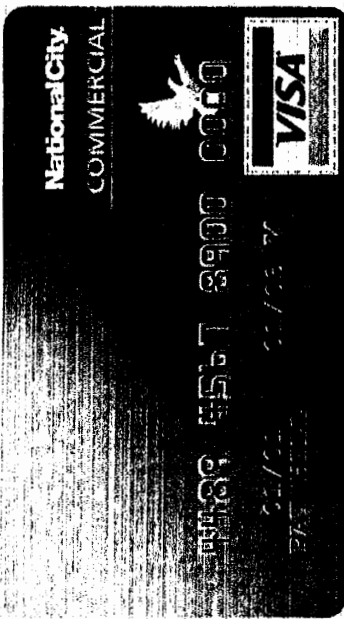


# City of Lincoln Park

# National City<sup>®</sup> Commercial Card



**Nada Rote**

**Vice President**

**February, 2005**

**National City.**

# Traditional Procurement Process

- Average cost to process purchase order = \$129
- Cost of processing can be more than item itself
- Typical process involves 12+ steps
- 80/20 rule – 80% of time spent on 20% of dollars
- Labor intensive process for small dollar items
- Delays in order processing can affect productivity

# Controls/Features

- **Dollar Limits**
  - ♦ Single Purchase Limit
  - ♦ Monthly Limit per Card
  - ♦ Monthly Limit at Corporate Level
- **Transaction Limits per Day/Month**
- **Merchant Category Code (MCC) Restrictions**
- **Default Accounting Code**
- **Pre-defined control groups to simplify set up**
- **Each card can have a unique control group**
- **Visa Liability Waiver – insurance for employee misuse**
- **Card activation**



# Reporting Options

## Account View

- Receive statements via the web
- E-mail notification when statement is ready
- Review current transactions plus 90 days of history
- Administrators can view control, sub, and individual accounts
- Download transactions
- Make payments on-line
- Ideal for Individual Pay cardholders



# Where Do We Begin?

- **Procurement**
  - ◆ Analyze current purchasing activity
  - ◆ Determine pilot cardholders
  - ◆ Assign a Program Administrator
  - ◆ Develop policies and procedures
  
- **Critical Success Factors**
  - ◆ Commitment to program by all decision makers
  - ◆ Champion of program
  - ◆ Willingness to reengineer processes
  
- **Travel & Entertainment**
  - ◆ Determine if consolidated or individual pay
  - ◆ Assign a Program Administrator
  - ◆ Educate cardholders

# Fees

**Implementation: \$300 (WAIVE)**

Program design and consultation  
 Card issuance  
 Administrator and cardholder training

**Rebate Schedule:**

**\$0-\$1MM**                    **0.35%**  
**\$1MM-\$2.5MM**           **0.40%**  
**\$2.5MM +**                   **0.45%**

*Apply  
 reviewed  
 weekly*

**Reporting: (WAIVE)\***

Cardholder statements	No Fee
Corporate summary statement	No Fee
Annual summary report	No Fee
Additional reports	\$10 per report
Account View -	\$50 per month
PVS Net	\$85 per month

\* waived if you do not require paper reports. If paper is required we would determine a monthly fee.

**Card Fees – Individual Pay:**

Late Fee                    \$29  
 Cash Advances            3% of advance  
 Returned Check         \$3min/\$50max  
 Rewards                    \$29  
 Annual Card Fee         \$75/year per card  
 None  
 Interest Rate\*            Prime + 6%  
 Cash Advances            Prime + 3.9%

\* Interest does not apply if payments are made in full

**Card Fees – Consolidated Pay:**

Cash Advances            3% of advance - *10*  
 Returned Check         \$3min/no max  
 Rewards                    \$29  
 Annual Card Fee         \$75/year per *10*  
 card  
 None  
 Interest Rate\*            Prime + 6%  
 Cash Advances            Prime + 3.9%