechanism
2. District purchasing card, issued in the name of the card holder and billed to the district
3. Ability to restrict merchant category codes and spending limits for each card holder
4. Comprehensive on-line management reports
5. Improved access to suppliers and materials
  - a. Walk in purchases
  - b. Telephone
  - c. Internet
6. Obtain goods and services when needed
7. Opportunity to save \$ \$ \$
8. On-line access to all card holders accounts 24/7
9. Rebate on % of dollars spent in excess of \$50,000 annually.
10. Master Card misuse insurance of \$100,000 per cardholder per incident (minimum five cards). Unlimited fraud protection.