



# Supersizing your Card Program

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# Agenda & Objectives

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## **Agenda:**

So, you want to grow your card program but are not sure where to start. Look at how to identify and update areas of your policy and procedures that limit card spend. Identify and implement potential changes to increase/maximize spend in order to increase cost savings and revenue sharing (rebate).

## **Objectives:**

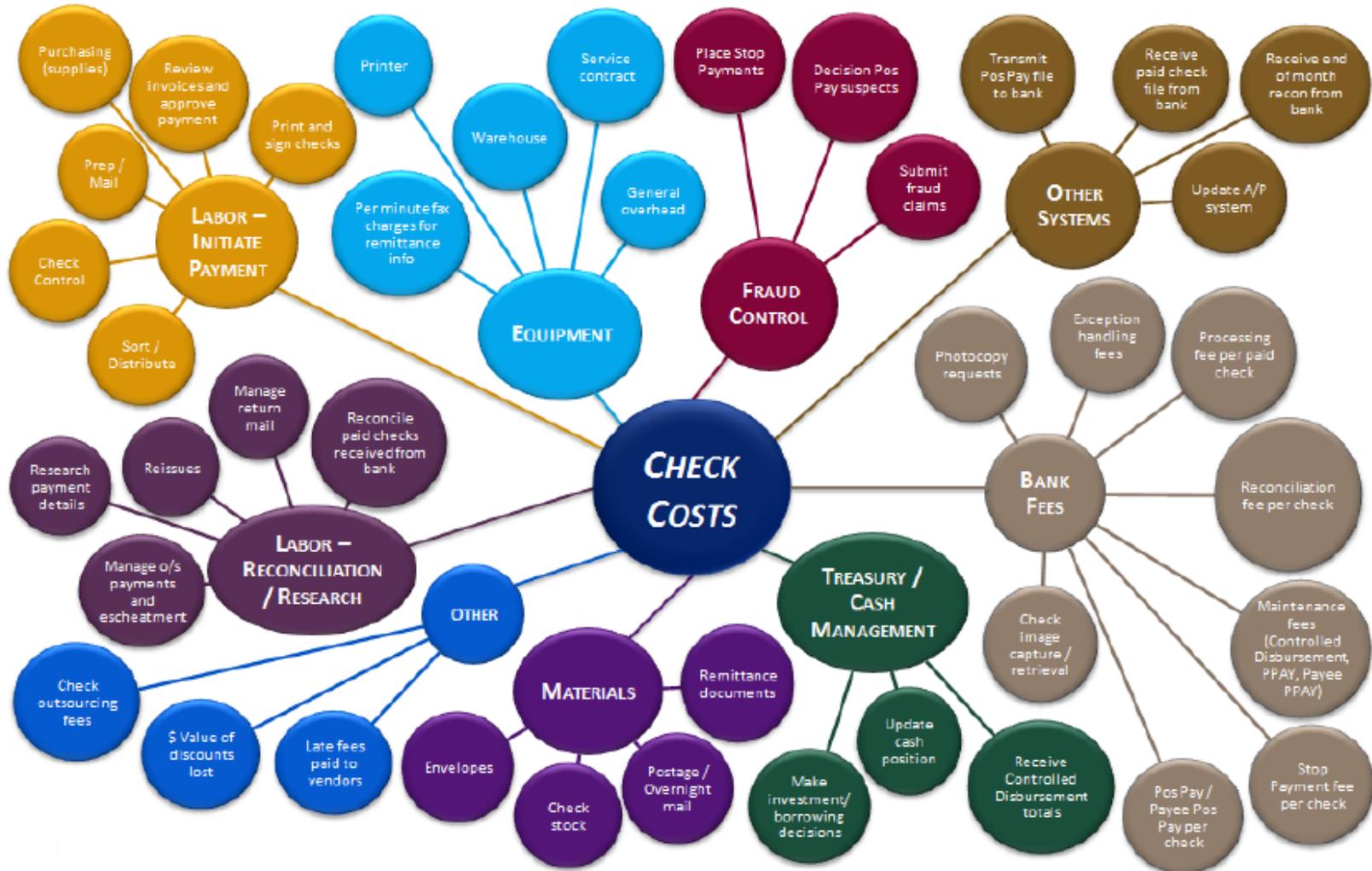
Learn new ways to grow your card program.

## **Session Rules:**

When you ask a question or share information, please tell us your name, where you work and your accounting system

# Cost of Paper Checks

## The tangled web of check costs



# Adding value with Purchasing Card

Purchasing card related savings contribute to an increase in the market value of corporations.

Purchasing card use saves money and time.

Traditional paper-based PO format  **\$89.99** Per Transaction  
Plastic purchasing card  **\$20.14** Per Transaction

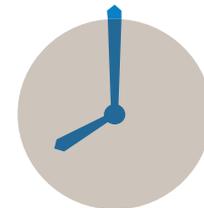
**78%**  
reduction



**Savings of \$69.85 Per Transaction**

Traditional paper-based PO format  **9.9** Days  
Plastic purchasing card  **2.9** Days

**71%**  
reduction



**Savings of 7.0 Days**

# Calculate your cost savings

# of Card Transactions	Savings Per Transaction	Savings
1,000	\$70	\$70,000
2,000	\$70	\$140,000
3,000	\$70	\$210,000
4,000	\$70	\$280,000
5,000	\$70	\$350,000
10,000	\$70	\$700,000
20,000	\$70	\$1,400,000
30,000	\$70	\$2,100,000
40,000	\$70	\$2,800,000
50,000	\$70	\$3,500,000
1,881,622*	\$70	\$131,713,540

\*FY18 – number of transactions on the COV contract

- **Offer easy online access to your Policies & Procedures**
  - Create a frequently asked questions document
  - Mandate use of purchasing cards for transactions that are below a specific dollar amount
  - Distribute cards to a higher % of employees, have higher spending limits, and adopt policies to drive low-value spending to the cards
  
- **Regularly communicate purchasing card info to cardholders, managers and department heads**
  - Engage in actions to actively promote card program growth
  - Re-launch your card program
  
- **Assess purchasing card program potential by analyzing check payment**
  - Target specific vendors, commodities or services for card payments

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**Are you getting the most benefit from your Card program? Do you have the ability to move additional approved spending from check to Card?**

- **Is my organization utilizing the Card in all departments? Are all departments using Card whenever possible?**
  - Cards in Purchasing
  - Cards in IT for technology purchases
  
- **Is the Card being used for travel related expenses?**
  - Using the P-Card for purchasing and traveling
  
- **In our Bids and RFP's, are we including language that we want to make payments by card **WITHOUT ANY FEES.****

- **Can we incorporate Cards into the AP process?**
  - P-Card for invoices that can be paid by VISA/MC or ePayables
  - Work with AP to send invoices back to the department if the purchase is under your single transaction limit.
  
- **Question PO's for low dollar purchases**
  
- **Do you still have Petty Cash accounts? Use the P-Card**
  
- **Do you still have single-purpose cards? Use the P-Card**
  - Office Depot, Home Depot, Airline Cards, American Express for travel
  
- **School Districts**
  - Can you use the card for commissary/cafeteria purchases
  - Cards at each school for bookkeepers and principals
  - Student activity funds

# Maximize Your Card Usage

**Target simple/low risk commodities and services for immediate impact. Focus on 3-5 at a time.**

- Courier Services
- Electrical Supplies
- Equipment Leasing
- Fax Machines
- Fax Supplies
- Fleet Costs
- Freight
- Furniture
- Guard Services
- Hardware
- Relocation Services
- Industrial Supplies
- Inventory
- Janitorial Supplies
- Legal Services
- Locksmith
- Maintenance Contracts
- Mailing Equipment
- Medical Exams
- Document Management
- Nursing Services
- Office Supplies
- Overnight Mail
- Pagers/Wireless
- Parking
- PC Leasing
- Periodicals
- Pest Control
- Photocopying
- Photographic Material
- Printing
- Production Services
- Promotional Items
- Virtual Offices
- Storerooms
- Subscriptions
- Temporary Services (Clerical/Technical)
- Trade Shows
- Training
- Truck Parts
- Uniforms
- Work Orders

## Vendor Analysis

- **Bank of America can analyze your vendor history file and tell you which vendors accept Card payments.**
- **VISA matches on a combination of data such as, Vendor Name, Vendor Address, Tax ID and rates each match as :**
  - High** = Match on supplier name and full address and/or other data provided
  - Medium** = Match on supplier name and partial address and/or other data
  - Low** = Match on supplier name only
- **Target the card accepting vendors for your program**

# Questions & Wrap Up

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