

Options Abound for Increased Savings Potential

## Getting the Most From Your Purchasing Card Program

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Many public and private sector organizations have been using one-card purchasing programs or purchasing cards for many years for routine high-volume, low-dollar purchases — with substantial benefit to their bottom lines. According to a recent study, large corporations currently using purchasing cards and planning to implement a program within the next two years have risen from 90 percent in 2000 to 97 percent in 2004.\* Clearly, reductions in administrative costs, improved tracking and strengthened management controls resulting from these programs are appealing to these organizations.

But if an existing purchasing card program is not meeting its original performance goals, or if the overall program has not been re-evaluated for ROI (return on investment) in some time, inherent inefficiencies may compound over time and important savings may be overlooked.

### Boosting Your Program

There are many opportunities to help a company's purchasing card program reach its full savings potential. A few factors in achieving that potential include:

- **Dedicated staffing** – Companies' purchasing card programs are often implemented, as we have seen from experience, without the dedicated staff necessary to properly manage the day-to-day administration required to run a program at its full level of efficiency. Assigning a dedicated person or team to handle program maintenance (e.g., updating cardholder limits and maintaining card demographics and parameters) may help in your efforts to ensure that your process yields its full cost-savings potential.
- **Goal benchmarking** – Periodically evaluating your original goals set for a purchasing program may help you keep pace with today's technology. Your program may benefit from new procurement and accounts payable applications and online data management techniques, for example, that integrate mainstream business activities, such as payables and finance functions, into existing purchasing programs\*\* for added bottom-line potential.
- **Expanded procurement categories** – If your program focuses on small-dollar purchases, such as office, maintenance and operating supplies and equipment, you may want to consider that many options exist for allowing virtually any size company to leverage an existing program as a payment mechanism for large-dollar expenditures, including capital,

raw materials and utilities. Introducing larger purchases into your program may offer substantial cost savings on net spending volumes for your organization.

### The Mellon Advantage

Mellon's Corporate Card services continue to be the purchasing payment-vehicle of choice for hundreds of organizations. Offered through MasterCard®, which is accepted by approximately 24 million merchants worldwide, our Purchasing, Travel, Fleet and Multi Card services offer customers a wealth of benefits including:

- reduced time and paperwork associated with the traditional purchasing process;
- access to advanced electronic purchasing, presentment and payment tools;
- leveraged purchasing data via Internet-based reporting;
- real-time maintenance access for program administrators to maintain updated program details; and
- rebate opportunities on large, net-spending volumes.

Mellon's Purchasing Card program is designed to achieve success for our customers based on the combined strengths of a well-designed product that include:

**Implementation/conversion quality** – A project management approach allows you to work with a single, highly knowledgeable contact, while a background team of experts supports the entire conversion process.

**Flexible program options** – We offer a fully customized program that meets customers' specific needs. Some organizations, for example, prefer a declining balance card for certain cardholder populations, with individual cards billed to certain travelers and corporate billed cards for the others.

**Consultative program support** – With some card providers, only the top tier customers receive detailed support. Mellon's approach is to offer a consistent level of consultative support across the board. We can assist you in benchmarking your program and driving program growth within the parameters defined by your organization's management.

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**Customer service strength** — 100 percent of our customers who responded to Mellon's most recent annual Corporate Card Customer Survey indicated overall satisfaction with the Mellon Corporate Card program.\*\*\*

In evaluating your current purchasing card program, you may want to consider Mellon's level of expertise, sophisticated technology and extraordinary customer service as powerful tools to help your organization work better, faster and at potentially lower cost.

For more information about the Mellon Purchasing Card and Corporate Card services, contact our cash management experts at 1 800 424-3004 or e-mail us at [gcm\\_direct\\_pgh@mellon.com](mailto:gcm_direct_pgh@mellon.com).

\*Phoenix-Hecht® 2004 Cash Management Monitor™

\*\*The 2005 Purchasing Card Benchmark Report, p. 18, Aberdeen Group; <http://www.aberdeen.com>.

\*\*\*Mellon Corporate Card Services Client Survey. July 2005.

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Receive Automatic Notification of Account Information Availability

## Mellon iTelecash Expands Reports Available on Event Manager

Mellon Global Cash Management (GCM) has expanded the Event Manager module available on Mellon iTelecash®, its Web-based information reporting and transaction initiation service, to include Multibank Prior-day Reporting.

The Event Manager module, which automates the delivery of report information through a variety of proactive delivery options, including e-mail, fax or e-mail capable wireless devices, can now notify customers when prior-day reporting information for a single account (or multiple accounts) is available.

The iTelecash Multibank module is designed to allow customers to efficiently monitor and access account information from many banks worldwide through one convenient source.

Event Manager users can quickly and easily access critical information without the need to continually request reports from Mellon for unpredictable events. In addition to the Multibank Prior-day Reporting event, the service can send data related to many Mellon GCM services, including:

- **Wire Transfer Activity and Pending Funding/Approval** – Notification of specific incoming or outgoing wires completed or received.
- **Automated Clearing House (ACH) Received Activity** – Automatic notifications of incoming ACH transactions to aid in isolating specific report data, such as government payments that have been converted to ACH payments, including ACH Returns and Prenotes/Notification of Changes (NOCs).

- **Positive Pay Activity and Pending Review/Approval** – Notice of or detail on daily suspect items to reduce time spent checking for such data and hasten decision-making on suspect items.
- **Automated Wholesale Lockbox Activity and Availability** – Prompt notification of payments received into an automated wholesale lockbox, allowing for faster payment posting.
- **Masterfile Payment System Activity** – Automated delivery of daily Masterfile Payment System activity, including payment confirmation and notice of individual locations' payors' daily receipt of transaction register reports.
- **Current Day Balance Monitoring** – Notification when an account's (or multiple accounts') aggregate position moves above or below a user-defined threshold, providing insight for quick and effective decision-making.
- **Automatic Investment Service** – Automated reports about the funds that will sweep (if seeking a projection) or did sweep (if triggered to occur at sweep time) to aid in investment decisions.
- **Customer Initiated Payments** – Automatic notice when payments are generated.

For more information on Event Manager, or any of the services offered through Mellon iTelecash, contact us at 1 800 424-3004 or e-mail us at [gcm\\_direct\\_pgh@mellon.com](mailto:gcm_direct_pgh@mellon.com).