Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Welcome
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Agenda
  - Some History
  - What is a Procurement Card?
  - How Does this Transition Affect my Credit Card Holders?
  - How Does this Transition Affect Department Card Administration?
  - Preview of Coming Attractions
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Some History

Spending by Calendar Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Billed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>100000</td>
</tr>
<tr>
<td>2004</td>
<td>300000</td>
</tr>
<tr>
<td>2005</td>
<td>500000</td>
</tr>
<tr>
<td>2006</td>
<td>650000</td>
</tr>
<tr>
<td>2007</td>
<td>700000</td>
</tr>
</tbody>
</table>

Through bill ending 7/25/2008
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Some History

![Number of Departments by Calendar Year](chart.png)

<table>
<thead>
<tr>
<th>Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008 = as of 7/25/2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Departments</td>
<td>15</td>
<td>30</td>
<td>40</td>
<td>45</td>
<td>50</td>
<td>60</td>
</tr>
</tbody>
</table>
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Some History

![Number of Cards by Calendar Year](chart.png)

- Year
- Number of Cards

Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Transition from...
  - The Bank of America’s Credit Card Platform
- to...
  - The Bank of America’s Procurement Card Platform
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- What is a Procurement Card?

- The Commonwealth’s Procurement Card (P-Card) Program Is:
  - A Payment method choice that has the ability to integrate into MMARS
  - Provides all the features of a Credit Card Plus...
    - Offers enhanced functionality
    - Superior Security controls
    - Faster Turn Around
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **What is a Procurement Card?**
- It is a Payment method choice that has the ability to integrate into is MMARS
  - Like its predecessor the Commonwealth Credit Card, the P-Card is an alternate payment method.
  - With some exceptions anything that you can pay for with a GAX, INP or PRC, can be paid for with the P-Card
What is a Procurement Card?

- Provides all the features of a Credit Card
  - During the initial roll out all cards will have Credit Card profiles
  - Current Uses will function as they have
  - For current Card holders, the transitioning from the Credit Card to P-Card will be minimal
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **What is a Procurement Card?**
- **Offers enhanced functionality:**
  - Supports P-Card profiles that meet departmental business needs:
    - Profiles can be restricted to certain merchant category codes (MCCs) (the best analogy is industry codes)
    - In certain cases a card can be designated to be used with a particular vendor for example Enterprise Rent-a-Car, only
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **What is a Procurement Card?**

- **Superior Security controls:**
  - We can Manage Card Funds Availability:
    - We can offer zero dollar credit limit cards, that may be turned on only when You request it
  - We can Manage Card Use
    - We can use MCC controls to provide access to commodities or products needed
What is a Procurement Card?

Faster Turn Around:

- Department setup
  - Credit Card was: 10 – 12 Days
  - P-Card is: 4 Days

- New Cards
  - In the past Bank of America processed request through CTR for a new card
  - Payee/Payment Unit will process request for new users in WORKS

- Email your request to P_Card@osc.state.ma.us
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect my Credit Card Holders?
- P-Card Use Will Be Translucent In The Transition (With the Exception of the New Plastic and Bill Review Site)
- Changes to Card Administration
  - New Card Management System
  - New Passwords
  - New Reports
  - User Profiles
  - Emails to Users
How Does this Transition Affect my Credit Card Holders?

- Provides all the features of a Credit Card
  - On our initial roll out all cards will have Credit Card profiles and will function as Credit Card only
  - For Card holders transitioning from Credit Card to P-Card in the area of card use, the transition will be minimal
  - Looks just like a Credit Card
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **How Does this Transition Affect my Credit Card Holders?**

- **Changes to Card Administration**
  - New Card Management System
    - The old Credit Card system is: the Visa information System (VIS)
      - Administered by Bank of America
    - THE NEW SYSTEM IS CALLED: **WORKS**
      - Every card holder must have a WORKS account
      - Every administrator (CFO/Auditor) must have a WORKS account
      - Administered by CTR
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **How Does this Transition Affect my Credit Card Holders?**

- **Changes to Card Administration**
  - New User ID and Password:
  - Each WORKS user will receive a WORKS User ID and WORKS password
  - The USER ID convention will be similar to VIS User ID:
    - COM{Dep}{Last Name}{First Initial}
  - Passwords will be distributed by CTR to all users.
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **How Does this Transition Affect my Credit Card Holders?**
- **Changes to Card Administration**
  - New Reports:
    - In VISA Cardholders and Administrators Ran Monthly Reports
    - In WORKS Cardholders and Administrators Will Run Monthly Reports.
      - A canned report will be prepared for Cardholders and Administrators
      - A WORKS User Guide including report running instruction will be distributed to users.
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- **How Does this Transition Affect my Credit Card Holders?**

- **Changes to Card Administration**
  - User Profiles
    - In VIS there were 6 basic MCC categories, Cash was the only excluded category
    - In WORKS we still have the basic six MCC classes and The cash MCC is still excluded by both policy and WORKS.
    - However; the five remaining basic MCC classes are subdivided into over 800 MCCs.
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect my Credit Card Holders?

- Changes to Card Administration
  - Email to Users Preferences:
    - User Configurable
  - The What and (The settings) for kick-off
    - When reports become available for me to download send me an email (Immediately)
    - When I have a task to perform (Never)
    - When changes pertaining to me or my scope occur, email me (Immediately)
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect Department Card Administration?
  - Bill Paying
  - New Card Requests
  - New Profile Development
  - Security
How Does this Transition Affect Department Card Administration?

- Will have monthly billing from both VIS and WORKS for one billing cycle (with timely bill payment)
  - Each Department will have a new WORKS 16 digit account number
  - Your WORKS monthly statements **MUST** be paid using your works account number
  - Your Credit Card monthly statements **MUST** be paid with your VIS account number
- Administrator will be able to run monthly billing statement with CTR supplied WORKS query
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect Department Card Administration?
  - Will have monthly billing from both VIS and WORKS for one billing cycle (with timely bill payment)
  - Must have users transfer and their subscriptions, monthly payments to the P-card or you will reopen the account after it closes
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect Department Card Administration?

  - New Card Requests:
    - Will be processed by CTR Payee/Payments Staff
    - New and improved New Procurement Card request form
    - Employee Credit Card Agreement to Employee Procurement Card Agreement
      - Social Security no longer required, replaced by employee number
    - CFOs may send the New Procurement Card request form to: P_Card@osc.state.ma.us
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect Department Card Administration?
- New Profile Development:
  - All Cards issued for go-live 9/28/2008 will have the basic Credit Card profile, credit limits match current level
  - Do you have employees that are occasional travelers? With the P_Card we can build a card with a zero dollar balance then activate them into a credit card or other profile for a period of time that YOU define
  - Do you have an employee, or a group of employees you only want to perform targeted procuring or payments like telecommunication bills, or electric bills or rent a car from a given rent a car agency? Working with you and over 800 MCCs, we can develop profiles to satisfy most of your business needs
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- How Does this Transition Affect Department Card Administration?
  - Security:
    - WORKS Reports only display the last 4 digits of the Procurement Card number
    - While the WORKS Department account looks like credit a card number just like the VIS number it has no purchasing authority
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- What Does **Not** Change in the Transition Department Card Administration?
  - Security:
    - All user must guard their account numbers
    - Lost and stolen cards must be reported to Bank of America immediately by the cardholder
    - Thefts and misuse must be reported to the Office of the Comptroller and the State Auditor’s Office
    - Lost and stolen cards can not be replaced until the Office of the Comptroller is notified by the CFO
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

- Preview of Coming Attractions:
  - P-Card Encumbrance/Payment Transactions to Interface to MMARS
    - Under development
    - Will allow all P-Card object codes to be used on one encumbrance Transaction
    - Will allow all P-Card object codes to be used on one Payment Transaction
  - Feed from WORKS to MMARS to create payment transactions, Department will validate and submit
Commonwealth of Massachusetts Procurement Card Kick-off Meeting

The End

Any Questions?