

Five easy ways to optimize your card program

Elan One Card

Want to optimize your Elan One Card program but have limited time and resources? Consider implementing the following five best practices — they apply to almost all organizations and are straightforward and quick to implement.

What should you do?	Why should you do this?	How do you do this?	Where do you get help?
<p>1</p> <p>Create a control strategy for the card program.</p>	<ul style="list-style-type: none"> • Maximize control through clearly defined procedures and appropriate authorizations • Minimize non-compliant behavior with a comprehensive controls strategy, which lessens time and effort needed to enforce adherence with company policies • Enhance cardholder confidence in the card program through a clear understanding of card policies and liability structure 	<ul style="list-style-type: none"> • Analyze procure-to-pay process and identify areas where controls are needed <ul style="list-style-type: none"> – Individual transaction and monthly limits need to be in line with employee purchasing to ensure card utility – Overly restrictive spend limits and MCC blocking can reduce usefulness of the card program and confuse employees making eligible purchases • Develop a comprehensive controls strategy that covers organization policies, procedures, technology integration, and audit procedures • Implement controls strategy and review audit, compliance and decline reports on a regular basis to identify areas for improvement; update controls strategy as needed 	<ul style="list-style-type: none"> • Ask your Elan Representative for best practices regarding balancing ease-of-use and maintaining control • Utilize Elan resources to identify how the card can be leveraged to enhance controls • Work with your Elan Representative to gather and evaluate overall spend and card decline data to determine optimal card limits and MCC codes, in line with your card program policy
<p>2</p> <p>Leverage your one card data.</p>	<ul style="list-style-type: none"> • Provide overview of adherence to policies and procedures to identify patterns of card misuse • Analyze spend by commodity and supplier, which improves negotiating position with suppliers and helps identify card spend with non-approved suppliers • Encourage senior management involvement in enforcing adherence to card program policies 	<ul style="list-style-type: none"> • Define reports necessary to monitor card program • Establish standard reporting procedures; clarify related roles and responsibilities • Document all reports and share results with senior management as appropriate • Identify compelling and relevant card program metrics (e.g., savings, lost savings) and review with senior managers to determine appropriateness 	<ul style="list-style-type: none"> • Discuss with your Elan Representative the reports offered through Access[®] Online, determining which reports you need and on what schedule • Work with your Elan Representative to evaluate areas of the card program that require support and identify the reports that can address those needs

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<p>3</p> <p>Automate reconciliation.</p>	<ul style="list-style-type: none"> • Ensure allocation of the correct general ledger (G/L) and cost center codes to track spend and improve the budgeting process • Reduce the amount of time spent on card transaction reconciliation • Minimize errors associated with manual processing 	<ul style="list-style-type: none"> • Develop default G/L and cost center mappings for card transactions • Define the format and data elements of the file extract; determine a delivery cycle • Develop a process for integrating card transaction data with your financial accounting system • Ensure card transactions are reviewed by cardholders for accuracy and approved by managers 	<ul style="list-style-type: none"> • Work with your Elan Representative to customize Access Online allocation rules and approval workflows to support your existing organizational hierarchies • Ask your Elan Representative about Access Online Financial Extract options
<p>4</p> <p>Mandate and enforce use of the one card.</p>	<ul style="list-style-type: none"> • Increase adherence to eligible criteria on commercial card spend • Enable company-wide, centralized visibility to spend data to support effective reporting for audit and control purposes • Maximize the number of suppliers paid by card, which improves ability to track spending and negotiate with preferred suppliers • Reduce transaction costs through increased use of card for purchases 	<ul style="list-style-type: none"> • Develop policies specifying eligible and prohibited purchases; communicate these policies to all cardholders and managers • Encourage card use by training cardholders on proper use and benefits obtained through the card • Review purchases made through other methods (e.g., purchase orders, check) to determine whether purchases should have been made with a card • Notify cardholders and/or management when purchases should have been made with a card 	<ul style="list-style-type: none"> • Work with your Elan Representative to define card-based transaction requirements that work best for your organization • Ask your Elan Representative for recommendations on card-eligible transactions and departments or roles that may find a commercial card useful such as: <ul style="list-style-type: none"> – Category of expenditure (e.g., T&E, MRO) – Size of expenditure (e.g., less than \$2,500) – Specific suppliers – Departments – Cardholder profiles

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<p>5</p> <p>Expand one card usage.</p>	<ul style="list-style-type: none"> • Improve visibility of spend by increasing the number and types of commodities purchased through the card program • Increase ability to reduce costs of processing paper invoices and checks • Enable reporting by supplier based on consolidated card transactions 	<ul style="list-style-type: none"> • Review expense categories to identify target areas for transition to card payment (e.g., recurring charges, services, temporary services, projects, raw materials) • Determine which suppliers currently paid by card are also being paid by other payment methods • Publish a list of suppliers paid by card and mandate or encourage that all spend with these suppliers be by commercial card • Adopt new or enhanced Elan commercial card products such as Virtual Cards and Travel Virtual Pay 	<ul style="list-style-type: none"> • Work with your Elan Representative to identify the best spend categories and expenditure sizes to target as well as new or enhanced Elan commercial card products that can bring significant spend and financial benefit • Conduct an Elan AP Analysis to identify opportunities for migrating check payments to cards based on spend amount, transaction volume and supplier acceptance • Conduct an Elan Vendor Analysis to identify card-accepting suppliers and request that suppliers not currently accepting card payments begin doing so

For more information

To find out how these easy-to-implement program changes can quickly help your organization achieve meaningful results, contact your Elan Relationship Manager.