

WELLS FARGO PAYABLES CARD

Issue(s): **1)** Utility Payments “Net Payment” terms are often less than 30 days, with some at 15 and 18 days. **2)** There are utility payments every week (to avoid interest payments which is not always successful) and when Court is not in session, the Treasurer is at risk when authorizing payment. **3)** Utility Payments are one of the reasons Accounts Payable employees could not work from home in the early days of COVID-19.

Background: Utility type billings are monthly, recurring expenditures. The County has a JP Morgan sponsored Procurement Card (PCard) managed by the Purchasing Agent. Per Purchasing guidelines, the PCard cannot be used for purchases after the fact, making it inappropriate to use the PCard for utility type payments. Attempts to attain a Payables card from JP Morgan have not been successful and there has been concern about billings getting mixed up if we had two different credit cards with the same vendor.

Discussion: Wells Fargo offers a Payables card (Commercial Card) as part of their Treasury tools (covered in their contract). This card can be issued at the Department level and would not be issued to individuals (greatly reducing the number issued). The Payables card could be used to pay monthly recurring bills such as utilities and telecommunications. Use of a Payables card would also allow the Auditor’s Office to automate the payment process using the same procedures as the monthly PCard, which is totally electronic. Individual invoices would no longer be paid weekly but would be paid on a monthly Payables card billing (like the monthly JP Morgan payments). The same strict auditing procedures would apply as currently apply, for both the Department and the Auditor’s Office. The Treasurer has offered to manage the program.

Recommendation: That the Commissioners Court authorize a trial period with three Departments test driving a Payables card and using it to pay utility and telecommunication bills upon receipt. That the Treasurer and Auditor evaluate the results of several months of use and determine if the Payables Card should be expanded. If expansion is recommended, that the Treasurer and Auditor jointly sponsor a recommended policy that would be presented to Commissioners Court for approval.