CCITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Finance

Resolution No.: 08-12-26F

Resolution Title:

Resolution Authorizing the City of Camden Redevelopment Agency to Use Procurement Cards

Project Summary:

1. N.J.S.A. 40A:5-16 and N.J.A.C. 5:30-9A authorizes the use of Procurement Cards for the purchase of goods and services.
2. In accordance with N.J.S.A. 40A:5-16 and NJAC 5:30-9A.7, CRA, is required to adopt a resolution establishing policies and procedures that include authorizing the specific purposes for the use of the procurement cards in the ordinary course of the Agency's business operations.
3. CRA will implement policies and procedures for use of such cards which are consistent with N.J.A.C 5:30-9A.7. See Exhibit A.

Purpose of Resolution:

Award Process:
N/A

Cost Not to Exceed:
N/A

Source of Funds:
N/A

Total Project Cost:
N/A

08-12-26F

Resolution Authorizing the City of Camden Redevelopment Agency to Use Procurement Cards

WHEREAS, City of Camden Redevelopment Agency (the "CRA") is an Authority of the local municipal governing body; and

WHEREAS N.J.S.A. 40A:5-16 and N.J.A.C. 5:30-9A authorizes local units of government to use of Procurement Cards for the purchase of goods and services for limited transactions; and

WHEREAS, pursuant to the enabling legislation referenced above, administrative regulations pursuant to N.J.A.C. 5:30-9A were promulgated to set forth standards governing the use and sound fiscal management of Procurement Cards (See, Exhibit A); and

WHEREAS, in accordance with N.J.S.A. 40A:5-16 and NJAC 5:30-9A, the CRA is required to adopt a resolution establishing policies and procedures that include authorizing the specific purposes for the use of the procurement cards; and

WHEREAS, in accordance with N.J.A.C. 5:30-9A, under no circumstance shall such cards be used for travel and dining expenses for government employees, volunteers or officials; and

WHEREAS, in accordance with N.J.A.C. 5:30-9A individual transactions shall not exceed 15% of the bid threshold (currently $6,600); and

WHEREAS, in accordance with N.J.A.C. 5:30-9A, no department or employee will be authorized to use a procurement card without completing a training session, under the direction of the CRA Finance Director, that will include policies and procedures for use and compliance with the Local Public Contracts Laws and State Regulations.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the City of Camden Redevelopment Agency hereby authorizes the use of a procurement card by the CRA Finance Director which shall only be used in accordance with policies and procedures attached as Exhibit A; and

BE IT FURTHER RESOLVED, by the CRA that PNC Bank, an approved depository in the CRA's adopted Cash Management Plan for the current fiscal year, is approved to administer the procurement card program for CRA; and

BE IT FURTHER RESOLVED that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

08-12-26F (cont'd)

ON MOTION OF: **Maria Sharma**

SECONDED BY: **Tasha Humphrey**

COMMISSIONER	AYES	NAYS	ABSTENTIONS
Christopher Collins	X		
Gilbert Harden, Sr.			
Tasha Humphrey	X		
Ian K. Leonard	X		
Jose Javier Ramos	X		
Maria Sharma	X		

Ian K. Leonard

Ian K. Leonard
Chairperson

ATTEST:

Olivette Simpson
Executive Director

The above has been reviewed and approved as to form.

Mark P Asselta

Mark P. Asselta, Esq.
Board Counsel

Exhibit A

N.J.A.C. 5:30-9A.7 - Policies and Best Practices Governing the Use of Procurement Cards

(a) **The local unit, local authority**, or county college shall establish the following procedures to ensure that the use of procurement cards is governed by sound fiscal and management controls:

1. All authorized procurement card users, individuals responsible for supervisory review, individuals responsible for activity reconciliations, the purchasing agent, the program manager, the chief administrative officer, and the CFO are required to complete training on the policies and procedures governing the use of procurement cards;
2. Procurement cards shall be issued in the name of a specific individual. Said individual, upon completion of the requisite training, shall complete and sign a contract of understanding that includes financial responsibility for misuse of the procurement card. A card shall not be issued unless it can be shown that such issuance is necessary for the conduct of ongoing operations in the normal course of providing government services;
3. Under no circumstance shall procurement cards be utilized for personal use. Procurement cards shall not be used for travel and dining expenses for government employees, volunteers, or officials. Existing law, N.J.S.A. 40A:5-16.1, provides mechanisms for employees to receive travel and expense funds in advance. Subject to the authorization process and limits of this subchapter, procurement cards may be used by a Qualified Purchasing Agent of a county, or the County Sheriff or County Prosecutor if authorized by a resolution or ordinance of the governing body of the county, to arrange for travel, room, and board expenses of defendants, witnesses, or experts required for matters before the courts. This section shall not be interpreted to bar the use of procurement cards for the cost of educational courses, or registration for conferences and conventions sponsored by a nonprofit organization;
4. A procurement card is not to be issued to an individual who is neither covered by a fidelity bond nor by a blanket honesty policy held by the local unit, local authority, or county college, and shall be cancelled if a person to whom a procurement card is issued becomes ineligible for coverage under the fidelity bond or blanket honesty policy; and
5. Violations of policies governing the use of procurement cards or intermediary transfer agents shall result in appropriate remedial or disciplinary action without regard to the position held by the card user.

(b) The chief administrative officer, in consultation with the chief financial officer and the program manager, if that individual is someone other than the chief financial officer, will identify positions within the organizational structure that will benefit from the use of a procurement card and establish limits by amount, period (time), and category of usage permissible. Under the supervision of the chief financial officer, the program manager shall develop and administer a supervisory review process, as well as engage in any other oversight or management duties required to ensure the proper usage of procurement cards.

Exhibit A (cont'd)

(c) The chief financial officer or an individual under the supervision of the chief financial officer other than the program manager shall be responsible for reconciliation of activity.

(d) The program manager, subject to the supervision of the chief financial officer if the program manager is someone other than the chief financial officer, is responsible for the identification, analysis, and management of all risks associated with the use of procurement cards.

(e) The local unit, local authority, or county college shall publish and distribute within the organization all policies and procedures that govern all procurement card users, their supervisors, the purchasing agent, the accounts payable, and accounting personnel responsible for reconciliation of procurement card statements and the disbursement of funds in satisfaction thereof. Said policies and procedures shall, at a minimum, describe the following:

1. Who may use a procurement card;
2. The documentation required to be submitted by authorized procurement card users to support transactions, including electronic funds transfers;
3. The training required before an individual is permitted to use a procurement card;
4. The types of transactions permitted (personal use is not permissible);
5. The initial limits and procedure for establishing or revising limits in the future;
6. Encumbrance of limits assigned or amounts to be transferred electronically;
7. The penalties and disciplinary action to be assessed for improper use of a procurement card;
8. Who is to conduct supervisory reviews;
9. Procedures for contesting items appearing on the procurement card statement;
10. Procedures for collecting restitution resulting from misuse;
11. Reconciliation of activity; and
12. Requirements for distribution of funds to the issuer.

Exhibit A (cont'd)

(f) The chief financial officer shall assure that the following information is gathered and reviewed prior to any disbursement of funds to the issuer:

1. Evidence of each transaction, including a receipt or other acceptable documentation provided by the vendor of goods or services, and certified by the authorized procurement

2. card user pursuant to N.J.S.A. 40A:5-16. b, as having been received as described;

3. Evidence of supervisory review, certified by the reviewer that the purchase was appropriate and necessary;

4. A reconciliation of activity performed upon the transaction evidence, supervisory review, and procurement card issuer statement; and

5. A distribution report indicating the complete allocation of funds to be paid against previously appropriated and encumbered items.

(g) The chief financial officer is responsible for monitoring and assessing the quality of internal control performance on a continuing basis to assure that all controls are actively pursued each cycle without exception.