



MEETING OF: December 11, 2012

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TITLE: SAVE Cooperative Contract MSO-946-2777 - Procurement Card Services

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ITEM #: 20

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Information:

Study:

Action: X

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PURPOSE:

To approve the use of the Strategic Alliance for Volume Expenditures (SAVE) Contract MSO-946-2777, Procurement Card Services awarded to Bank of America with a corresponding determination to use a contract with a duration longer than five years as required by A.R.S. §15-213(K).

Kevin Startt, Acting Director of Purchasing and Marti Alegria, Procurement Card Specialist will be available for any questions.

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DESCRIPTION AND JUSTIFICATION:

A thorough analysis has been conducted of available contracts for pCard Services. The City of Chandler issued and maintains a multi-term contract for pCard Services provided by the Bank of America and made available via the Strategic Alliance for Volume Expenditures (SAVE) in compliance with A.R.S. §15-213(K).

The contract is most advantageous to the District and the monetary rebate schedule is the most lucrative available. This contract is in its third year with renewal options for four (4) two-year periods. The controlled use of pCards will allow the District to migrate from paying contracted vendors by the cumbersome paper check writing process to paying by pCard when pCards are an accepted form of payment, an increasing trend in public sector school purchasing.

The estimated volume of transitioned vendor payments from check to pCard in the initial 12 month period will be \$5M-\$10M which will yield a rebate percentage of 1.43% resulting in rebates between \$71,500-\$143,000. Monetary rebates generated through the pCard Program will be deposited into the District's General Fund.

An Executive Summary is attached for Governing Board review. This is supportive of the Superintendent's Goals concerning Customer Service. It also supports continuing efforts of improving fiscal management.

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BOARD POLICY CONSIDERATIONS:

Compliance with Governing Board Policy DJ – Purchasing Procedures

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LEGAL CONSIDERATIONS:

For all Intergovernmental Agreements (IGAs), Initiator of Agenda Item provides the name of the agency responsible for recording the Agreement after approval:

For amendments to current IGAs, Initiator provides original IGA recording number:

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Legal Advisor Signature (if applicable)

BUDGET CONSIDERATIONS:

<u>        </u>	District Budget
<u>        </u>	State/Federal Funds
X	Other Rebates to General Fund estimated
	\$71,500-\$143,000 first year
<u>Budget Cost</u>	<u>Budget Code</u>


Budget Certification (for use by Office of Financial Services only):

Date \_\_\_\_\_  
 I certify that funds for this expenditure in the amount of \$ are available and may be:  
 Authorized from current year budget  
 Authorized with School Board approval  
 Code:    Fund:

INITIATOR(S):

<u>Kevin Startt, Acting Director of Purchasing</u>	<u>11/28/12</u>
Name	Title
	Date

DOCUMENTS ATTACHED/ ON FILE IN BOARD OFFICE:

<b>ATTACHMENTS:</b>
<b>Click to download</b>
 <a href="#">Approval of SAVE pCard Contract Executive Summary</a>

TUCSON UNIFIED SCHOOL DISTRICT

BOARD AGENDA ITEM  
CONTINUATION SHEET