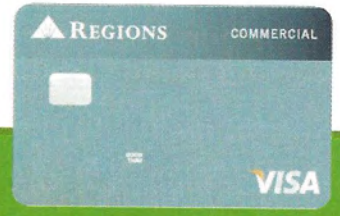

Regions Bank
Commercial Card Services

REGIONS

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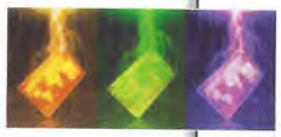
Card Applications

Traditional Plastic Card - *Replace the Purchase Order*

- Given to employees to buy goods and services
- Typically card-present purchase
- Logged into A/P after posting date (i.e. expense reports)
- Uses: T&E, Fleet, Purchasing Card for small dollar purchases

Accounts Payable – *Replace the Check*

- Payments made via the Purchasing Card Program on approved invoices or Purchase Orders (POs)
- Typically card-not-present purchases or Ghost Cards (held by vendor or A/P)
- Logged into A/P at the time of invoice or PO approval
- Uses: Repetitive transactions or specific high dollar payments



Virtual Card (ePayables) – *Streamline Accounts Payable*

- Increased reduction in check payments and the associated costs
- Less time spent communicating with suppliers due to more timely payments
- Reduced exposure to fraud
- Greatly increase revenue sharing from Regions

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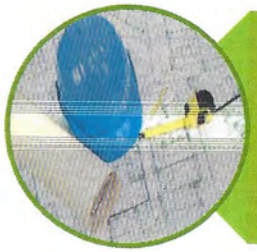
Commercial Card Uses

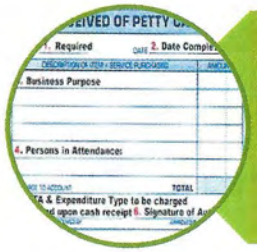
Accounts Payable

Replace the check



Construction Projects

Increase your float



Small Dollar / Emergency Purchases

Replace purchase orders

Capital Expenditures

Increase your rebate

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Increased Controls

Commercial Card Programs have increased controls that help reduce the potential for fraud.

- ✓ **Dollar Limits**

  Monthly, Daily, Weekly and Transaction

- ✓ **Velocity Limits**

  Daily and Monthly

- ✓ **Supplier Limits**

  Block by Supplier Type (MCC)

- ✓ **Reporting**

  Real Time Monitoring of Transactions

Additional:

- ✓ Employee Card Agreement
- ✓ Employee Misuse Coverage

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Vendor Analysis

Utilizing your provided vendor listing we found over 270 potential Visa acceptors.

Non-Acceptors	60 Vendors
For Discussion	22 Vendors
Visa Acceptors	271 Vendors

Given the annual spend for each vendor, Regions can estimate the economic impact of a commercial card program for the City.

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Revenue Sharing

A Commercial Card Program is currently the only payment strategy that offers a Revenue Sharing Opportunity.

Purchasing Card Volume					
		Cycle Period	30	14	7
		Grace Period	15	7	3
			Basis Points		
$ 720,000	$ 999,999		20	35	42
$ 1,000,000	$ 2,499,999		40	55	62
$ 2,500,000	$ 4,999,999		50	65	72
$ 5,000,000	$ 7,499,999		60	75	82
$ 7,500,000	$ 12,499,999		70	85	92
$ 12,500,000	$ 21,999,999		80	95	102
$ 22,000,000	$ 29,999,999		90	105	112
$ 30,000,000	+		100	115	122
Large Ticket Volume		Cycle Period	30	14	7
		Grace Period	15	7	3
			Basis Points		
$ 1	+		20	20	20

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State Requirements

In order for public fund entities to comply with Mississippi laws, there are a few extra steps they will need to complete in addition to the normal commercial card setup procedures:

- **Comply with all competitive bidding requirements**

- **Opt out of the State program**
  - ✓ Submit a request for approval from their governing board to establish their own program
  - ✓ Place approval on the minutes of the governing authority's board meeting
  - ✓ Send a copy of the approval to the Office of Purchasing, Travel and Fleet Management

- **Set policies and procedures**
  - ✓ Comply with Mississippi Procurement Manual and State Procurement Card Guidelines
  - ✓ Contact Office of Purchasing, Travel and Fleet Management in order to ensure they have latest guidelines. (purchasingandtravel@dfa.ms.gov)
  - ✓ Confirm policies and procedures with their Board attorney