

TODAY'S
VISION
TOMORROW'S
REALITY



The 12th Annual GSA SmartPay® Training Conference

Delinquency Management

Presented by Dale Brauer

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Agenda

- Cardholder Agreement
- What is Delinquency?
- Assessing your Travel Card program's health
- Collection efforts
- U.S. Bank Tools



How does the bank know if the Cardholder agrees to the terms of the Travel card?

- By activating, signing and using the travel card the first time, it is agreed that the cardholder fully understands all rules and regulations governing the proper use of the card
- That includes understanding that this is an individual liability card



What Is Delinquency?

An account is considered past due if payment for undisputed principal amounts has not been received 45 calendar days from the billing date.



Account Status Codes

- Z1 Past Due 45 Days
- Z2 Past Due 60 Days (account is suspended)
- Z3 Past Due 120 Days (pre-cancellation notice sent out)
- Z5 Past due 126 Days (A/OPC will need to request reinstatement)
- V9 Voluntary Close
- F1 Reported as Lost or Stolen
- FA Fraud Activity Has Been Reported
- B3 Special Code used to authorize charges



Delinquency Notification Process

- A statement is generated on your agencies cycle date and payment is due upon receipt
- On Day 45 after the billing date, the cardholder is considered past due
- On Day 55 the account will show up on the A/OPC's pre-suspension report



Delinquency Notification Process (Cont)

- During days 45-60 courtesy calls will begin from the bank
- On Day 61 the account will be suspended
- The account suspension can be removed upon payment in full of the 60 day balance



Delinquency Notification Process (Cont)

- On days 60-90, collection efforts continue with phone calls and letters asking for payment resolution
- 110 days past the due date, another delinquency letter is mailed to the cardholder advising them their account will be cancelled if payment is not received
- On Day 126 after the billing date, the cardholder account is cancelled and late fees are assessed



Delinquency Notification Process (Cont)

- During days 150-180 late fees will continue to accrue each month payment is not made. Collection calls and letters continue and an attorney's letter is sent to the cardholder
- 180 days after the billing date (6 months) the credit bureaus are informed and the cardholder personal credit history may be negatively affected (Charge Off)
- After this point, the account may be referred to an outside collection agency



Collection Department

- U.S. Bank has a separate department to handle the collection efforts for your agency
- Located in our Minneapolis office



Recovery Department

- U.S. Bank has a separate department to handle recoveries
- Located in St. Louis, MO
- This department becomes involved when a cardholder charges off



CTS Delinquencies

- Also considered past due at 45 days
- Same policies and procedures as card accounts
- Can charge off
- The Invoice Service Department in Fargo, ND assists with past due issues for CTS accounts





Assessing Your Travel Card Program's Health



How do I know if my program is healthy?

- Participate in discussions with other agencies
- Utilize your resources effectively
 - Contractor/Bank experience
 - Electronic Access Systems and WBT
 - GSA website: www.gsa.gov/gsasmartpay
 - Industry publications and conferences
- Establish clear goals and objectives



Characteristics of Well-Run Programs

- Central program management and policy
- Comprehensive audit
- Defined disciplinary process
- Gain senior level buy-in and support



Characteristics of Well-Run Programs (Cont)

- Involve Finance, Technical Staff and all affected parties
- Hold internal user conferences
- Provide method for cardholder and APC feedback
- Evaluate data



Authorization Controls

- Review current MCC restrictions
 - Monthly limits
 - Transaction count
 - Cash limits and restrictions
- Establish agency wide defaults
- Monitor exceptions through reporting
- Review monthly and transaction limits



Assess reasons for delinquency

- Cardholder in charge of repayment to bank
- Use of “float” on reimbursements
- Personal credit issues
- Slow submission of expense reports
- Slow reimbursements
- Extended travel schedules
- Limit and monitor cash access
- Haven’t received statement, not valid



How do I effectively limit delinquencies?

- Monitor Access Online Reports
- Review credit limits and velocity controls every 6 months
- Consider restricted cards for users who are consistently 30-90+ days delinquent
- Email Supervisors/Managers when cardholder is 30+ days delinquent
- Escalate to senior management for 90+ days delinquent



Payment Options

- Check, Wire, Money Order
- On-Line Bill Payment
- Telepay
- Pay through Access Online – Epay



Audit Tools and Compliance

- Utilize Access Online reporting to monitor daily activity
- Conduct continual re-assessments of overall policies and procedures
- Provide auditors with access to Access Online
- Create internal data warehouse
- Implement statistical sample audits



Metrics for Measuring Success

- Compliance with Travel Policy
- Limited delinquency and write-offs
- Process Cost Savings per voucher
- Maximized rebate opportunities
- Minimal cardholder issues
- Limit increases, account suspensions, closures



Tools & Resources for Program Management

- Access Online (<https://access.usbank.com>)
- Access Online Helpdesk (800-254-9885 option 2)
- Customer Service (888-994-6722)
- Account Coordinators – (800-254-9885 option 3)
- Relationship Managers – located in Washington, DC



Resources available to you

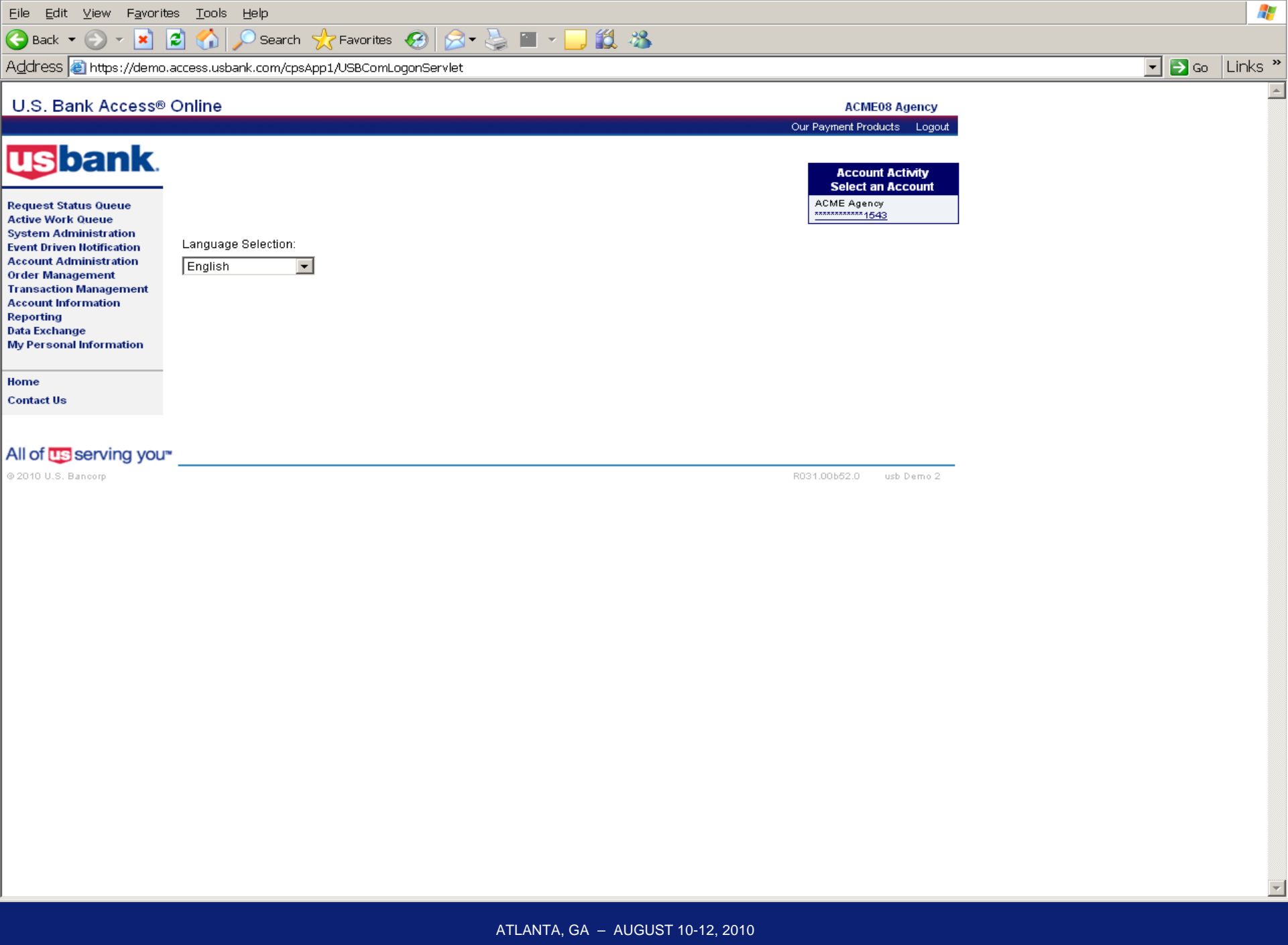
- Access Online web based training:
 - <https://wbt.access.usbank.com>
- U.S. Bank Marketing and Training website:
 - www.usbank.com/agency
- GSA SmartPay[®] online
 - A/OPC Survival Guide
 - Cardholder Training
- Internal Agency training programs



Access Online Reports

- Account List
- Charge Off
- Past Due
- Transaction Detail, Full
- Transaction Order Detail
- Merchant Spend Analysis
- Merchant List





- Request Status Queue
- Active Work Queue
- System Administration
- Event Driven Notification
- Account Administration
- Order Management
- Transaction Management
- Account Information
- Reporting
- Data Exchange
- My Personal Information

Language Selection:

Account Activity
Select an Account

ACME Agency *****1543

- Home
- Contact Us

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ACME08 Agency
Report Date: 06/14/2010

Account List - Summary

Account Name	Account Number	Account Status	Status Description	Product Type	Setup Method	Update Method	Demographic Information	Account Information	Auth Limit
JUDY BAHAR	*****0000271477		OPEN	Purchasing	Manual	Manual	Y	Y	Y
ANTONIO CAMINO	*****0000255090		OPEN	Purchasing	Manual	Manual	Y	Y	Y
KATHLEEN COFFEY	*****0000271485		OPEN	Purchasing	Manual	Manual	Y	Y	Y
EAMON DOUGHERTY	*****0000255108		OPEN	Purchasing	Manual	Manual	Y	Y	Y
FAUSTO HERNANDEZ	*****0000271501		OPEN	Purchasing	Manual	Manual	Y	Y	Y
DENISE JOHNSON	*****0000255124		OPEN	Purchasing	Manual	Manual	Y	Y	Y
WARD KOPPEL	*****0000271519		OPEN	Purchasing	Manual	Manual	Y	Y	Y
JASON LOWELL	*****0000255116		OPEN	Purchasing	Manual	Manual	Y	Y	Y
ANITA NEWTON	*****0000271527		OPEN	Purchasing	Manual	Manual	Y	Y	Y
ISIAH RILEY	*****0000271535		OPEN	Purchasing	Manual	Manual	Y	Y	Y
DIEGO SANCHEZ	*****0000255140		OPEN	Purchasing	Manual	Manual	Y	Y	Y
CHARLES TEDESCO	*****0000271543		OPEN	Purchasing	Manual	Manual	Y	Y	Y
CAMERON WEIDLE	*****0000255157		OPEN	Purchasing	Manual	Manual	Y	Y	Y
PAULINE WILLIAMS PRUITT	*****0000255132		OPEN	Purchasing	Manual	Manual	Y	Y	Y

End of Report

Past Due

30 Days	Times Past Due 1-30	60 Days	Times Past Due 31-60	90 Days	Times Past Due 61-90	120 Days	Times Past Due 91-120	150 Days	Times Past Due 121-150	180 Days	Times Past Due 151-180	181+ Days	Times Past Due 181+
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Name: JUDY BAHAR **Cardholder e-mail:** **Total Past Due:** \$7.00
Name Line 2: **Current Balance:** \$.00 **Last Payment Date:** 01/01/2005
Account Number: *****0000271477 **Account Status:** **Last Payment Amount:** \$.00
Account Type: C **Status Description:** OPEN
Current Default Accounting Code:

\$ 2.80	2	\$ 72.00	1	\$275.01	1	\$.00	0	\$.00	0	\$.00	0	\$.00	0
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Name: ANTONIO CAMINO **Cardholder e-mail:** **Total Past Due:** \$7.00
Name Line 2: **Current Balance:** \$.00 **Last Payment Date:** 01/01/2005
Account Number: *****0000255090 **Account Status:** **Last Payment Amount:** \$.00
Account Type: C **Status Description:** OPEN
Current Default Accounting Code:

8.85	1	10.13	1	112.00	1	.00	0	.00	0	.00	0	.00	0
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Name: JASON LOWELL **Cardholder e-mail:** **Total Past Due:** \$7.00
Name Line 2: **Current Balance:** \$.00 **Last Payment Date:** 01/01/2005
Account Number: *****0000255116 **Account Status:** **Last Payment Amount:** \$.00
Account Type: C **Status Description:** OPEN
Current Default Accounting Code:

9.47	1	53.80	2	356.80	1	.00	0	.00	0	.00	0	.00	0
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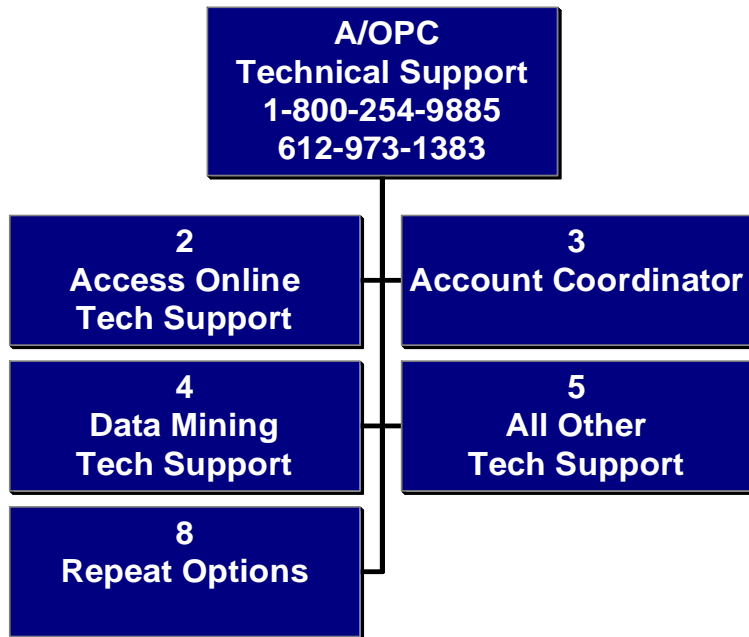
Total Number of Records: 3

Total													
\$21.12	4	\$135.93	4	\$743.81	3	\$.00	0	\$.00	0	\$.00	0	\$.00	0

End of Report

A/OPC Technical Support & Account Coordinators

Helpful Tip
If you get your AC's voicemail,
press zero to reach another
AC Team Member.



Quick Keys

- 2 Access On-Line Technical Assistance
- 3 Account Coordinator Civilian



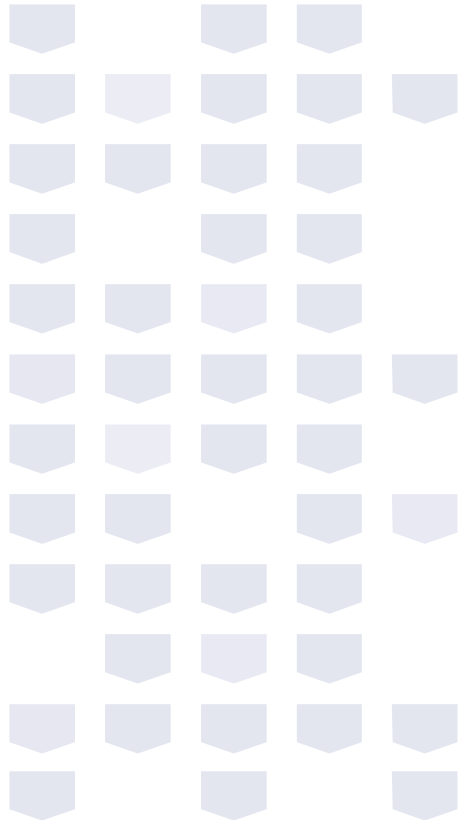
What should I do when I get back to the office?

- Key items to remember
 - Utilize the resources you already have available
 - Use Access Online or your own electronic access system to monitor progress and reporting
 - Involve your stakeholders in the assessment
 - Understand what your agency considers success





Questions?





Thank You

Presentations will be available on
www.usbank.com/sp2presentations
after the conference

