



THE EDGE

Meet SAM

It's technology that adapts to your needs, not the other way around



Drawing on more than 12 years of experience serving some of the world's most complex and demanding commercial card customers, Corporate Payment Services has recently released our Strategic Account Management (SAM) System.

An online electronic reporting solution that supports the real-time management of travel, purchasing, and other commercial card and e-settlement programs, SAM is an advanced and flexible system designed to drive savings by capturing and delivering information in ways that help you save time, cut costs, and make strategic business decisions—all from your desktop computer.

Increase Automation to Streamline Processes

SAM automates transaction accounting to a high degree. Multiple accounting fields are supported. This provides the flexibility to support complex and demanding project-level accounting and organizational hierarchies.

"Customers, especially those with complex project code accounting and global travel needs, will find that the system delivers increased accuracy, streamlined reconciliation processes, and more time and information to negotiate with vendors," said Trent Hale, Product Manager.

Mapping features at the cardholder, customer code, and supplier group level can automate an estimated 75 percent or more of all incoming

Inside: Highlights from Customer User Group Conference

transactions, transmitting the data to the correct general ledger account without editing by the user.

In addition, the system fully supports GE's vPayment e-settlement product, which automatically passes purchase order or invoice number in the MasterCard® transaction record, regardless of the supplier's data capture capability.

vPayment transactions automatically map to the correct GL account

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New Features Added to vPayment

2004—Issue II

without manual editing. When the features in SAM that support vPayment are utilized, the percentage of “hands-free accounting” can rise to an estimated 90 percent or more.

Transaction Review

Transaction Review allows the user to view a transaction or recode a transaction’s accounting. This function offers user-customizable views. Other features include:

- Search for transactions or accounting codes
- Edit expense type classification
- Split transaction accounting by dollar or percentage amount
- Enhance/edit transaction descriptions
- Edit sales tax/accruals
- Single-line transaction summary option
- Dispute a transaction

Users can research historical transactions for an unlimited number of months.

“Transaction Review allows administrators to delegate responsibilities without sacrificing control,” said Hale.

Cross-Field Limitation for Enhanced Accounting Accuracy

SAM’s cross-field limitation feature is another important way the system promotes speed and accuracy. The cross-field limitation enables program administrators to create and support multiple charts of accounts in a single database. Accounting codes of linked fields are limited to valid combinations only, meaning the user sees only those accounting strings appropriate to his or her department or project. When you add accounting strings, they are automatically updated in the user profile. Accounting codes cannot be deleted or changed when they are assigned as a default code or to an active transaction.



“This means that a transaction being charged to the marketing cost center cannot be assigned a general ledger code such as building maintenance. Only transactions with the cost center of facilities would be assigned to the building maintenance general ledger,” Hale explained.

Customized to Fit Your Needs

SAM is highly customizable to your brand and operations. You can name the system what you like, create a banner graphic to appear on each page, set up different levels of access for different users, set up a default profile for all new users, rename the accounting fields in the system, and more.

The system consolidates and minimizes administrative efforts; organizations that have individual-bill travel card and central-bill purchasing card programs can manage both on a single platform. SAM lets you mine the rich detail of transaction addendum records, including airline, hotel folio, and shipping/courier. These features automate the many tasks of card program administration, and support your policies and program goals.

SAM is a malleable environment that adjusts to the end user’s liking. You can post links to your frequently run reports and queries (much like a “favorites” list on your web browser) and opt to display the results of frequent reports, queries, and processes.

You can also set up a push reporting schedule to key stakeholders. For example, you can set up a monthly spending summary report for your CFO or division leader. On the date and time designated, the CFO or leader receives an email with a secure hyperlink to the report, which can be in pdf, rtf, or xls format. This feature reduces the amount of time you spend distributing routine reports and keeps the program visible to upper management.

User-Friendly Features

The system follows familiar menu and window navigation conventions which make it easy to learn.

“SAM is designed to be so user friendly that we like to consider it a ‘No training required’ system,” said Hale.

The system remembers report grid designs and other sizing/arranging properties and keeps them as defaults until you change them. The query feature will also retain the most recent criteria settings. The accounting field names are user-defined, allowing application-wide replacement of the standard names with names that match your organization’s unique conventions.

Seamless Maintenance

SAM offers real-time account maintenance that allows you to adjust account limits at any time. The system also maintains a new accounts folder, so you can change parameters on specific accounts when they are first loaded into the system.

Administrators can close an account, view authorizations, raise or lower an account’s monthly spending and single

purchase limits, place a temporary limit increase or decrease that expires on a given date, and change demographic information.

Global Capabilities

To help you manage spending on a worldwide basis, you can load global transaction data in more than a dozen currencies, including the euro, with flexible options in currency conversion and reporting. You have the capability to utilize all standard reports plus ten specific global roll-up reports. Additionally, you have full query functionality to monitor your global activity.

The global features in SAM represent a step forward in new functionality. For example, your organization can view transaction data in its native currency, or convert all transactions to a base currency (e.g. US dollars) to provide an overall picture of global spending. Additionally, you can view transaction detail within each level of the global hierarchy. In other words, you can drill down to individual restaurant charges in the UK, Hong Kong, or Australia, with the same utility you can use to view US-based transactions.

Reports and Queries

SAM is a powerful tool to drive vendor negotiations and cardholder compliance. The system provides scores of standard reports that span e-settlement, travel, purchasing and fleet card management, and cardholder and supplier activity. In addition, the highly intuitive query tool can access hundreds of fields and provides flexibility in the look, format, and timing of the output.

“The query capabilities in SAM allow users to cast the net wider,” said Hale.

Travel Features

The system includes a suite of detailed T&E reports. Reports cover various aspects of travel spending at the

cardholder, department/division and corporate levels, including air/rail, rental car, and hotel spending, as well as overall spending.

SAM is also designed to accept MasterCard’s addendum records including hotel folio data. All fields within the addendum are available to the query function. For example, you can set up, save and schedule queries on mini-bar purchases, dry cleaning, in-room movies, and other charges you would like to control.

SAM also supports your organization’s cost-control efforts providing you access to comprehensive delinquency reporting for individual-bill travel card programs, as well as other compliance-related reports and queries.

You can set up a cash advance or retail purchases query that runs every Wednesday evening. When you log in Thursday morning, the output is waiting for your review, supporting your compliance and controllership efforts.



Purchasing Features

SAM provides a wide range of supplier management tools and opens up new spend categories for purchasing card. These range from reports that help you track spending with specific suppliers or supplier groups, to a field that displays contract spending year-to-date, to supplier demographic information that helps you manage 1099 and other reporting needs.

The system interfaces with General Ledger and ERP systems and supports sales and use tax accounting.

Administrators also have access to a wide range of reports that indicate what cardholders are purchasing and which suppliers they’re using.

Optical Imaging System Interface

If your organization has a process by which you optically scan receipts, SAM can supplement your efforts. Per your policies, in Transaction Review the user can select the option to include receipts in their processing bag. The user then runs the submission report, which identifies only those receipts selected. In addition, it prints a barcode on the report to facilitate report inquiries and matching. The user includes the report in their processing bag.

You can use the Receipt Policy function to establish retention policies that indicate when a receipt does not need to be retained. The function can support up to three criteria per policy.

“SAM eliminates the work that goes into administering your program by automating the routine and highlighting the exceptions,” said Hale.

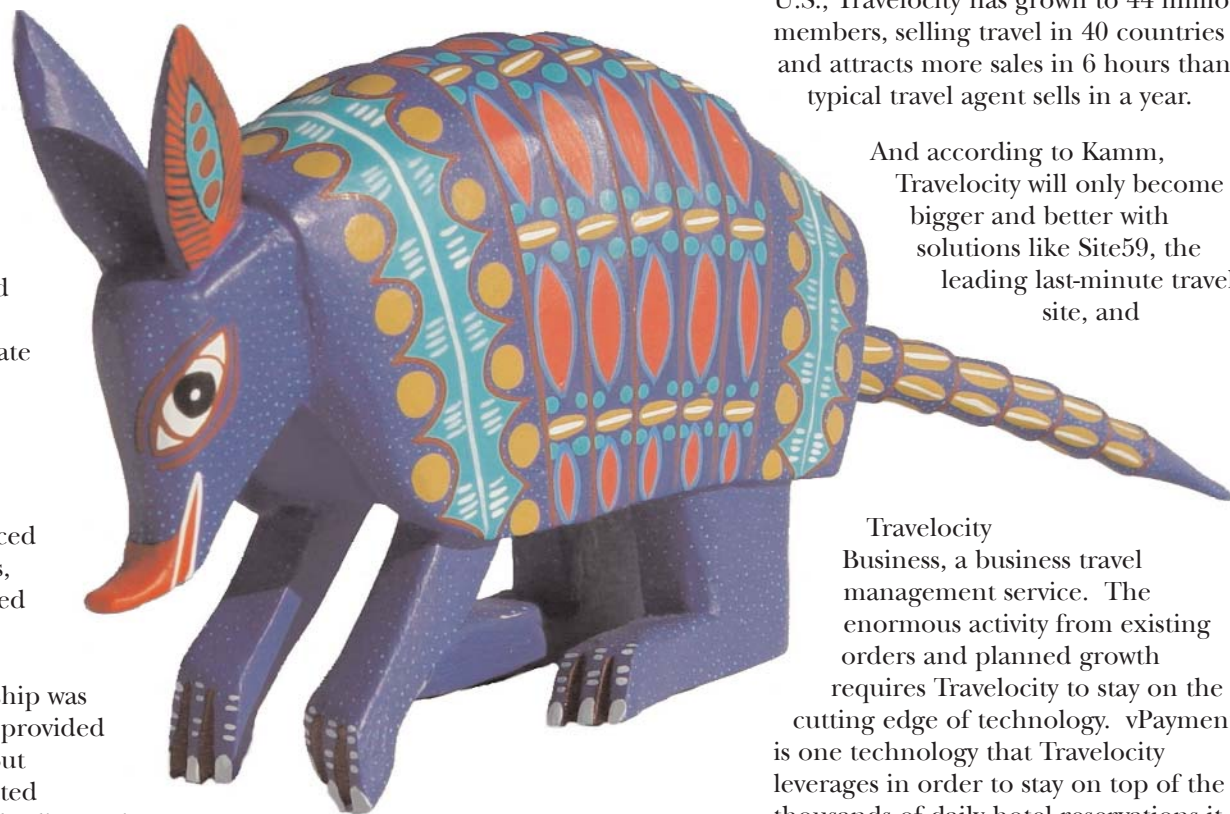
Corporate Payment Services Holds Ninth Annual User Group Meeting

In San Antonio, Texas purchasing professionals gathered to “ponga sus ideas en la acción” (put their ideas into action) at Ideas Sin Fronteras (ideas without borders). At their 9th annual Users Conference, GE lassoed the best ideas and practices in the corporate payment industry and presented them to delighted audiences.

Ranging from product introductions to advanced technology instructions, breakout topics educated all levels of users; Even Corporate Payment Services’ senior leadership was educated by users who provided invaluable feedback. But perhaps the best educated attendees were those who listened closely to each other and networked with experts and peers in the industry.

Peer idea sharing was championed at the Customer Best Practice session. A regular attendee favorite, the customer best practice session allows professionals to share fresh solutions, lessons learned, and future program goals.

This year’s speakers represented industries as varied as marketing services, education, and travel. Topics included how to maximize vPayment, expand card usage, and the future of purchasing card certification.



Now the 6th largest travel agency in the U.S., Travelocity has grown to 44 million members, selling travel in 40 countries and attracts more sales in 6 hours than a typical travel agent sells in a year.

And according to Kamm, Travelocity will only become bigger and better with solutions like Site59, the leading last-minute travel site, and

Travelocity Business, a business travel management service. The enormous activity from existing orders and planned growth requires Travelocity to stay on the cutting edge of technology. vPayment is one technology that Travelocity leverages in order to stay on top of the thousands of daily hotel reservations it makes.

Previously, Travelocity used a manual invoicing system to obtain billing information from their network of 12,000-plus merchant hotels. “The 60-90 day payment delays of manual invoices caused cash flow problems at many hotels and resulted in a significant number of missed billings,” confided Ed.

The first attempted alternative to manual invoicing involved ghost cards (high-limit account provided to suppliers). The specific accounts, which can be used over and over, were linked to each hotel in the Travelocity network.

Maximizing vPayment

Travelocity
Ed Kamm

Ed Kamm joined Southlake, Texas-based Sabre Holdings in 1994 and has risen steadily in the ranks, being named CFO of its online travel service, Travelocity, in 2003. In his presentation at Corporate Payment Services’ User Group Client Best Practices session, Kamm explained how Travelocity, the first online travel site, has pushed past established frontiers in online payment and procurement.

Although this resolved the payment delay and eliminated the paperwork inherent in manual invoicing, it created new "reconciliation nightmares and fraud concerns."

Kamm presented examples of ghost card problems. "Hotels would aggregate a large number of bookings and charge them together in a single transaction. This aggregate transaction could not be broken down and tied to individual customer orders."

Fraud concerns developed when hotels would process payment for reservations that had not yet been consumed. Anxiety was heightened by the high turnover rate of front desk clerks in possession of the ghost card account numbers.

These concerns led to the development of Travelocity's current vPayment solution. vPayment not only delivers immediate payment on check-out to hotels for guest stays, it also controls the time and amount of payment, and helps to automatically reconcile hotel billings with customer orders.

Kamm imparted the three-fold security structure available through vPayment. By putting date constraints on the transaction, hotels are restricted from running cards before the service has been delivered. Amount tolerances allow maximum ten percent flexibility in hotel billing. Merchant code restrictions ensure that cards are only used in the appropriate industry.

But there was still the issue of reconciliation. Kamm outlined the obstacle. "vPayment card numbers are drawn from a pool card numbers and are used to secure reservations in Travelocity's name and transmit relevant transaction details to the hotel. These cards are cycled regularly and are not unique to each individual transaction."

This final reconciliation concern was addressed by a custom solution created by GE for Travelocity. To enable



Techniques to Expand Card Usage

Adams 12

Cristal Swain

Based in Thornton, Colorado, Adams 12 Five Star Schools administers a K-12 Public School District in the North-Denver Metro Area. Cristal Swain, purchasing manager, has managed Adams 12's purchasing card program since its inception in January 2000. She has watched as purchase orders have decreased by 88 percent and capture rate on the card has increased to 74.5 percent.

automated transaction-level reconciliation, a unique transaction identifier field was added. Once the new field was created and implemented, individual transactions were seamlessly tied to customer orders, and the chance, however small, that a "recycled" account number could be used at the same hotel for a similar amount was overcome.

"Ease of use and low prices are critical to Travelocity's success," acknowledged Kamm. With vPayment, response times on vPayment account requests are consistently 0.5 seconds or less for transactions that number in the thousands per day. Travelocity's costs are reduced because we no longer have to sort through 95 percent of compliant transactions to identify the smaller percentage of problem transactions.

The ability to quickly match valid transactions and highlight exception transactions over the tolerance threshold is crucial to Travelocity's cost containment model, Kamm said, cheering GE's program. "It is a tremendous system which results in significant savings. We trust vPayment to handle millions of dollars in payables per month and thousands of unique transactions per day."

The shift to purchasing card spending has allowed school personnel to concentrate on their core service of education. Cristal described the switch in focus. "Instead of worrying about getting the materials to educate, now the process is set up so the materials are there when needed, and teachers can concentrate on educating students. On the flip side in administration, we're able to focus on contracts and getting better prices rather than pushing PO's out the door."

Cristal also acknowledged that purchasing card program benefits

We trust vPayment to handle millions of dollars in payables per month and thousands of unique transactions per day." —Ed Kamm

included a decrease in delivery time of materials and an increase in order accuracy "There are less people involved and fewer hands touching the transaction. Overall procurement costs have been reduced and paperwork has been cut in half compared to traditional ordering processes."

Given the above benefits, Adams 12 wants to expand and increase purchasing card usage. According to Swain, "anything that can be purchased with district funds can be purchased with a purchasing card." Adams 12 even requires a purchasing card payment clause in their supplier contracts.

To support this expansion, Adams 12 has instituted a comprehensive training program. The first matter addressed was the purpose of the purchasing card program. “The tool was pushed not as a credit card, but as a settlement tool,” explained Swain. The next step involved requiring potential cardholders to attend a mandatory training. There is also optional advanced training available. Outside of the classroom, cardholders can reference three different training

I can't imagine anything worse than a busload of excited kids swarming to the zoo gates, only to have payment declined. —Cristal Swain

manuals catered to different levels of understanding and complexity of needs.

Training is just one side of purchasing card program support. Swain and her team provide live, pro-active service to their cardholders on a daily basis. A key tool in providing this service to active cardholders is GE NetService. “When we first instituted our program, GE NetService was not yet available. We were on the phone with GE several times a day. On average, now that we use NetService we call GE less than once a month,” remarked Swain. “With NetService we can review real-time data on declines, balances, dispute transactions, update account information, look at our spend, and analyze trends.”

But Swain performs more than account maintenance with NetService; she predicts and prevents potential problems. Swain uses the tool to anticipate possible purchasing card declines due to exceeded credit limits. “We don't want our cards to be declined, and have cardholders fear ever using them again. I can't imagine anything worse than a busload of excited kids swarming to the zoo gates, only to have payment declined. Cardholders need to have confidence in their cards.”

Finally Adams 12 uses several communication channels to keep cardholders informed regarding changes to the purchasing card program. Regular company-wide emails are distributed detailing policy and procedure updates, audit information, and receipt collection.

Adams 12 encourages their cardholders to “drive program expansion,” stressed Swain. School competitions based on card volume and transactions processed are one inventive technique Adams 12 uses to

expand usage. Swain continued, “When one school outperforms another, the other school wants to know how they did it. It's a great way to share best practices with an interested audience.” Regular focus groups also allow cardholders to express opinions and drive program development.

Cardholders have helped Adams 12 to apply the purchasing card to a diverse range of spend situations. Administration pays for phone and utility bills on the card, as well as warehouse stock, and all of the furnishings and equipment for new schools. Recently they even paid for a new phone system.

One of Adams 12's favorite purchasing card applications is the payment of field trips. Before purchasing cards, teachers had to estimate how many children would be attending a field trip. Any variation in headcount would result in loose cash returned from the excess check total or a teacher having to pay out of pocket. When Adams 12 switched to purchasing cards, they gained the flexibility of having the exact amount available every time.

Outside of invoice reduction and payment savings, purchasing card has also helped Swain's team to make a

financial system transition. “During the thirty days prior to going live to our new financial system, all purchases were required to be made on a purchasing card. When the system actually went live, less than 100 PO's had to be transferred to the new system. The purchasing card gave us the opportunity to clean out the old system prior to transition.”

Looking back, Swain recommends assigning a dedicated program manager to the implementation of the new purchasing card program. “Also remember to include the end user along with representatives from all the core functions to ensure internal acceptance. Finally, don't be afraid to jump. Take it to the next level so you don't lose momentum.”

Going forward, Swain wants to raise their capture rate by ten percent; GE has already helped them to identify an immediate five percent increase opportunity. They have also established innovative construction-payment goals. The Adam's 12 team has previously used the purchasing card to pay for small construction projects under \$50,000. “Now our next goal is to build an entire high school on a purchasing card,” smiled Cristal.

VPayment Solution

Valassis
Wendy Robinson

Valassis has been connecting people to brands since 1970 and for seven consecutive years has been listed as one of Fortune Magazine's “Best Companies to Work for in America.” Valassis has earned its distinguished reputation through consistent innovation, and their BuyRight e-procurement program is no exception. Wendy Robinson, Manager of Strategic Sourcing for Valassis, related how her team used vPayment to centralize purchasing and create significant cost reductions. Affirmed Wendy, “vPayment is perfect for anyone wanting to get an hour back in their day, and eliminate some frustration.”

Valassis' first step toward forming a solution using vPayment was to review their current process. "Our former purchasing process was inefficient. We had four different pen suppliers and four different prices for pens. We were not leveraging the buy." The lack of streamlining resulted in late fees, missed payment discounts, and overall mass confusion.



Valassis took its second step by identifying the appropriate reconciliation tool: vPayment. Valassis needed its new e-procurement system to centralize purchasing, reduce process time, increase control, and reduce or eliminate paper invoices. By integrating with the e-procurement system, vPayment supported all this and more.

One particularly cost-effective benefit was robust security. Wendy informed the audience that under vPayment, unique credit card authorizations were issued to every supplier for every order for a pre-authorized amount with specified date and amount tolerances. There was now no need for hundreds of cards in the field. A pool of cards was cycled on a regular basis; no supplier receives the same account number in a six-month period. These maximum-security virtual cards provided optimum rebates, minimal maintenance, and were much less expensive than the traditional invoice-check process.

Robinson and her team finalized the initial building process by implementing vPayment in their custom e-procurement system: BuyRight. Robinson describes life with BuyRight as "Walking towards the light."



like to increase their vPayment spend to \$100 million by the end of 2005. In addition, Valassis will be working towards a solution that allows their traditional purchasing card users to reconcile charges within its e-procurement system. Robinson and her team hope to eliminate all forms of payment except purchasing card and

vPayment. In fact they have been so pleased with GE's services that they are investigating an expansion into the T&E card program.

PCard Professional Certification

Emory University
Alan Weinstein

Emory University, located just 15

"We left the darkness and confusion of our previous system in favor of the clarity and organization made possible by a combination of Ariba and vPayment." With the BuyRight system Valassis was able to accomplish all the proposed e-procurement goals.

Valassis has overcome many barriers to make the program successful. Supplier education was one of many hurdles that had to be cleared. To aid supplier acceptance, Valassis utilized GE's supplier strategy team to get suppliers on board. One of the strongest selling points, Wendy declared, was that "bills are now paid in 48 hours instead of thirty days. Informed suppliers really embrace the program."

From here, Robinson plans to reduce the number of suppliers in favor of long-term, high-trust relationships.

In addition to supplier consolidation, Wendy is aiming to achieve several other goals over the next year. Valassis would

minutes outside of downtown Atlanta, is known for its outstanding undergraduate college of arts and sciences, its highly ranked professional schools, its demanding academics, and its state-of-the-art research facilities.

Alan Weinstein is known for his outstanding work administering Emory University's purchasing card program for the last seven years. Because of his extensive experience, last fall Weinstein was asked to take on the role of chairman for the National Association of Purchasing Card Professionals (NAPCP).

Weinstein indicated that one of his key goals as chairman was to institute a certification process for purchasing card professionals. Alan explained his reasoning. "Instituting a certification program would give credibility to any purchasing card program. On the company side, it would help employers identify the right person for the right position, add a higher level of expertise to any program, and allow the company to remain current with latest trends in

industry. On an individual level it would improve the employee's value to self and employer."

The association's first step towards establishing a certification program is identifying subject matter experts. "Subject matter areas of expertise include both qualitative specialties like vision, implementation, and growth and technical areas such as sales tax, internal controls, and technology," itemized Weinstein. "The next step is to work with those experts to compose training material."

NAPCP plans to outsource the writing of the test (to ensure objectivity), resolve unanswered issues, and make the test available to the public by April 2005, Alan said.

As part of his presentation, Alan notified the audience that various levels of certification would be available, "and the possibility of credit for previous experience is being taken into consideration."

Weinstein added that the test would be highly accessible. Monitored testing sites would be distributed across the United States. Potential locations include both coasts and Salt Lake City, UT, where GE Corporate Payment Services is headquartered.

Alan encourages all purchasing card professionals to join the NAPCP and contribute their time and input toward this important industry-developing endeavor. For more information, visit www.napcp.org.

At a Glance User Group 2004



CAST OUT THE DEMON PAPER!

During his break-out session, e-settlement leader Matthew Anderson shares his passion for vPayment's paperless process.

FEEL THE RHYTHM

UG attendees don't miss a beat when it comes to participating in a teambuilding activity. Survey results indicate the group drumming activity resonated with attendees.



TAKING TIME HELP

During registration GE staff and conference attendees volunteer to construct kits for a low-income bilingual school and healing and bereavement programs at local hospitals.

Corporate Card: A Crisis Management Tool

Progressive organizations pay attention to disaster recovery and crisis management planning, and your corporate card program can serve as an essential tool in an emergency situation. In discussions before and at the User Group conference in San Antonio, a number of Corporate Payment Services customers shared their approaches. Their suggestions – Plan ahead, know your options, and set up procedures with your issuer’s support center.

A GL for Every Storm

Becky Holcombe, Ronnie Hay, and Johnny Murphine work for the Southern Company, which is a utility provider that has five operating companies throughout the Southeast including Georgia Power, Alabama Power, Mississippi Power, Gulf Power, and Savannah Electric. The process for purchases in emergency situations that Southern Company has in place illustrates some best practices.

Hurricanes present a common emergency that Southern Company faces both on the Gulf Coast of Mississippi, Alabama and Florida and also along the Atlantic coast of Georgia. The company usually has 24-48 hours advance notice, and it transports, supplies, and houses line crews from other states to assist with the anticipated recovery operations. They also send crews to other states to assist in times of emergencies. In storm situations, the business activates a “storm center” that coordinates most buying activity. Typical purchases include:

- Storm restoration materials plus expedited shipping
- Rooms and meals (particularly for out of state crews)

- Miscellaneous items such as “cleaning the local Wal-Mart out of every plastic rain suit”

“We have to buy truckloads of ice for coolers and ice water for crews working in 90-degree or hotter weather,” Johnny Murphine said. “The crews are working in incredible heat and humidity and we have to keep them comfortable.”



Most company crew members have purchasing cards as a matter of course. During a storm situation, field crew cards typically do not need much limit adjustment, since the single purchase limit of \$2,500 (standard) is usually sufficient. But individual transaction authorizations sometime need working through, Murphine and Holcombe said.

Some cards do need adjustment, and when the storm center is activated, card program staff use GE NetService to adjust limits. The web self-service tool is emerging as a very useful crisis management tool, Murphine and Holcombe said. An example involves the people coordinating lodging and meals for out-of-state crews. Typically a company representative might be at a

hotel at 2:00 am, paying for a mass check-in. The rep’s card limit is usually raised temporarily to \$10,000 or more.

To track storm recovery expenses effectively, Southern Company and each of its operating companies create a specific general ledger account number for a particular storm, then audits all charges in the storm account. Typically

there’s little employee misuse, but sometimes they catch and edit some questionable purchases. For example, chain saws used after the storm in normal operations would have their cost split between the storm account and the normal operating budget. By auditing all storm charges, over time the team has made senior management more comfortable with using higher-limit cards in emergency situations.

An Eagle Eye on Spending

Ice and wind storms are typical fare for Northeast Utilities, which serves the southern New England area. While the climate might be different, program administrator Suzanne Powaluk cited many of the same issues that Southern Companies faces. The company has

Plan ahead, know your options, and set up procedures with your issuer's support center.

Purchasing cards give the state the ability to mobilize crews in less time and, on the back end, vendors receive faster payment. —Tom Gustin

A crisis can involve something less dramatic such as a work stoppage. From the standpoint of a card program, even a planned lay-off presents a challenge that can benefit from a crisis management approach.

created a separate table for cards held by field supervisors. The typical non-emergency profile for this kind of account has a single purchase limit of \$2,500, daily of \$5,000, and monthly of \$10,000.

When a storm looms, the business activates the "emergency" table, which increases the single purchase limit to as high as \$10,000. The monthly limit goes as high as \$100,000, depending on size of storm and anticipated duration of recovery efforts. Higher limits typically last 30 days.

Mass hotel check-ins for out-of-state crews is a typical situation for Northeast Utilities too. "Be sure you raise the daily transaction limits as well as the dollar limits," she says. "Hotels typically process each room reservation separately. That could be dozens of transactions in the space of an hour and you could hit the card's threshold quickly."

(For a cool look at what Northeast Utilities is doing to restore bald eagle habitat in New England, go to <http://www.nu.com/eagles/live/default.asp>)

Fighting Wildland Fires with Plastic

The State of Montana's Department of Natural Resources and Conservation (DNRC) puts purchasing cards into play during wildfire season. Responsible for the direct suppression of wildland fires in millions of acres, the cards are used extensively. The DNRC and its firefighting crews use the cards for food, supplies, equipment, and lodging purchases in remote locations. According to Tom Gustin, purchasing card administrator for the state, the

DNRC has even supported an entire helicopter module, in addition to various other purchases.

The big benefits: putting purchasing cards with fire crews and support staff precludes the DNRC from having to issue a large number of emergency travel advances. Purchasing cards give the state the ability to mobilize crews in less time and, on the back end, vendors receive faster payment. This helps crews



fight fires faster and more effectively, thus reducing the number of larger fires. Gustin says another dry and dangerous fire season is expected in 2004, so they are engaged in pre-planning now to minimize declines and limit problems.

Working Things Out

While the examples above describe natural disasters, the definition of crisis extends beyond the world of nature. A crisis can involve something less dramatic such as a work stoppage. From

the standpoint of a card program, even a planned lay-off presents a challenge that can benefit from a crisis management approach.

One large company that attended the User Group session described the pre-planning they do when a union contract is due to expire. While everyone hopes that a new contract is in place before the old one runs out, the organization puts together a contingency plan in case talks break down.

Ninety days out from the contract expiration, the corporate card team meets and determines a process to shut down cards held by union employees should the contract expire and a work stoppage takes place.

This involves receiving a file of employee names from Human Resources and cross-referencing it with account numbers, so GE Corporate Payment Services can run a batch shut down if needed. The organization sends a test file to allow GE's support team to create a batch program. The organization does not send the actual files of employee names and account numbers unless a work stoppage is declared. A GE support person is on call if the contract expiration is set for a weekend or holiday.

The final part of the process is to identify management employees who are apt to be on the road for an extended period of time, covering the work load during a work stoppage. These people need higher limits and other considerations while they put more charges on their cards than usual.

Other participants in the breakout session noted that a similar approach works for companies undergoing a layoff. The differences are of timing and disclosure. The company's Human Resource department would not deliver to the corporate card team a list of affected employees until the layoff is announced. This does not prevent the

corporate card team from running test shutdowns with GE if they are alerted that a layoff is due in the near future.

Setting the Stage

A common theme throughout the session was the importance of pre-planning with the GE support team. According to Troy Young, who runs the Help Desk and PA support team at GE, the following are some best practices in working with his teams:

Ahead of the crisis, the customer should:

- Determine likely scenarios (e.g. Friday layoff)
- Document the contact process – Who at the client contacts what GE staff by what method (phone or email) during and after business hours
- Set parameters of super-user cards and develop batch list
- Determine if any new cards may be needed
- Review stranded traveler procedures

“During the crisis, the customer can work with their National Account Manager for strategic issues, a member of the support team for technical issues, and utilize GE NetService for individual maintenance needs,” Troy said. “After the crisis, the customer should debrief internally and with GE, then revise the plan to reflect lessons learned.”

In closing, by putting an approach in place ahead of time, and working closely with your organization's crisis management team, not only can you minimize the impact of a crisis, you can also build value in and visibility for your program from an organizational standpoint.

More Tips for the Toolkit

Here are some other best practices noted in the “Heroic Measures: Corporate Card as Crisis Management Tool” session:

Compile a list of contacts for critical suppliers and customers. Keep the contact information up-to-date and offsite in a secure place, in case your office is inaccessible.

Investigate automated phone messaging services to use for broadcasting messages to employees at home or on their cell phones. These services are quicker and more accurate than manual employee phone trees. They can also be used for supplier and customer notification in some cases.

Be aware that MasterCard can provide a wide range of support services (travel, medical, legal, etc.) to cardholders facing problems overseas. Educate your travelers on what MasterAssist offers and how to reach the service.

New vPayment Features Increase Convenience, Simplify Processes

To further simplify the procurement settlement process, Corporate Payment Services has added two new features to its vPayment tool.

Administrators can set up recurring payment schedules for leases or regular maintenance; improving the ability to track commodities. For example, on sourcing buys like PCs, you can now see which PC received an upgrade, and who paid for the upgrade.

One Corporate Payment Services customer determined that less than two percent of their leases were executed effectively. The customer determined that in many cases they were overpaying on lease terms. Utilizing the recurring functionality of vPayment, helps prevent this potentially costly issue by ensuring that all leases meet the specified terms," said vPayment Product Manager, David Nelson.

AP departments using vPayment now have the option of paying single invoices or creating batch payments for consolidated billing.

"We have designed vPayment to deliver acceptance, control, enhanced data, and hands free reconciliation. In addition, we are continually driving new enhancements to help our customers quickly and easily capitalize on the benefits vPayment provides," said Matthew Anderson, e-settlement leader. For more information on how vPayment can help your organization drive higher returns on your investment in e-procurement technology contact us at (800) 554-0581.



Through an agreement with SciQuest, Inc. Corporate Payment Services is further expanding the reach of its vPayment electronic settlement tool.

An e-procurement company that supports many of the world's leading pharmaceutical, biotechnology, chemical and academic organizations, SciQuest uses its suite of modular applications to automate the source-to-settle process. Now, the company plans to integrate vPayment with its procurement automation solution. Integration with vPayment will become a standard feature of SciQuest's supplier relationship management suite and will be available to its entire customer base, which includes several corporate card customers.

vPayment uses patented technology to pay suppliers via a MasterCard® account number that has specific dollar- and date-range controls. When integrated with an online buying tool such as SciQuest's, vPayment automatically appends accounting information to the MasterCard transaction record. vPayment's machine-to-machine reconciliation of transaction activity brings greater gains in efficiency compared to settlement by traditional purchasing card.

"vPayment's transaction controls and automated accounting features make it a good fit with our procurement automation solutions," said Stephen

Wiehe, President and CEO of SciQuest. "Its streamlined approach to reconciliation will save our customers time and money."

"Our mutual customers in the pharmaceutical and university markets prompted us to work with SciQuest," Jeffery R. Dye, SVP of GE Corporate Payment Services, said. "We look forward to pursuing joint business in those key verticals as well as others."

SciQuest and GE Corporate Payment Services also announced a joint marketing agreement and plan mutual sales training, direct mail, and other lead-generation promotions.

THE EDGE is published for the benefit of our customers. The views expressed herein reflect the opinions of Corporate Payment Services. Actual results may vary by user.

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