



Maximize Your ePayables Program

Nicole Frailey - Director of Strategic Sales, Construction Division

Alex Kelley – Director of Strategic Sales, New England Territory

Speaker Bios:

Nicole Frailey: Nicole is Director of Strategic Sales for Comdata's Construction Division, managing the Northeastern territory for Comdata's largest construction customers. She has been with Comdata for 10 years and has been an associate member of CFMA (Central Ohio Chapter) for 4 years.

Alex Kelley: Alex is Director of Strategic Sales for Comdata's Corporate Payments Division, managing Maine, New Hampshire and Massachusetts. He's been in the payments industry for 8 years and is a member of the CFMA/Massachusetts Chapter.

CPE Credit Hours

If you are seeking continuing professional education credit hours for this session, please:

- Sign in on the designated sign-in sheet
- Complete the course quiz
- Complete the course survey
- Return answer sheet to the Room Monitor
- You will receive your certificate upon passing the quiz (100%) and turning in your survey



CPE Credit Hours

This course offers:

One (1) CPE Credit

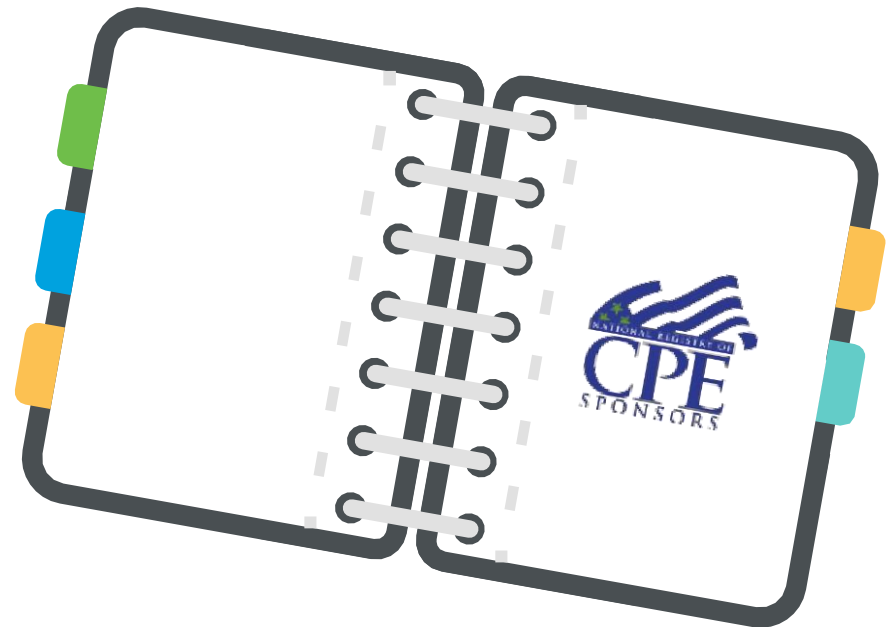
Program Level - Basic

Subject Matter Area - Management Advisory Services

Delivery Method - Group Live

Program Prerequisites - None

Advanced Preparation - None



Course Objectives

In this session, you will learn about:

- What an ePayables program is and how it can add value into the A/P process for construction companies
- Best practices for achieving maximum vendor enrollment in an electronic payment program
- Alternatives for enrolling vendors who do not wish to participate in a traditional credit card-based payment scheme
- Options to ensure you use the most cost-effective card payment strategy

Agenda

- Comdata Overview
- Comdata/CFMA Affinity Partnership Overview
- Current State of AP Payments
- ePayables Program Overview
- Case Study
- Impact of Continuous Vendor Enrollment
- Pcard Discussion
- Questions?

About Comdata

**47th year in
company history**

 **\$60B in
spend volume**

Revenue over \$1.6B


**1,000 +
Construction
specific clients**




**2nd largest
MasterCard®
commercial issuer**

**Work with 40% of
Top 35 ENR
Contractors**

**Partner & Integrate with
almost all major
Construction ERPs**

**Over 30,000
Corporate clients**

Comdata is Proud to Partner with Other Industry Leaders

Turner

CIANBRO

**BRASFIELD
& GORRIE**
GENERAL CONTRACTORS



2010 Supplier Excellence -
Collaboration

Vulcan
Materials Company

YATES
CONSTRUCTION



CLARK
CONSTRUCTION



DPR
Construction Inc.



MasTec



FedEx
Supplier of the Year

BAKER
CONCRETE CONSTRUCTION
expect more

SUMMIT
Materials

ZACHRY

acco engineered
systems



2013 Vulcan Materials
Gold Partner

Hyland
creator of OnBase®



Cabela's



LOWE'S



Comdata Affinity Program with CFMA

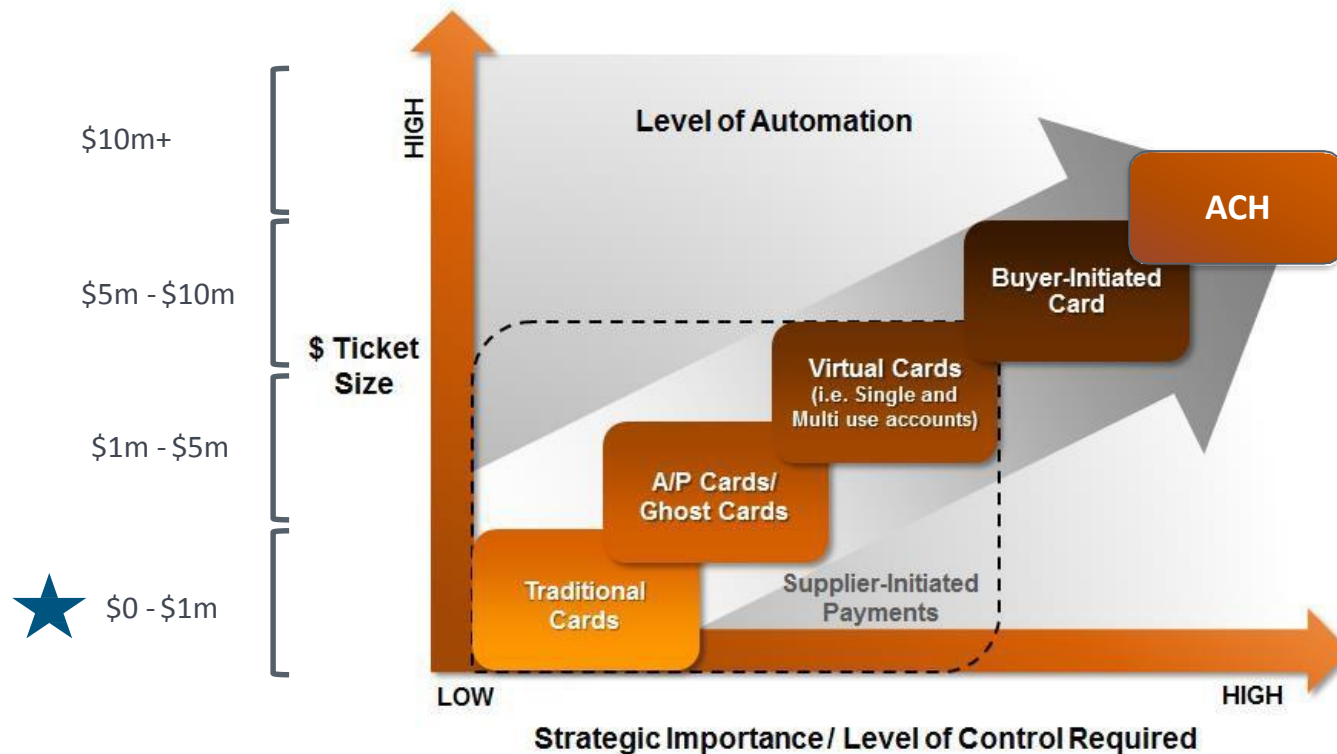


- Comdata contributed **over \$285k** in 2016 to CFMA
- Comdata Contributes 3 bpts to CFMA for every dollar of spend for Comdata/CFMA members
 - 2 bps goes to CFMA National for marketing the program
 - 1 bps goes to local CFMA chapters as unrestricted funds
- There are several key ways we are leveraging this partnership to create more value:
 - Comdata is a significant sponsor/participant at the CFMA annual conference
 - Comdata is a sponsor/participant at the CFMA regional conferences
 - Comdata has presented at 8+ local chapter meetings over the past 12 months
 - Asking potential customers if they are CFMA member

The B2B Payment Strategy is Evolving

Understanding the evolution of network payments

Card acceptance includes a merchant discount rate ranging from 1.30%- 2.65%. Depending on data transmitted and transaction amount.



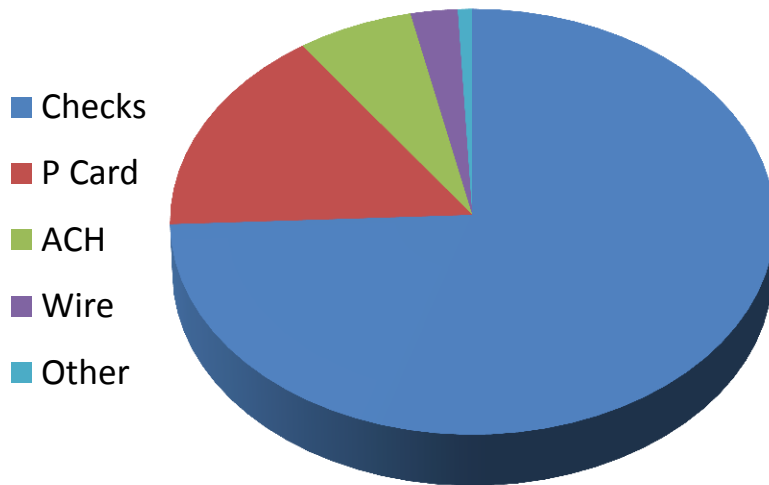
IOFM Study Reveals:

Accounts payable earned a dubious trifecta in a recent Institute of Finance and Management survey of controllers: it topped the lists as the most time-consuming, laborious, and paper-intensive finance and administration function, ahead of activities such as accounts receivable, payroll, tax, and audit and reporting.

Source: 2016 IOFM, Diversified
Communications

The average company is plagued by over burdensome and inefficient payments

% of Payments By Payment Type



The Perils of Paper and Cash Payment

- High Cost of Execution
- Overly Intensive Time Management
- Poor Payment Visibility
- Inappropriate Usage

IOFM Study Reveals:

Efforts to improve accounts payable through invoice processing automation have largely been undermined by:

- Tight capital budgets
- A lack of IT resources to support automation initiatives
- Concerns about the risks of project failure
- Challenges integrating invoice processing solutions with downstream systems and processes such as an enterprise resource planning (ERP) platform

More businesses are discovering that migrating from paper check disbursements to electronic payments solutions like card programs with virtual card numbers (VCNs) – a single-use account or dedicated card account – provides significant strategic benefits without the upfront capital expense, IT burden, risk, or systems integration issues of automating invoice processing.

The 5 Enterprise Benefits of Migrating to Electronic B2B Payments:

- Reduced operational costs
- Incremental revenue/lower cost of goods
- Enhanced forecasting/transparency
- Better working capital management
- Increased security and control

Virtual Payments: Like Checks, but Better

A 16-digit Credit Card number that replicates a check

- Integrates into ERP and normal AP workflow as an alternative payment type to Check, ACH, Wire
- Single-use account good for the exact payment amount
- Safe, secure and timely supplier funding with electronic remittance advice
- Leverages existing vendor pay cycle (terms)
- Improve Working Capital
- Turns your accounts payable department into a revenue generator.



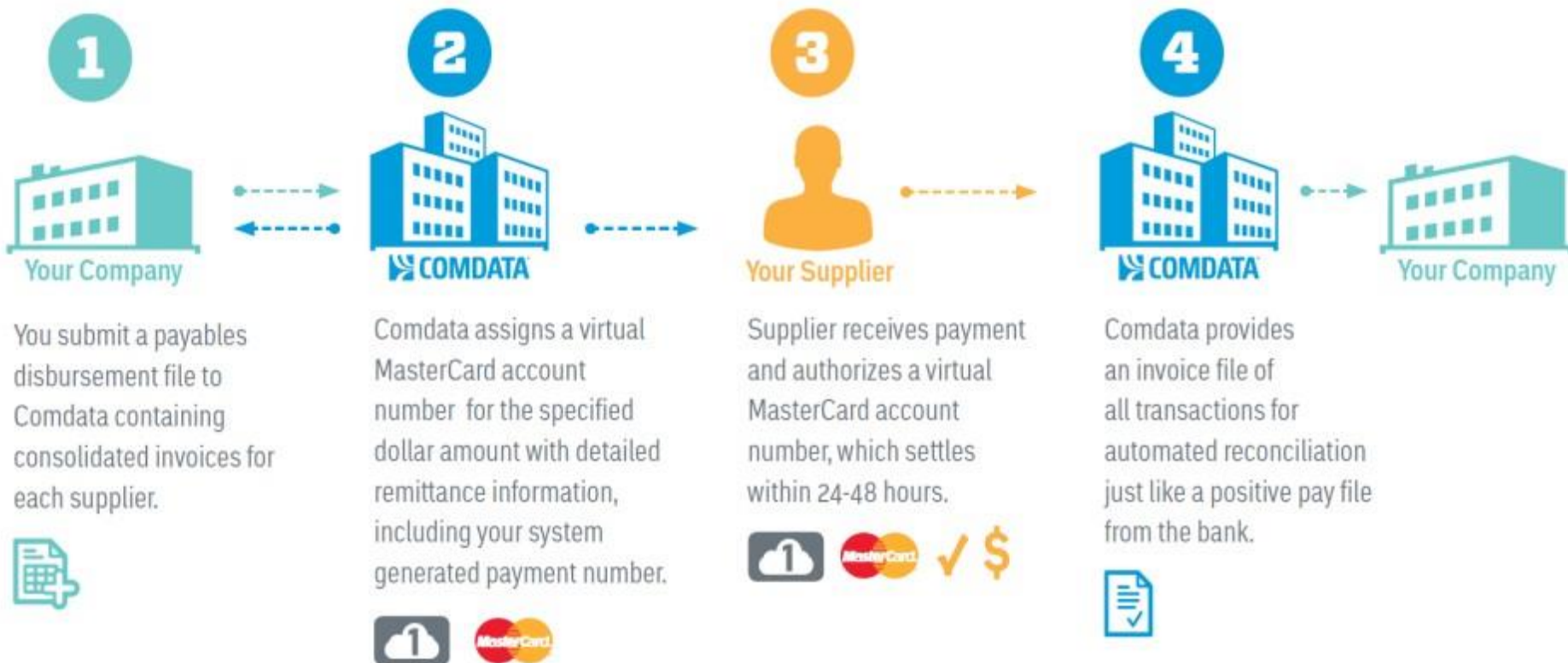
Check



**Single-Use
Virtual MasterCard
Account**

How Comdata Virtual Account Payments Work

Transactions are automatically reconciled, and payments are sent to your suppliers with detailed remittance information.



Garney Construction Case Study

Spend Highlights



Averages Over the
Last 26 Months



Average Transaction
Spend Per Month

\$1,932,509



Average Number of
Transactions Per Month

381



Average Number of
Cards Issued Per Month

381

Last 26 Months

AVG Per Month

Total Spend:
\$50,245,232

\$1,932,509

Transactions:
9,895

381

Last 12 Months

AVG Per Month

% Change

Total Spend:
\$29,193,769

\$2,432,814

26%

Transactions:
5,773

481

26%

February 2017

AVG Per Month

% Change

Total Spend:
\$2,429,127

\$2,429,127

26%

Transactions:
428

428

3%

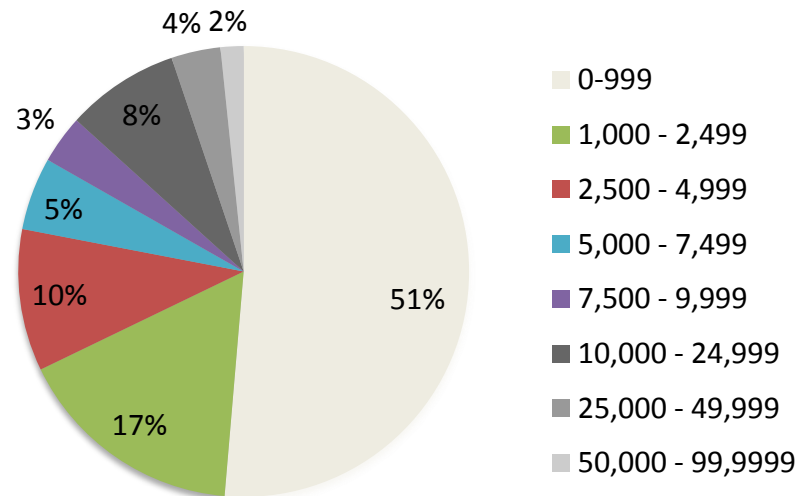
Garney Construction Case Study

Spend Range Analysis



Last 26 Months – Transaction Summary by Spend Range

Amount Spend Indicator	0 - 999	1,000 - 2,499	2,500 - 4,999	5,000 - 7,499	7,500 - 9,999	10,000 - 24,999	25,000 - 49,999	50,000 - 99,999
Spend Amount	1,647,052	2,642,102	3,587,460	3,151,365	2,950,856	12,665,905	12,105,227	11,494,265
# Transactions	5,081	1,632	1,007	517	342	803	349	163



Garney Construction Case Study

Top Vendors



Top 10

- United Rentals
- Power Equipment Company
- Martin Marietta Materials
- Rogers Group Inc.
- Transit Mix Concrete
- Wylaco Construction Supply Co.
- Murphy Tractor Equipment
- Schmidt Construction-Delta
- Wagner Equipment Parts

Top 11-25

- H & E Equipment
- Wagner Rents Corp.
- Sunbelt Rentals Inc.
- Wesco Branch
- Coblaco Services Inc.
- Neff Rental LLC
- Oldcastle Precast
- Honnen Equipment Company
- Matt Brown Trucking
- Rodney Hunt Company
- Duffy Crane and Hauling
- Ellis Construction
- Hertz Equipment
- Holt Cat AR Finance

Top 26-100

- Neff Rental LLC
- Sherman Dixie Concrete
- Rocky Mountain Premix
- Kirby Smith Machinery
- Power Motive Corporation
- Hilti Inc.
- Volvo Rents
- Barton Supply
- Lindsay Precast
- Essential Safety Products
- Schwarz Ready Mix
- Ram Tool & Supply
- Contech Engineered
- Croell Redi-Mix
- Barton Supply Company
- Opt Pikotek
- Rain for Rent
- Builders Choice St Joe

Garney Construction Case Study

The Real Benefit to Garney



Total Spend:
\$50,245,232

Transactions:
9,895



Estimated Savings

Estimated Money Back \$628,065

Check Savings
\$19,790

Total Savings \$647,855

Garney Construction Case Study

Reasons for Success



- Allocating the rebates, creates higher management buy-in
- Looking for vendors that take credit card payments in monthly statements
- Check stuffers
- Create a competition
- Continuous enrollment sending new vendors every month
- Reporting on what vendors we do the most spend with by area



Garney Construction Case Study

Top Vendors Last 26 Months



Top 10

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Virtual Payments Best Practices

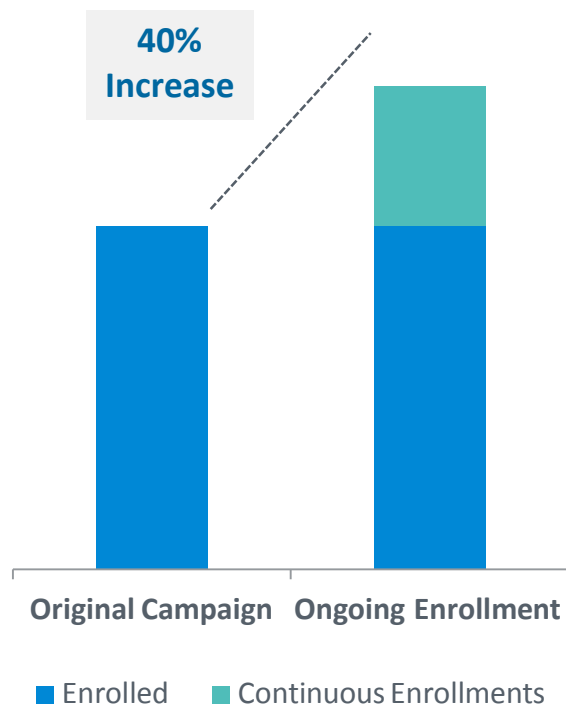
Making Your Virtual Payments Program Pay

Best Practices		Applicable? (Y/N)
New Vendors	Highlight Virtual Card as preferred method of payment in contracts	
	Create a new vendor set-up form that includes electronic pay as a preferred method of payment – important because vendors used by most companies vary over time.	
Payment Terms	Preferred payment terms for Virtual Card <ul style="list-style-type: none"> • Extend check/ACH payment terms for vendors who will not accept Virtual Payments • Or shorten terms for vendors who will accept virtual payments. 	
Promotion	Brand program i.e. ABC's FastPay Program including a creative logo incorporating your program name	
	Include Virtual Payment information on vendor checks or as an insert when mailed	
Oversight	Identify a day to day owner of the program <ul style="list-style-type: none"> • Typically someone working in Accounts Payable • Partners w/ Comdata in handling vendor pushback or when more information is needed i.e. account numbers, copy of invoices, etc. • Provides regular Vendor List updates 	

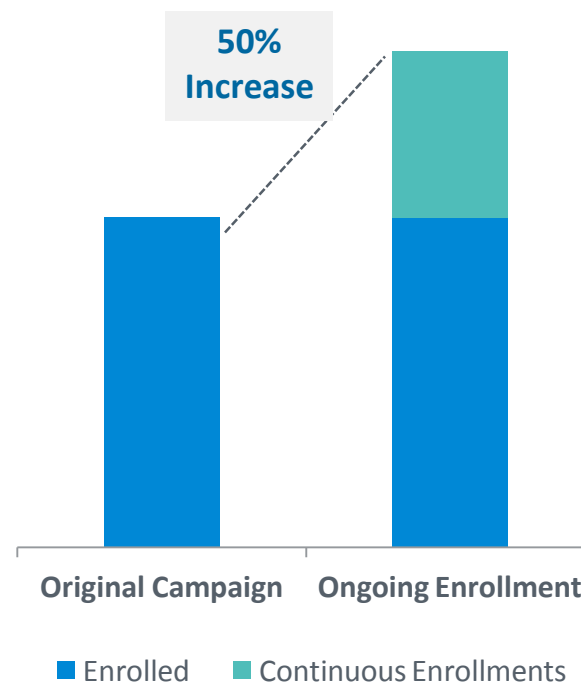
Impact of Continuous Enrollment

The Top 100 Accounts who are continuously enrolling vendors are able to sustain / expand their program

Enrolled Vendors



Projected Annual Spend





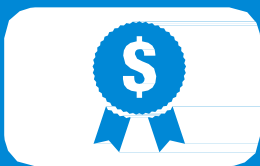
| PayForYou

Maximize your vendor
enrollment program while
saving time and money.



PayForYou: Service Expansion

Comdata has invested significant time and resources improving and expanding this FREE service. This options has allowed Comdata to increase our enrollment volume by 5%



\$1.1 B

Spend in 2015



188,463

Processed Transactions
in 2015



65

Dedicated Specialists

PayForYou: Comdata's Exclusive Payment Submission Service

Gain access to our FREE advanced enrollment service to capture spend with vendors who only accept credit cards by phone or online



Earn More Rebate and Eliminate Check Payment Costs

- Dedicated Representatives
- Timely, Responsive Vendor Payments
- 24/7 Contact Center
- 5-Day Payment Submission

Ideal for a Variety of Vendor Types



Advertising



Facility &
Maintenance



Office Supplies



Select Building
Materials



Telecom & ISP
Services



Utilities

ComdataDirect

The Payment Alternative That Brings More Vendors
Into Your Virtual Payments Program



ComdataDirect: Comdata's Exclusive Proprietary Network for Push Payments

ComdataDirect targets suppliers that decline participation with virtual card and allows an opportunity to increase spend.

Acceptance Issues

- 1** Discount fee is too high with credit card transactions
- 2** Vendor believes that they will need additional overhead
- 3** Vendor does not have a merchant account

Solve vendor acceptance issues & Increase your company's payment volume



Straight-through payment processing option

Settlements are transferred directly into the vendor's designated bank account.

Lower Interchange Offering

About 1/2 fee charged for standard MasterCard®, Visa® or American Express® transactions

Looks Just Like a Regular Comdata Payment



ComdataDirect: Notable Program and Rebate Growth

Enroll high-spend, strategic vendors who will not accept MasterCard® payments for higher program results.



3,287

Vendor
Relationships



\$136M

Payment
Volume
(2015)



213

Participating Customers

277%



8%-11%

Proportion of Vendors Enrolled



Expense Control
Corporate Card



**How much does it cost to process a
traditional P2P invoice?**

\$73

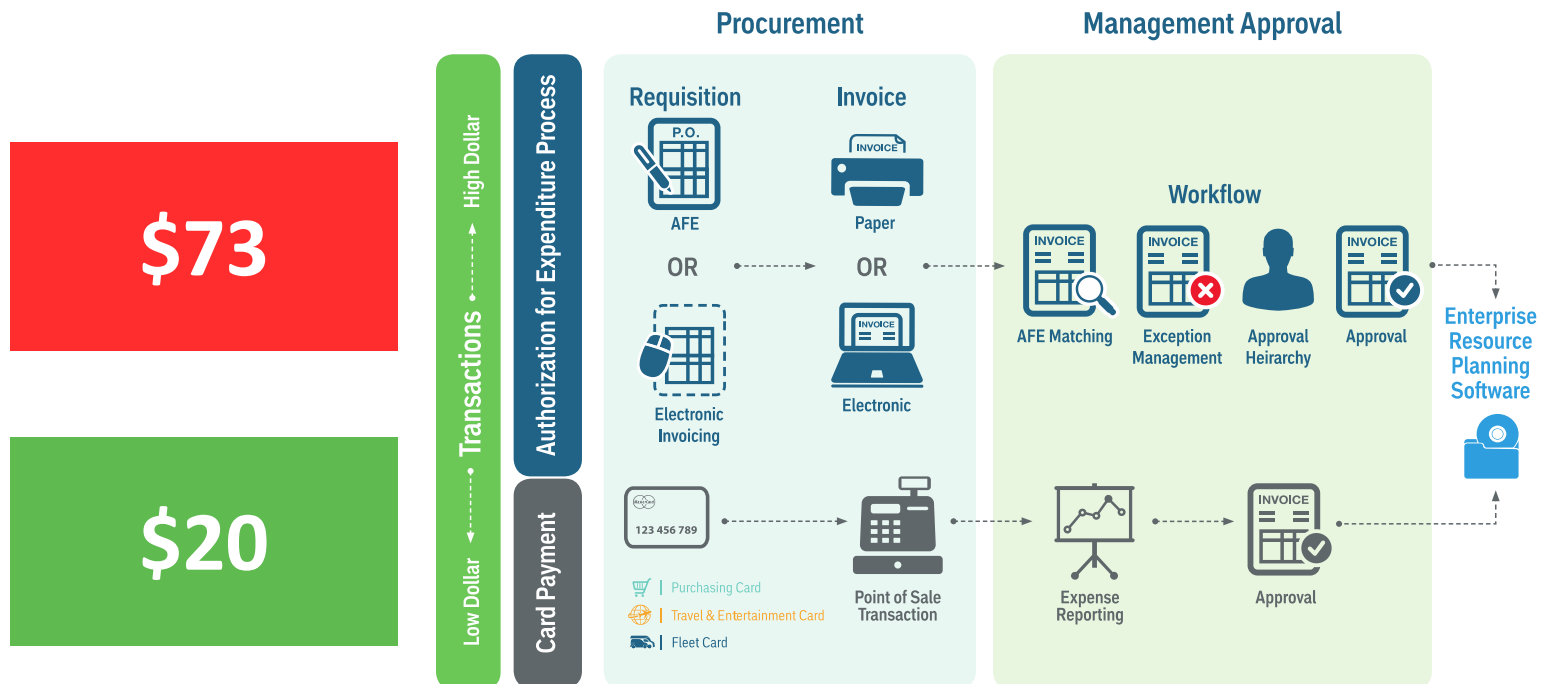
**How much does it cost to process a
Purchasing card transaction?**

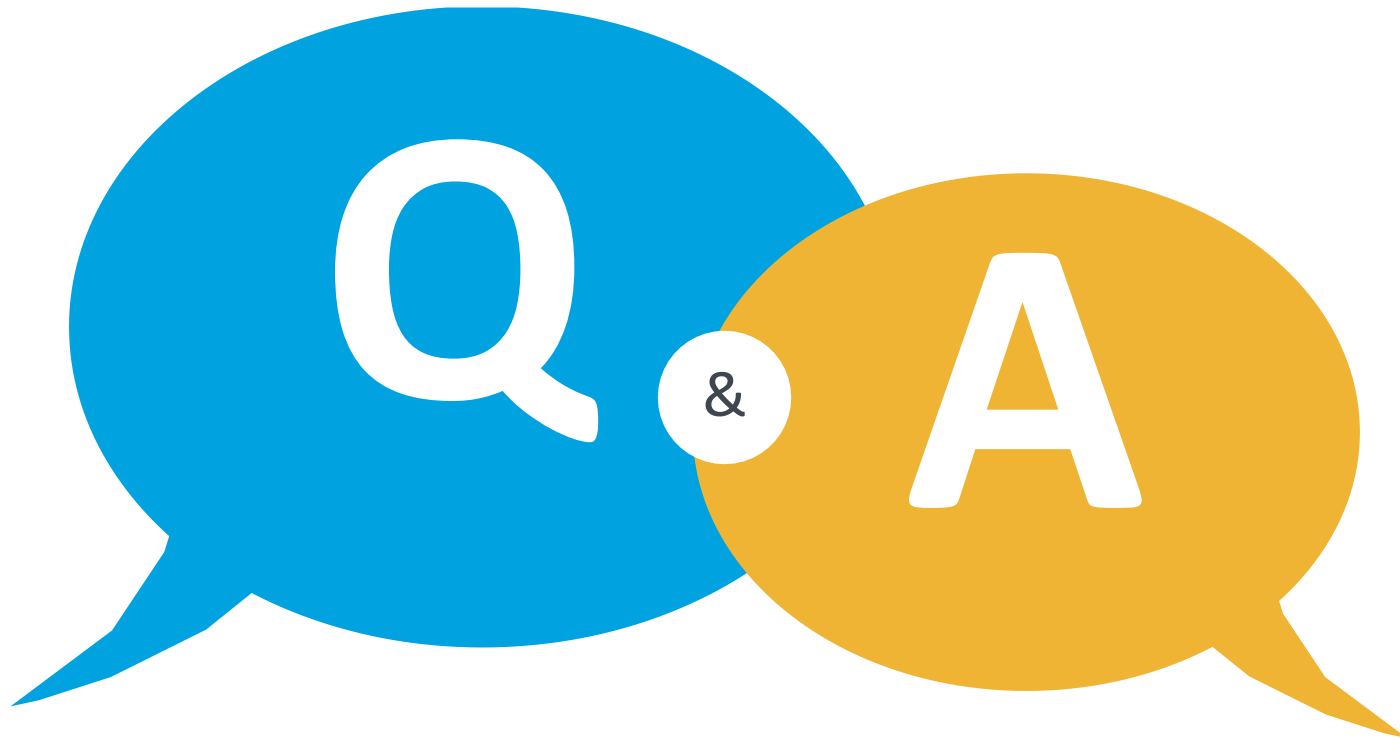
\$20

The Value Proposition of a Purchasing Card Solution

Corporate Card programs drive significant savings through automation, administrative consolidation and data analytics

- Reduce costs and streamline business processes
- Enhanced control and transaction visibility
- Mitigate risk and ensure compliance





Questions?

Thank You

Alex Kelley – Director of Strategic Sales, New England

P: 781-608-2539 **E:** akelley@comdata.com

Nicole Frailey – Director of Strategic Sales, Construction Division

P: 615-542-4842 **E:** nfrailey@comdata.com

