Agenda

- Declining Balance Cards
- Accounts Payable Cards
- Travel Cards
- Fraud Overview
- Payment Analytics
- Perform Source with AP Optimization
“Declining Balance Card”

- Control a variety of payment types
- Maintain visibility and control
- Broad scope of purchasing and budgetary situations
- Firm credit limits and a finite expiration date
- Short-term or long-term payment vehicle
- Credit limits can be adjusted live online as needed
So what's the difference?

- Monthly cycle does not reset each month.
  - For example, you request a card in January with a $5,000 limit. The cardholder makes a $500 purchase. When you cycle on Jan 25th, the limit does not refresh to $5,000 but stays at $4,500.

- Account can be prefunded, or billed each cycle in the same fashion as a traditional card program.

- Expiration date controlled by the campus administrator and can be adjusted from 12 – 36 months.
<table>
<thead>
<tr>
<th>Managed spend cards for:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual instructor allotments</td>
</tr>
<tr>
<td>Blanket contracts</td>
</tr>
<tr>
<td>Campus organizations</td>
</tr>
<tr>
<td>Consultant fees or expenses</td>
</tr>
<tr>
<td>Employee relocation</td>
</tr>
<tr>
<td>Fundraising programs</td>
</tr>
<tr>
<td>Grants funding</td>
</tr>
<tr>
<td>Office refurbishment</td>
</tr>
<tr>
<td>Project management</td>
</tr>
<tr>
<td>Recruiting events</td>
</tr>
<tr>
<td>Student athletes</td>
</tr>
</tbody>
</table>

How can we use this?
Specific Campus Examples

- How CSU Fullerton incorporated the Declining Balance Card into its campus program
  - As a budgetary control mechanism
  - As a replacement for a blanket purchase order
  - As a classroom development/start up spending tool
- Michael Pruitt
  - eBusiness Programs Specialist
Purchase Cards used in AP

- **Benefits**
  - Reduced operations cost by eliminating checks
  - Increased revenue through program rebate

- **Options**
  - Virtual (ghost) accounts
  - Vendor accounts
  - Actual plastics assigned to employee
Specific Campus Examples

- **CSU Fresno**
  - Summary of *Accounts Payable payments via Procurement Card* at Fresno Campus
  - Monica Shackelton
    - Accounts Payable/Receivable Manager

- **Chancellors Office**
  - Collaboration between AP and Purchasing
  - Mary Carrillo
    - Procurement Card Program Administrator
Travel Cards Programs

Corporate Travel Card—Provides the ideal solution for higher education organizations looking to manage their overall travel expenses better. It features flexible spending controls, wide-ranging management and insightful reporting tools. The U.S. Bank Executive Card is also available to help senior officials deal with the many inconveniences that occur with frequent travel.

- Rebate generating travel program
- Live maintenance through Access Online
- Toll-free global travel assistance
- Comprehensive travel reports available
- Dynamic MCC controls specific to travel needs
<table>
<thead>
<tr>
<th>Features</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense reduction</td>
<td>Avoids hidden charges or higher processing fees typically associated with the reimbursement of travel expenditures</td>
</tr>
<tr>
<td>Worldwide card acceptance</td>
<td>Gives unparalleled travel access</td>
</tr>
<tr>
<td>Visa® or MasterCard® Liability Waiver program protection</td>
<td>Provides $100,000 protection, per cardholder, for fraudulent use or misuse of the card by cardholders</td>
</tr>
<tr>
<td>Auto rental accident coverage</td>
<td>Enables cardholders to travel with confidence</td>
</tr>
<tr>
<td>Automatic travel accident insurance and emergency travel services</td>
<td>Provides added security for employees</td>
</tr>
<tr>
<td>U.S. Bank Implementation and Account Managers</td>
<td>Ensures program optimization and helps organizations achieve increased cost savings and improved efficiencies</td>
</tr>
<tr>
<td>24-hour customer service</td>
<td>Offers unparalleled 24/7 cardholder assistance</td>
</tr>
<tr>
<td>Comprehensive authorization controls</td>
<td>Provides clients with tools that allow for easy management of where cards can be used and enhances the opportunity to block fraud and misuse at the point of sale</td>
</tr>
<tr>
<td>U.S. Bank Access Online electronic access system</td>
<td>Meets each organization’s unique reporting and data needs</td>
</tr>
<tr>
<td>Wide selection of standard reports and reporting capabilities</td>
<td>Increases knowledge of corporate card program activity enabling proactive and effective decision making, complete expense management and faster reimbursement</td>
</tr>
</tbody>
</table>
Transitioned Already

- Chancellors Office
- San Francisco State
- Stanislaus
- San Jose
- Northridge
- Humboldt
- San Bernardino
CSU Fraud Overview and Mitigation Discussion
Agenda

- What is fraud?
- Fraud trends
- Fraud case lifecycle
- Fraud process review
- Tips to prevent fraud
Defining Card Fraud

- What is Fraud?
  - Unauthorized transactions by an unknown third party
  - Obtaining services, credit or funds by misrepresentation of identity or information
- What is not Fraud?
  - Use by a Friend or Family Member
    “My 16 year old son took the card from my wallet and spent $200 at the mall.”
  - Employee Abuse
    “A cardholder in my program used their corporate card to pay their utility bill.”
  - Merchant error/disputed transactions
    “My purchase was $42, but the merchant billed me for $420.”
  - Inability to pay
Fraud Trends
Fraud Activity

Fraud Types

- **Counterfeit** – Copy of magnetic stripe, perpetrated by organized criminal groups
- **Internet / Card Not Present (CNP)** – Unauthorized use of account information, card number only
- **Lost/Stolen** – Crimes of convenience
- **NRI / Mail Theft** – Minimal risk if issuer uses a card activation program
- **ATO/Fraud App** – Identity Theft is not an issue for our corporate and purchasing card portfolios because of the closed-loop issuing process
Most Common Fraud Locations

These are only the most common fraud locations
Take time to evaluate what merchant groups are necessary for your cardholders
Entire merchant groups can be blocked as needed

<table>
<thead>
<tr>
<th>MCC</th>
<th>Description</th>
<th>% of Fraud</th>
</tr>
</thead>
<tbody>
<tr>
<td>5047</td>
<td>Dental/Laboratory/Medical supplies</td>
<td>11.5%</td>
</tr>
<tr>
<td>5941</td>
<td>Sporting Goods Stores</td>
<td>4.7%</td>
</tr>
<tr>
<td>5045</td>
<td>Computers, Computer Equip, Soft</td>
<td>4.5%</td>
</tr>
<tr>
<td>5964</td>
<td>Catalog Merchants</td>
<td>4.0%</td>
</tr>
<tr>
<td>5085</td>
<td>Industrial Supplies (General)</td>
<td>3.2%</td>
</tr>
<tr>
<td>7399</td>
<td>Business Services (General)</td>
<td>3.2%</td>
</tr>
<tr>
<td>5999</td>
<td>Misc &amp; Specialty Retail Store (General)</td>
<td>3.2%</td>
</tr>
<tr>
<td>5046</td>
<td>Commercial Equipment (General)</td>
<td>2.6%</td>
</tr>
<tr>
<td>9399</td>
<td>Government Services (General)</td>
<td>2.5%</td>
</tr>
<tr>
<td>5732</td>
<td>Electronic Stores</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MCC</th>
<th>Description</th>
<th>% of Fraud</th>
</tr>
</thead>
<tbody>
<tr>
<td>5941</td>
<td>Sporting Goods Stores</td>
<td>5.4%</td>
</tr>
<tr>
<td>5999</td>
<td>Misc &amp; Specialty Retail Stores</td>
<td>4.8%</td>
</tr>
<tr>
<td>5940</td>
<td>Bicycle Shops</td>
<td>4.0%</td>
</tr>
<tr>
<td>5085</td>
<td>Industrial Supplies (General)</td>
<td>4.0%</td>
</tr>
<tr>
<td>5964</td>
<td>Catalog Merchants</td>
<td>3.2%</td>
</tr>
<tr>
<td>7399</td>
<td>Business Services (General)</td>
<td>2.6%</td>
</tr>
<tr>
<td>5999</td>
<td>Misc &amp; Specialty Retail Store (General)</td>
<td>2.4%</td>
</tr>
<tr>
<td>5065</td>
<td>Electrical Parts &amp; Equipment</td>
<td>2.2%</td>
</tr>
<tr>
<td>5732</td>
<td>Electronic Stores</td>
<td>2.1%</td>
</tr>
<tr>
<td>5969</td>
<td>Direct Marketing (General)</td>
<td>2.4%</td>
</tr>
</tbody>
</table>
CSU Fraud Summary

**Top 10 MCCs - Dollar Spend**
- 8398 CHARITABLE/SOC SERVICE ORGS
- 5941 SPORTING GOODS STORES
- 5999 MISC SPECIALITY RETAIL
- 5691 MENS/WOMENS CLOTHING STORES
- 5533 AUTOMOTIVE PARTS STORES
- 5732 RADIO TV & STEREO STORES
- 5965 COMBINATION MAIL/RETAIL
- 5945 HOBBY, TOY & GAME SHOPS
- 5571 MOTORCYCLE DEALERS
- 5655 SPORTS/RIDING APPAREL STORE

**Top 10 MCCs – Trans Count**
- 8398 CHARITABLE/SOC SERVICE ORGS
- 5999 MISC SPECIALITY RETAIL
- 5411 GROCERY STORES
- 5941 SPORTING GOODS STORES
- 5968 SUBSCRIPTION MERCHANT
- 5691 MENS/WOMENS CLOTHING STORES
- 5969 OTHER DIRECT MARKETERS
- 5732 RADIO TV & STEREO STORES
- 5965 COMBINATION MAIL/RETAIL
- 5945 HOBBY, TOY & GAME SHOPS
U.S. Bank Defends Against Counterfeit Fraud

- Develop strategies to decline and/or queue suspicious transactions
  - Monitor for counterfeit test authorization merchants
  - Increase in counterfeit activity at a specific location
- Compare new counterfeit cases against known compromised merchants
  - Assess risk of continued use of compromised card numbers; may suggest a proactive card reissue
- Analyze transaction histories of counterfeit cases to find new compromise location
Account Number Generators - Creditmaster

A program that generates credit and debit card numbers according to the algorithm used by the major card associations.

- Criminal obtains valid account number and expiration date
- Even cardless accounts can be compromised
- At any given point, Fraud Management is monitoring many active runs
- All charges are done over the phone or internet – Card Not Present

Numbers Are NOT Actual Account Numbers
Account Number Generators

- **Important points to remember**
  - This form of fraud is completely independent of any card activity or usage patterns on the part of the cardholders
  - Programs are only capable of generating numbers

- **How does U.S. Bank defend against account number generators?**
  - Create rules to send accounts to a detection queue
  - Decline fraud transaction pattern at the point of sale
Fraud Case Life Cycle
Analyzing Fraud

- Every morning, the previous day’s fraud cases are reviewed for new fraud trends.
- As the analytics team identifies new trends they adjust or create strategies to detect and stop these trends.
- Rules are monitored and adjusted daily.
- Two types of fraud rules:
  - Near-time rules
  - Real-time rules
Near-Time Rules

- Fraud system monitors authorizations post-decision and routes highest risk activity
  - Authorizations over a risk score threshold
  - Authorizations that meet criteria matching current fraud trends
- Fraud detection analysts review the accounts in queue
  - Add and/or remove the Referral Block (FR)
  - Call cardholder, leave block in place if unable to reach cardholder
Real-Time Rules

- A real-time rule declines or refers at the point of sale
- Reserved for activity with the highest fraud risk
- Decline reason is ADS I Strategy which stands for Authorization Decision Strategy
Combining real-time strategy with near-time strategy in the system provides us with an effective protection system against fraud.

- Real-time declines are designed to potentially block fraud on the first detected attempt.
- Near-time alerts then provide an opportunity to block subsequent fraud attempts.

Rules are monitored regularly to ensure they are performing as designed.

- Rules are updated or deleted as needed.
What Happens if Fraud is Confirmed?

- Fraud claim is initiated
- Card will be closed as a result of that call
- Notations added to the account memo screen
- Case submitted in fraud system
- Any follow-up questions are directed to FDSS (Fraud and Disputes Solution Services team)
Fraud Case Process
Fraud Case Process

****The Fraud and Dispute Process document is available upon request explaining the processes in more detail.

- Fraud cases should be initiated over the phone. Please do not use mail, fax or online processes to initiate fraud. (See below: Reporting Fraud)
- You will be asked to close your card. Because a third party has gained access to your account information we are required to close your card. We will replace it with a new number and all account information will be transferred.
- If the fraud charges post to your new number you will receive a credit to your new account and will be sent a Statement of Fraud to confirm that you did not authorize those transactions.
Fraud Case Process

- The Statement of Fraud will need to be completed and returned to the Fraud Department by the due date on the letter
  - Once the Statement of Fraud is received an investigation will be done to determine who is responsible for the fraud
    - If it is discovered that the cardholder participated or benefited from the charges the account will be re-billed and the claim denied
    - If the claim is resolved in the cardholder’s favor the credit will remain on the account permanently
  - If the signed Statement of Fraud is not received by the bank, the new account will have the charges reapplied and the cardholder will be liable to pay for them
- The Statement of Fraud will normally be mailed to the system address on the card. If there is a request for faxing or mailing to an alternate address please call the Fraud Department to request these changes on a case by case basis.
Fraud Case Processing

Reporting Fraud:

- Contact Cardmember Service at 800-344-5696
- Your account will be closed, transferred to a new number and a new card will be sent out
- The Service Advisor transfers the customer to our fraud department (800-523-9078) where they will review the current activity on the account with the cardholder
- The Fraud Representative will initiate the case by marking the authorizations and/or transactions that have posted to the account that are believed to be fraudulent transactions
- A Statement of Fraud form will be generated based on the posted fraud transactions and mailed out within 3 weeks of the call. If the case is started on authorization activity and the transactions never post, a Statement of Fraud letter will not be created and the case will be closed
Tips to Mitigate and Detect Fraud
Program Administrator Tips

- Review spending reports & question non-business related transactions immediately (Payment Analytics)
  - Suspend or cancel charging privileges when appropriate
- Be mindful of how card data is stored and destroyed
- Keep cardholder account records current
- Ensure that termination includes destroying the card and closing the account
- Notify Account Coordinator of anticipated changes in spending patterns
- Frequently communicate policies on appropriate use of the card account and how to report suspicious activity
Program Administrator Tips

- Schedule fraud reports to monitor activity and ensure the statement of fraud affidavit is returned to the bank. They can be scheduled to go to your Access Online Data Exchange mailbox.
  - **Statement of Fraud Report** includes all Fraud Cases that were opened in the past 90 days and show when the document was sent and if/when it was received back by U.S. Bank.
  - **Fraud Summary Report** includes all authorizations and transactions identified as fraud for each of the fraud cases during the time frame requested. The report also summarizes the top fraud MCCs by count and dollar amount.
Cardholder Tips

- Sign your cards as soon as they arrive
- Don’t lend your card to anyone, even coworkers or managers
- Don’t leave cards or receipts lying around
- Keep an eye on your card during the transaction, and get it back as quickly as possible
- Destroy receipts and statements you no longer need
- Reconcile accounts frequently
- Report any questionable charges promptly to U.S. Bank
- Notify card companies in advance of a change in address or phone number
- Don’t give out personal information over the phone unless you initiated the call and the company is reputable
- Keep a record of your account numbers, their expiration dates, and the phone number and address of each issuer in a secure place
Specific Recommendations for CSU

- Immediately review the common MCCs affected by fraud mentioned earlier, and apply changes to your MCC blocking where possible.

- Schedule for your campus both fraud reports mentioned and review monthly:
  - Statement of Fraud Report
  - Fraud Summary Report

- Share mitigation tips with all parties involved in the program on a fairly regular basis depending on rate or turnover.
Brand New…
Payment Analytics!
Commercial Cards: 
*The Challenge of Expanding Usage*

- Organizations plan to expand commercial card usage over the next three years
  - Reduce check usage by more than half
  - Double use of commercial cards

How do you efficiently and cost-effectively monitor transactions for employee misuse and policy compliance?

References:  
2010 Trends in Electronic Payments in AP, IFO
How to Mitigate These Issues?

1. Reign in your audit costs?
2. Reduce your risk exposure?
3. Grow your commercial card program?

U.S. Bank Payment Analytics
What is Payment Analytics?

- Enhances auditing practices by providing 100% commercial card transaction monitoring
  - **Rules Management**: Compares each transaction to your customized rules to identify out-of-policy spend
  - **Case Management**: Gives program managers timely information and tools to audit and resolve out-of-policy transactions
  - **User Management**: Enables program managers to create and maintain user profiles and roles
The “Brains” behind Payment Analytics

- Defined templates that contain logical arguments (i.e., rules)
  - WHEN THEN statements

- Client assigns parameters to the rules
  - WHEN a transaction meets all the conditions of a rule, THEN create a response
    - **Alert**: Notifies stakeholders via email when rule violations occur
    - **Case**: Allows users to track progress towards resolving an issue and violations over time
How Does Payment Analytics Work?

Payment Analytics

Rules

Transaction

Alerts

Cases
Roles

- Payment Analytics has different sets of tasks organized into different user roles
  - Administrators assign and manage user roles
  - A user may be assigned more than one role

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case Manager</td>
<td>View and manage cases</td>
</tr>
<tr>
<td>Program Auditor</td>
<td>View cases and rules</td>
</tr>
<tr>
<td>Program Manager</td>
<td>View and manage cases, rules and users</td>
</tr>
<tr>
<td>User Administrator</td>
<td>View and manage users</td>
</tr>
</tbody>
</table>
Rules Management

You can create a rule in three easy steps:

- **Select the template:** choose from a set list of existing templates
  - For example, you select to track transactions at prohibited merchant category codes (MCCs).

- **Set rule parameters:** assign values to available parameters
  - For example, if you select to create a rule to track transactions at prohibited MCCs, you can include specific MCCs and select to track only transactions over $500.

- **Save rule statements:** specify the rule name, description, severity, active/inactive status, case action (e.g., create a new case with every rule violation), and assign a case owner
Available Rule Templates

- Unauthorized Merchant Category Code (MCC)
- Merchant Watch List
- Transaction with a Non-Preferred Merchant
- Split Transaction
- Split Purchase
- Transaction Close to Single Purchase Limit
- Large Spend Increase over Average Spend
- Excessive Use of Convenience Checks
- Excessive Cash Withdrawals
- Corporate Travel Card Purchase in Cardholder’s Postal Code
- Weekend/Holiday Purchase
- Account Opened/Maintained with Limits Exceeding Standards
Case Management

You can manage and track cases with a variety of transaction elements and dispositions:

- Review the triggering information about the case
- View transaction detail, such as transaction date, transaction amount, merchant name, and merchant location
- Change case owners
- Select the case severity
- Pick appropriate classification
- Type comments
- Switch the case status to Open or Closed
Implementation

- Requires no additional contract
- Is available at no cost

Ready to begin?

- Contact your U.S. Bank Account Coordinator to start the implementation process
  - U.S. Bank: system setup (30-calendar days)
  - Client: user and rule template setup
Enhanced Program Optimization Though VISA PerformSource
Increase Card Program Value

Find more value in your card program with U.S. Bank Program Optimization.

- Simple performance evaluation process
- Identifies program expansion opportunities
- Provides recommendations with ROI payback
- Includes implementation action plan
## Tangible Benefits

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Description</th>
</tr>
</thead>
</table>
| Greater Financial Gain        | ✓ Improve working capital  
|                               | ✓ Reduce transaction costs  
|                               | ✓ Increase rebate opportunity  
|                               | ✓ Lower supplier costs                                                     |
| Increase Spend Visibility     | ✓ Gain greater visibility to payment detail and enterprise spend  
|                               | ✓ Enable more informed decision making  
|                               | ✓ Leverage robust reporting                                                |
| Improve Supplier Management   | ✓ Negotiate deeper price discounts  
|                               | ✓ Act on payment term discounts  
|                               | ✓ Consolidate suppliers                                                    |
| Enhance Control               | ✓ Improve oversight and management  
|                               | ✓ Block unwanted spend                                                     
|                               | ✓ Prevent and detect fraud more easily                                    |
Card Program Trends and Best Practices

- Best practice organizations capture significantly more spend on cards than the average:
  - 93% of travel . . . average is 72%
  - 67% of transactions < $2,500 . . . average is 44%
  - 47% of transactions $2,500 - $10,000 . . . average is 28%
- 78% of organizations expect to increase purchasing card spend...expected overall increase is 32%
- Checks represent 70.4% of overall organizational payments

Process Overview

- Discuss objectives and challenges
- Collect required data and conduct analysis
- Present findings and recommendations
- Set goals and create an action plan
- Execute and measure improvement
- Re-evaluate periodically to identify new opportunities
Initial Focus

Start with easy opportunities that require minimal change. Common examples include:

- Slippage – suppliers that already accept card payment from your organization but that are being paid via other methods
- Suppliers within common card categories
- Capturing spend that’s currently being made outside of existing policies.
Advance to Next Level

Apply advanced U.S. Bank payment technologies:

- Improved controls/analytics
- Post invoice payment with Access Online Payment Plus
- Consolidated payment file delivery
- Ghost cards / AP cards
- Expense management integration
- Global travel card issuance
- Managed spend / meeting cards
Rigorous Evaluation Tools

- Program assessment / financial benefit
- Detailed reporting for opportunity identification
- Peer industry benchmark
- Best practice diagnostic
# Program Slippage Report

## Commercial Card vs. Cardable Spend by Supplier

<table>
<thead>
<tr>
<th>Supplier Name</th>
<th>Card Annualized Spend Amount</th>
<th>Card No. of Trans</th>
<th>Card Avg. Tran Amount</th>
<th>Cardable Annualized</th>
<th>Cardable No. of Trans</th>
<th>Cardable Avg. Tran Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>WW GRAINGER(*P)</td>
<td>2,419,375</td>
<td>11,478</td>
<td>211</td>
<td>59,562,748</td>
<td>14,279</td>
<td>4,171</td>
</tr>
<tr>
<td>OFFICE DEPOT</td>
<td>19,634</td>
<td>105</td>
<td>187</td>
<td>37,368,840</td>
<td>74,857</td>
<td>499</td>
</tr>
<tr>
<td>VERIZON</td>
<td>17,737</td>
<td>113</td>
<td>157</td>
<td>3,128,905</td>
<td>111</td>
<td>28,188</td>
</tr>
<tr>
<td>XEROX CORPORATION</td>
<td>8,248</td>
<td>20</td>
<td>412</td>
<td>3,124,591</td>
<td>89</td>
<td>35,108</td>
</tr>
<tr>
<td>GULFSTREAM</td>
<td>70,560</td>
<td>548</td>
<td>129</td>
<td>2,362,150</td>
<td>115</td>
<td>20,540</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,535,554</strong></td>
<td><strong>12,264</strong></td>
<td><strong>207</strong></td>
<td><strong>105,547,234</strong></td>
<td><strong>89,451</strong></td>
<td><strong>1,180</strong></td>
</tr>
</tbody>
</table>

Client Name: ABC Company
Transaction Limit: < 2,428,455
Spend Category Name: All
Excluded Business Unit Name: None
Excluded Cost Center Name: None
Excluded Supplier Name: None

Top Suppliers: 75
Visa Acceptor: Yes
Cardable Payment Methods: CHECK
## Transactions less than $2,500 - Opportunity

<table>
<thead>
<tr>
<th>Payment Method</th>
<th>Annualized Spend Amount (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0 - 2500</td>
</tr>
<tr>
<td>ACH</td>
<td>426</td>
</tr>
<tr>
<td>CARR</td>
<td>14,401</td>
</tr>
<tr>
<td>CHECK</td>
<td>92,015</td>
</tr>
<tr>
<td>EFT</td>
<td>23</td>
</tr>
<tr>
<td>WIRE TRANSFER</td>
<td>21</td>
</tr>
</tbody>
</table>
# Financial Benefit Summary

## Current Program

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Cost Savings*</th>
<th>Cash Float**</th>
<th>Rebate***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing Card</td>
<td>$321,984</td>
<td>$3,501</td>
<td>$64,712</td>
</tr>
<tr>
<td>Payment Plus</td>
<td>$319</td>
<td>$103</td>
<td>$888</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>322,303</strong></td>
<td><strong>3,603</strong></td>
<td><strong>65,600</strong></td>
</tr>
</tbody>
</table>

## Benchmark Opportunity

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Cost Savings*</th>
<th>Cash Float**</th>
<th>Rebate***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing Card</td>
<td>$1,745,660</td>
<td>$32,492</td>
<td>$600,670</td>
</tr>
<tr>
<td>Payment Plus</td>
<td>$25,124</td>
<td>$71,543</td>
<td>$619,756</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,770,784</strong></td>
<td><strong>104,035</strong></td>
<td><strong>1,220,426</strong></td>
</tr>
</tbody>
</table>

## Target Opportunity

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Cost Savings*</th>
<th>Cash Float**</th>
<th>Rebate***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing Card</td>
<td>$2,586,923</td>
<td>$49,623</td>
<td>$917,369</td>
</tr>
<tr>
<td>Payment Plus</td>
<td>$28,191</td>
<td>$78,436</td>
<td>$679,466</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,615,114</strong></td>
<td><strong>128,059</strong></td>
<td><strong>1,596,835</strong></td>
</tr>
</tbody>
</table>

**Incremental Benchmark Savings** $2,703,739

**Incremental Target Savings** $3,948,502

---

*Cost Savings is calculated based on volume opportunity assumptions and cost savings per transaction assumptions of $12.48 for Purchasing Card transactions and $3.19 for Payment Plus transactions (values are assumptions input by user).

**Cash Float is calculated based on volume opportunity assumptions and net card days payable of 15 days for Purchasing Card and 25 days for Payment Plus and a 1.5% short term interest rate (values are assumptions input by user).

***Rebate is calculated based on volume opportunity assumptions and specific rebate bps input by user.
Next Steps

- More value and improved performance
- Schedule follow-up meeting to discuss current card program performance and preliminary objectives
Questions?

Courtney Hoppe

Relationship Manager
US Bank CPS Public Sector
Direct: (310) 363-5850