

H07 - Implementing and Growing a Purchasing Card Program

Date: Wednesday, 4/25/2025
Time: 1:15 – 1:45 pm
Room: Vandenberg A, Amway

Agenda

**What are Purchasing Cards
(P-Cards)**

**Implementing a Purchasing
Card Program**

**Growing your Purchasing
Card Spend Volume**

**Michigan Purchasing Card
Consortium**





Purchasing Cards VS Credit Cards

- Although they look the same, they are **NOT**
- In what way are they different
 - Corporate vs individual liability
 - Payments made in full each month
 - Built in Infostructure
 - More then just a credit limit
 - Controls over purchases
 - Better tracking of purchases and expenses

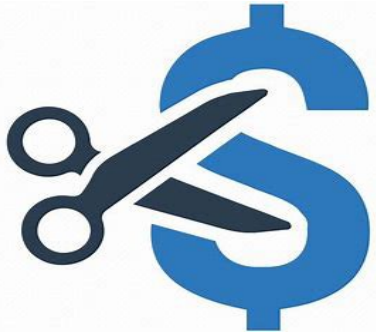
What Purchasing Cards Offer School Districts



Secure Goods and Services Faster

Immediate payment to Vendors

Refocus of the finance/business office staff time to other value-added work



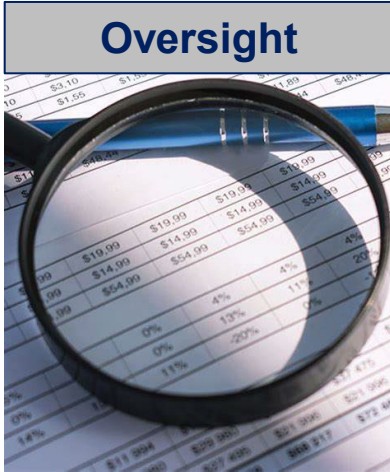
Cost Savings

Reduce the administrative **COST** for the acquisition of goods and services

Lower transaction cost

1099 are not required to be issued and mailed saving money and time

What Purchasing Cards Offer School Districts



Track Expenses more effectively

Increases the controls over the purchases being made

Reduce Potential Fraud



Cash Rebates

Cashflow Management

Emergency preparedness

Implementing a Purchasing Card Program



Great Programs Result From



Doing your Homework



Support



Proper Controls



Policies



Integrate



What to Look For In a Purchasing Card Program

- **CASH Rebates**
- No Fees
- Zero Lost or Stolen Liability
- Misuse Insurance
- Online Access 24-7 for Program Administrators and Cardholders
- Real time Credit limit Increases/Decreases
- Choice of Different Card Types – with no limit to the number of cards



Support of Your Administration



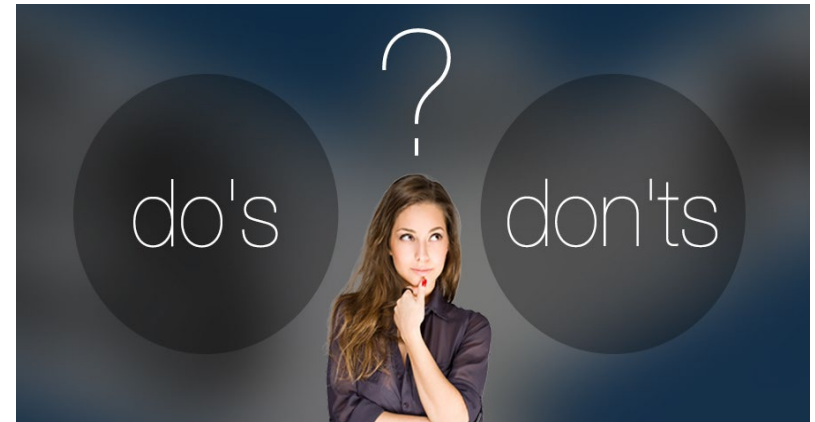
Put Proper Controls In Place



- How much your cardholders can spend on their cards
- What they can buy - Merchant Category Codes
- Set transaction limits:
 - How many per month
 - How much per transaction

All Controls are deployed by authorized personnel of the school.

Policies and Procedures



Export Transactions to your Accounting Package

Posting Date	Account	Supplier	Amount
8/3/2021	XXXX-XXXX	Punchbowl.Com	\$25.00
8/4/2021	XXXX-XXXX	Microsoft	\$2,516.80
8/10/2021	XXXX-XXXX	Nna Services Llc	\$103.32
8/12/2021	XXXX-XXXX	Sos Registration Fee	\$100.00
8/12/2021	XXXX-XXXX	Usa Canteen Vendin	\$2.20
8/13/2021	XXXX-XXXX	Chevron 0308942	\$568.16
8/13/2021	XXXX-XXXX	Shell Oil 575430670c	\$12.72
8/18/2021	XXXX-XXXX	Staples 001004	\$100.6
8/18/2021	XXXX-XXXX	Dsg Gift Card	\$25
8/20/2021	XXXX-XXXX	Mailsorce Inc	\$
8/21/2021	XXXX-XXXX	Old Nelson Foods	\$
8/23/2021	XXXX-XXXX	Punchbowl.Com	
8/23/2021	XXXX-XXXX	Labor Relations Info	
8/24/2021	XXXX-XXXX	Punchbowl.Com	
8/30/2021	XXXX-XXXX	Corner Bakery 029	
8/30/2021	XXXX-XXXX	Usps Po	

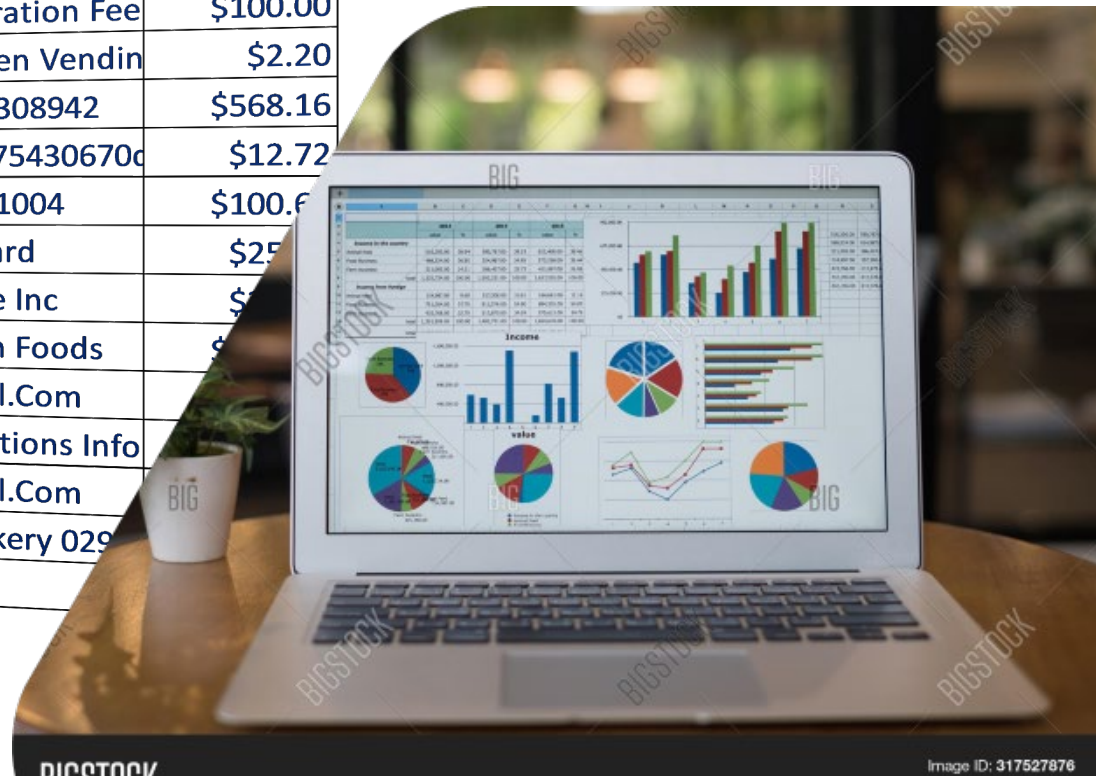


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Growing Your Purchasing Card Program

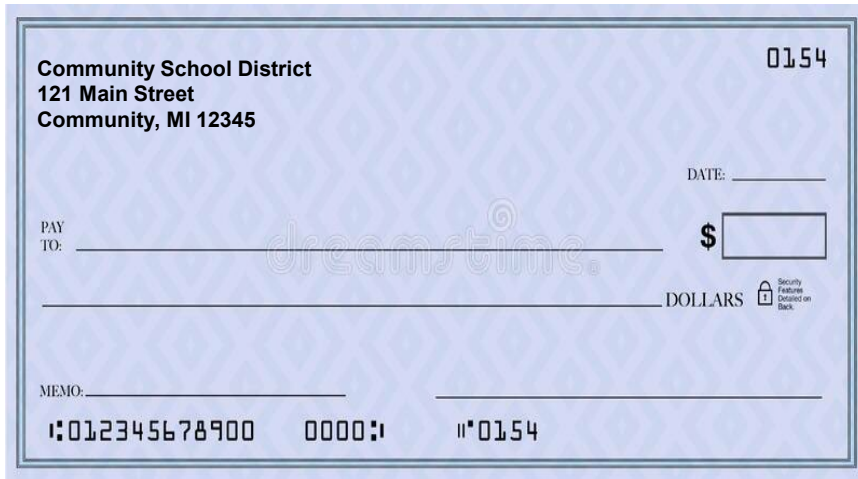


Change the Way You PAY

What if you could turn your

PURCHASING

into a revenue source?



Reevaluate Procedures for Success

- **Use P-Card as the primary payment method**
- Increase small dollar threshold on purchases
- **Issue cards to all staff involved in the purchasing process**
- Utilize different card types to meet your needs
- **Reinforce program goals**
- Transfer reconciliation responsibility to individual employees, while providing department heads direct oversight and approval of employee submissions



Identify and Target Vendors

Discover Spend opportunities by performing a Vendor Scrub

Merchant Matched Data: Targeted



SUPPLIER COUNT
335

SUPPLIER SPEND
\$9,793,379

Category		Supplier Count	Supplier Spend	% Supplier	% Spend	MATCHED %
High	3	50	\$914,363	15%	9%	
	2	131	\$6,406,474	39%	65%	
	1					
TOTAL		181	\$7,320,837	54%	75%	
Medium	3	39	\$425,328	12%	4%	
	2	54	\$762,115	16%	8%	
	1					
TOTAL		93	\$1,187,443	28%	12%	
Low	3	10	\$27,676	16%	0%	
	2	45	\$1,176,394	13%	12%	
	1	6	\$81,029	2%	1%	
TOTAL		61	\$1,285,099	18%	13%	
GRAND TOTAL		335	\$9,793,379	100%	100%	

Michigan Purchasing Card Consortium



Michigan Purchasing Card Consortium

For the past 19 years **MSBO, MASA, and MASB** has offered Michigan school districts a free card program regardless of their size or location with an opportunity to earn a cash rebate.

The Michigan Purchasing Card Consortium has 245 participating school districts.

This past year the program participants received over **\$800,000 in CASH REBATES.**

Program Oversight Provided by



Michigan Purchasing Card Consortium Program Highlights

- **No Annual Card Fee**
- **Credit limit & Card controls set by Program Administrator**
- **MasterCard® accepted at over 9M locations in the US**
- **Dedicated support teams**
- **24/7/365 access to Proprietary, web based program management, data warehouse, reporting and statement generation tool**
- **Level 1,2,& 3 Addendum Detail**
- **Vendor is paid within 24-48 hours**
- **1099's requirement is eliminated when paying by P-Card**
- **Central Billing/Corporate Liability Program**
- **One Billing cut-off date
27th of the month paid 7 calendar days later**
- **Lost or Stolen Liability- \$0**
- **\$100,000.00 coverage per cardholder-Employee Misuse for organizations that have 5 cards or over. \$25,000.00 coverage for 2 – 4 cards**



Presenter

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Thank you!



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