



# Card program optimization advantages add up: making the business case

Change always feels a bit challenging, especially in organizations. “The way we’ve always done things” is rationale that runs deep. Overcoming that inertia demands a strong business case with clear, measurable benefits. When it comes to making the commitment to reaching your card program goals and undertaking the optimization efforts to make it happen, the business case is clear. Whether we’re talking about reducing fraud risk, increasing efficiency, improving cash flow or generating revenue, the benefits of optimizing your program add up.

## Dramatically less fraud delivers meaningful savings

Whether paying by check or ACH, fraud is a real payables risk. In fact, 81% of respondents to the 2020 AFP Payments Fraud and Control Survey indicated that they have experienced some kind of payments fraud.<sup>1</sup> The good news is that virtual card payments essentially eliminate this risk. The risk of fraud with virtual cards is < 0.0012%,<sup>2</sup> which means transitioning more of your organization’s payments to this method can reduce losses and show significant savings.



## Efficiencies add up to better use of resources

On average, it costs companies \$5.95 to process a check.<sup>3</sup> Processing a virtual card payment costs 71% less, saving \$4.22 per payment. Eliminating time spent on reconciliation, replying to supplier inquiries, reissuing checks and producing 1099s saves even more. Avoiding many of these tedious tasks and gaining the flexibility to process payments from anywhere also increases productivity and frees up staff time to focus on activities that allow your accounts payable (AP) department to play a more strategic role in the organization.



<sup>1</sup>2020 AFP Payments Fraud and Control Survey

<sup>2</sup>2018 RPMG Electronic Accounts Payable Benchmark Survey

<sup>3</sup>Check processing cost estimates vary widely (\$3 - \$22 and up); \$5.95 average based on 2015 AFP Payments Cost Benchmarking Survey; 2017 Aberdeen Group Survey; 2018 RPMG Electronic Accounts Payable Benchmark Survey.



## Count on increased cash flow

With virtual card payments, you can offer your suppliers immediate, guaranteed payment at the same time you extend your cash on hand by up to 45 days. This added float can deliver significant cash-on-hand benefits and help you maximize working capital. Plus, fast payment can improve relationships with your suppliers and possibly even enable early payment discounts.



## Rebates multiply your bottom-line benefits

One of the most powerful advantages of optimizing your payables program is getting paid to pay your bills. Your rebate transforms payables into a revenue generating activity, offering a significant upside. U.S. Bank Optimization Services puts a team of professionals to work helping you maximize your card-eligible (and revenue earning) potential using best practices like terms strategies. In fact, 100% of companies with a virtual card program can qualify to earn rebates.



## The math makes sense

From garnering significant savings from reduced fraud and process improvements to the financial benefits of improved cash flow and rebate revenue, maximizing your card program makes powerful business sense. Best of all, with U.S. Bank, you have team of trained professionals dedicated to helping you make it happen – free of charge. So, while resistance to change is natural, the cost of inaction could be significant.



Get started today: Optimization Services is here to help, and discovering your potential is as easy as providing an AP file. Contact your U.S. Bank relationship manager or [make a direct request](#) to learn more.

[optimization.usbank.com](https://optimization.usbank.com)