



## **Virginia Virtual Payables Card Initiative Supplier FAQ**

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### ***Program Strategy***

- 1. Why has the Commonwealth of Virginia decided to partner with Bank of America to provide virtual card payments to suppliers?**
  - Our goal is to optimize our commercial card program to gain process efficiencies, better manage our working capital management, and reduce overall cost associated with processing paper checks.
  - The virtual card program also supports our green initiative by reducing our use of paper.
  - Suppliers benefit from this move to electronic payments in that the BofAML virtual card payment process is consistent and predictable while also allowing for streamlined payment acceptance on your end.
  
- 2. What benefits might a supplier experience by taking payment via virtual card?**
  - More and more, suppliers are coming to realize that they can enjoy significant, tangible savings from accepting a virtual card payment from their customers including:
    - *Working Capital Management*: By allowing the Commonwealth pay with a virtual card, you could receive payments up to 14 days earlier.
    - *Process Efficiency*: Suppliers can reduce internal processing and transaction costs by eliminating paper-based processes, including check processing and associated reconciliation efforts.
  
- 3. Can suppliers receive payment by ACH instead of card?**
  - Our goal is to expand our virtual payables commercial card program as much as possible in order to optimize the benefits we can achieve from process efficiency, working capital management, and spend visibility. As such, our preferred method of payment is via the Bank of America virtual card.

- If your organization insists on a payment method other than virtual card, ACH funds are available but you will lose the early payment incentive.

#### **4. Are there fees associated with receiving payment by Visa card payments?**

- Although the Commonwealth does not charge a fee for the Virtual Payables Card program, the standard processing fees administered by a supplier's merchant acquiring bank will apply. We encourage suppliers to review their merchant account agreement and discuss ways to achieve the most favorable rates with their bank. Additional programs may be available to help reduce these fees based on the transaction size, level of data provided, and frequency of transactions processed.
- We do not authorize additional convenience, check out, or surcharge fees when processing our credit card payments.

### ***New Payment Process***

#### **5. How will card payment change the Commonwealth's current purchasing and payment process with suppliers?**

- The current processes for orders and invoices will remain the same. The only change will be to the payment process.
- Virtual Payables works the same as your current process you have in place to receive payment with a traditional credit card.
- There are two options available to receive your dedicated card information, please select one:
  - 1) Dedicated Card Account - Your Company is issued a 16-digit virtual card account number and keeps this information on file.
  - 2) Secure Email Delivery - Your Company does not wish to house the 16-digit virtual card account number; instead, you will leverage a secure email process to access the account number with each payment received.
- Upon enrolling, suppliers will receive an automated remittance notification email alert of the amount to charge and other pertinent details of the transaction. The new process will allow both suppliers and the Commonwealth to streamline operations.

#### **6. What is the process for being paid by the Commonwealth's Virtual Payables Card program?**

- Once enrolled to accept virtual card payments, suppliers will receive an automated remittance notification email alert each time a payment is made towards an invoice.
- The way a supplier processes the payment is dependent on whether the supplier has kept the virtual card account number on file or not.
  - If you have the account number on file, you will process the amount of the payment noted on the email remittance just like you would any standard credit card transaction.
  - If you have elected to use secure email, you will need to log in to your secure email account to retrieve the appropriate account information necessary to process the transaction.
- We ask that suppliers include the appropriate invoice numbers and/or purchase order numbers when processing the transaction.

### ***Additional Help***

#### **7. What do suppliers need to do to enroll in this program?**

- For those **suppliers who currently accept credit card payments**, they can begin this new payment arrangement by completing the below information (include multiple remittance addresses as appropriate) and send it to the Commonwealth Enrollment Team at [virtualpayables-supplierenrollment@bankofamerica.com](mailto:virtualpayables-supplierenrollment@bankofamerica.com).

Legal Company Name (if different than above):	
Please Select Option:	<input type="checkbox"/> [Option 1] Dedicated Card Account Delivery <input type="checkbox"/> [Option 2] Secure Email
Acknowledgement:	<input type="checkbox"/> I understand this is a credit card product and requires the ability to process a credit card transaction in order to enroll. I understand I will not receive a physical credit card.
Physical Address:	
City:	
State:	
Zip Code:	

Contact Name:	
Contact Title:	
Contact Phone:	
*Remittance Email(s):	

\*This is either a Receivable Department email or designated person to process card transaction payments.

- Suppliers will then be provided with a Visa Commercial Card account number to use for payment. In the future, the supplier will receive an email notification indicating the charge amount and the remittance details for each payment. We also ask that suppliers include the appropriate invoice number(s) and/or purchase order number(s) when processing the transaction for our reference.

#### 8. Where can more information about accepting Visa card payments be found?

- Comprehensive information is available on Visa.com at <https://usa.visa.com/support/small-business/regulations-fees.html>. Merchants will find materials related to card acceptance guidelines, Visa operating regulations, and Visa interchange fees.

#### 9. Who do suppliers contact with additional questions?

- For enrollment support or questions about the Commonwealth Payables Automation program, please contact [virtualpayables-supplierenrollment@bankofamerica.com](mailto:virtualpayables-supplierenrollment@bankofamerica.com).
- To learn more about how virtual payables works and the many benefits of accepting payments by credit card, please type the following URL into your browser: <http://www.bofaml.com/virtualpayables>.
- For questions about payment status or to speak with a Virginia representative, please contact [eCommerce@doa.virginia.gov](mailto:eCommerce@doa.virginia.gov) or 804-786-0874.