



Payment Analytics

A more targeted, efficient and effective way to monitor transactions

Overview

Commercial cards are fast becoming the payment tool of choice for all types of business-related expenditures. An effective payment tool, card programs provide efficiency and critical information that bring unique value to an organization's business-to-business payables process. Moreover, organizations can achieve greater visibility and control over their cash management activities by using commercial cards.

As more financial executives discover the positive impact commercial cards have on their cash management process, they are looking to expand usage.

However, as organizations consider expanding their commercial card programs, one possible obstacle is the concern about the potential for improper card usage. This concern becomes even greater when growing a program and adding transaction volume because it becomes increasingly difficult for program managers to review all transactions.

Although concern over misuse and out-of-policy spending is understandable, the fact is that commercial card abuse is far less common than many perceive. Commercial cards can mitigate the risk of improper card use if the appropriate controls are in place. Commercial card programs offer several inherent controls, such as card limits and detailed transaction reporting, that program managers can use to lessen the opportunity for the misuse of funds.

Audits can provide another layer of protection. Most organizations employ some level and form of audit to mitigate fraud, loss and misuse. Currently, several organizations still rely on manual reviews, which are time-consuming, labor-intensive and error prone. As organizations continue to expand their card programs, more transactions may require more resources to perform more reviews and more analysis of the expanding data, which leads to greater operational costs.

When it comes to the auditing function, the need for an automated, continuous and consistent way to monitor commercial card activity is at an all-time high. To address this challenge, we offer technology to rapidly detect, correlate, analyze and respond to transaction-driven events. A part of our electronic access system suite of products, Payment Analytics helps program managers more effectively pinpoint potential card misuse and guide the back-end auditing process.

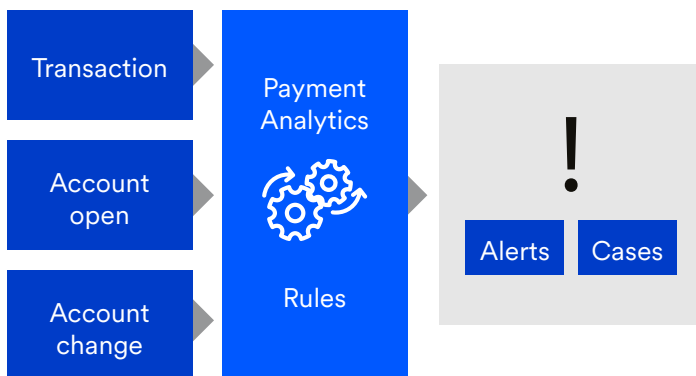


How it works

Payment Analytics enhances auditing practices by looking beyond traditional card controls, such as cardholder spending limits and merchant category code (MCC) restrictions, to provide 100 percent commercial card transaction monitoring. Using customizable rule templates, organizations can automatically review all card transactions and flag suspected card misuse and out-of-policy spending. For example, you can conduct audits on purchases that are made on the weekend or split to avoid transaction limits.

By consistently, continually and automatically running policy rules on all transactions, Payment Analytics dramatically makes cardholder transaction monitoring more targeted, efficient and effective. Program managers can receive email notification of possible non-compliance and maverick spend violations so you can better improve purchasing practices and safeguard against commercial card misuse.

Payment Analytics increasingly enables organizations to move indirect spend to more efficient forms of electronic payment, such as commercial cards, without allocating more resources to audit these expenditures. This allows you to reap the efficiency gains from commercial cards across your payables organization without requiring more staff for auditing.



Payment Analytics requires no additional hardware or software and no extensive training, so you can get up-and-running quickly and easily. A completely turnkey solution, Payment Analytics automatically integrates your commercial card transaction data and is accessible online, 24/7, so information is readily available anytime, anywhere.

Benefits

- **Improve compliance** – Manage out-of-policy spend and detect fraudulent activities in near real time by associating time, people and events together.
- **Enhance control** – Audit 100 percent of transactions versus a random sample, offering greater peace of mind and more complete detection of policy violations and suspicious card use.
- **Reduce risk** – Route flagged transactions to the appropriate personnel for review, providing greater program supervision over non-compliant activity.
- **Increase efficiency** – Streamline the audit process with multi-dimensional rules that are consistently and continually applied across all transactions and card users.
- **Boost cost savings** – Automate routine audit tasks, focusing on transactions that are a cause of concern.
- **Streamline administration** – Empower your program managers with self-service capabilities, allowing them the flexibility to manage user entitlements, specify alert notifications and configure audit rules.
- **Broaden visibility** – Record all case details in one central database, enabling program managers to gain insights into the organization's performance over time and improve the predictability of who, when and where problems may arise.
- **Expand revenue share opportunity** – Realize growth incentives by identifying spend leakage and moving volume to secure card payment methods.

Rules management

Rules management functionality makes it easy to select and modify rule templates. The rule templates automatically notify your program managers by email when your transaction parameters are met – like when a transaction is close to a cardholder's single purchase limit or when a transaction is made with a non-preferred supplier.

Clients can choose from a variety of rule templates that include, but are not limited to:

- **Unauthorized merchant category code (MCC) alert** – notification when a transaction occurs within a prohibited MCC
- **Merchant watch list alert** – notification when a purchase is made at a particular supplier (as specified by the supplier name)
- **Transaction with a non-preferred merchant alert** – notification when a transaction is made with a non-preferred supplier (as specified by a MCC, supplier name and dollar amount)
- **Split transaction alert** – notification when multiple transactions occur on the same date at the same merchant at the same location
- **Split purchase alert** – notification when separate transactions occur on the same date at the same merchant at different locations
- **Transaction close to single purchase limit alert** – notification when a transaction is close to the cardholder's single purchase limit (as specified by percentage or dollar amount)
- **Large spend increase over average spend alert** – notification when the total spend during the last closed cycle exceeds the average spend of the previous six cycles (as specified by percentage increase)
- **Excessive use of convenience checks alert** – notification when there is excessive use of convenience checks by a cardholder (as specified by number or total dollar amount in a set time period)
- **Excessive cash withdrawals alert** – notification when there are excessive cash withdrawals by a cardholder (as specified by number or total dollar amount in a set time period)
- **Corporate travel card purchase in cardholder's postal code alert** – notification when a transaction is made at a merchant located in the cardholder's postal code (as specified by dollar amount)
- **Weekend/holiday purchase alert** – notification when a transaction is made during a weekend or holiday (U.S. or Canadian holidays)

- **Account opened/maintained with limits exceeding standards alert** – notification when a cardholder account is opened and/or maintained with a credit, purchase and/or cash limit that is outside a set of standards

Case management

With case management functionality, you can create cases for follow-up investigation. Cases can be assigned to different owners (for example, the cardholder's manager) for further examination. The case manager can add notes to the cases based on research they have conducted on the transaction. In addition, you can set the current status of the case and sort cases by rule name, date opened and last updated.

Within a case, you can assign a classification depending on the outcome of a case as well as a disposition. By creating and associating cases, you can detect relationships between transactions over time and move from a reactive to proactive control framework. Finally, you can create case management reports to view trends and identify which hierarchy positions have the most cases.

- **Receive cases** – Initiate investigations received through alerts based on customizable rule templates.
- **Distribute cases** – Prioritize, assign and route cases and tasks to the most appropriate people for follow-up.
- **Resolve cases** – Record notes, evidence and activities, and efficiently document the outcome of the investigation.

Ensuring compliance with procurement and payment policies is essential to the success of your commercial card program. Payment Analytics' sophisticated rules-based analysis provides the review needed to manage your card programs effectively. Leveraging Payment Analytics' 100 percent transaction monitoring, you gain better insight into your card program's performance and intelligence that can be acted upon quickly to discourage fraud, waste, loss and abuse. By converting transaction data into business intelligence, Payment Analytics helps you maximize your card programs.

For more information

To find out how your organization can benefit from Payment Analytics, contact your Elan Relationship Manager or visit elanpaymentsolutions.com.