



Understanding the Benefits of P-Cards and AP Card Programs

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Defining the difference between a “P-Card and an “AP Card program”

- ▶ Both solutions can provide financial and operational benefits to almost any type of organization from Corporate to Education to Government sectors
- ▶ Some of those benefits can be similar in nature
- ▶ There is cross functionality between a P-card and an AP card program, however understanding the true difference between the two programs can help organizations maximize the benefits of each solution
- ▶ Suppliers often benefit as well

What are P-Cards?

- ▶ P-Card (Procurement card) is a commercial charge card similar to a consumer credit card but with enhanced reporting and control capabilities
- ▶ Designed for day to day B2B purchases within a office as well as employee purchasing needs out in the field
- ▶ P-cards can be assigned to a specific department, individual employees or in some cases “ghost cards” can be used and assigned to specific suppliers for payments
- ▶ P-card can be used to pay supplier invoices however it's often more of a manual and labor intensive process vs. a true AP Card program
- ▶ Payment terms on P-cards can vary, however payment is usually due in full within the specified terms

What are the benefits of utilizing a P-card program?

- ▶ Simplifies and streamlines your procure to pay process.
- ▶ A well managed P-card program can help reduce or eliminate costly and inefficient internal expenses on a large number of low dollar day to day type purchases.
 1. Requisition cost.
 2. The cost of processing a purchase order.
 3. Invoice processing & check payment expenses.
 4. Employee reimbursement for out of pocket expenses.
 5. Petty cash.

Benefits of a P-card program.

- ▶ Help increase efficiencies and decrease cost
- ▶ Provide better insight and control into purchasing
- ▶ Help reduce the risk of potential fraud
- ▶ Most providers can “customize” a P-card program to fit the “unique” needs of a client.
- ▶ Depending on the program an organization can earn either
 1. Cash back
 2. Rewards
 3. Points

What is an AP Card Program?

- ▶ It's an automated payment process that works within a clients existing accounting software (ERP System)
- ▶ In most cases it's designed to closely mirror a clients check process.
- ▶ It simply replaces a paper check payment at the point of a check run with an electronic card payment.
- ▶ Designed specifically to pay suppliers at the invoice level
- ▶ Provides easy reconciliation of payments
- ▶ In most cases it's an "automated process, however in some cases "manual payments" can also be completed. This allows clients to maximize the benefits of paying suppliers on a card program vs. Paper check or ACH.

What are the benefits of utilizing an AP Card Program?

- ▶ A true AP Card program is mostly an automated process so it's an easy process and not labor intensive.
- ▶ Depending on their suppliers profiles, many organizations can eliminate a nice percentage of their paper check payments along with the associated cost of processing those paper checks.
- ▶ Easy reconciliation of supplier payments, again mirrors the check process.
- ▶ More secure, cost effective and efficient way to pay invoices.

Benefits of an AP Card Program.

- ▶ Based on the dollar volume that is often captured on an AP Card program a client can earn SIGNIFICANT rewards, points or Cash Back.
- ▶ Simply put, a solid AP Card program is the most efficient, secure and cost effective option to pay supplier invoices, and it's the only option that actually pays clients as part of the process.

Thank You !

The background features a white central area with abstract geometric shapes in shades of green and blue on the right side. These shapes are composed of overlapping triangles and polygons, some with a fine grid or halftone texture. The overall composition is clean and modern.