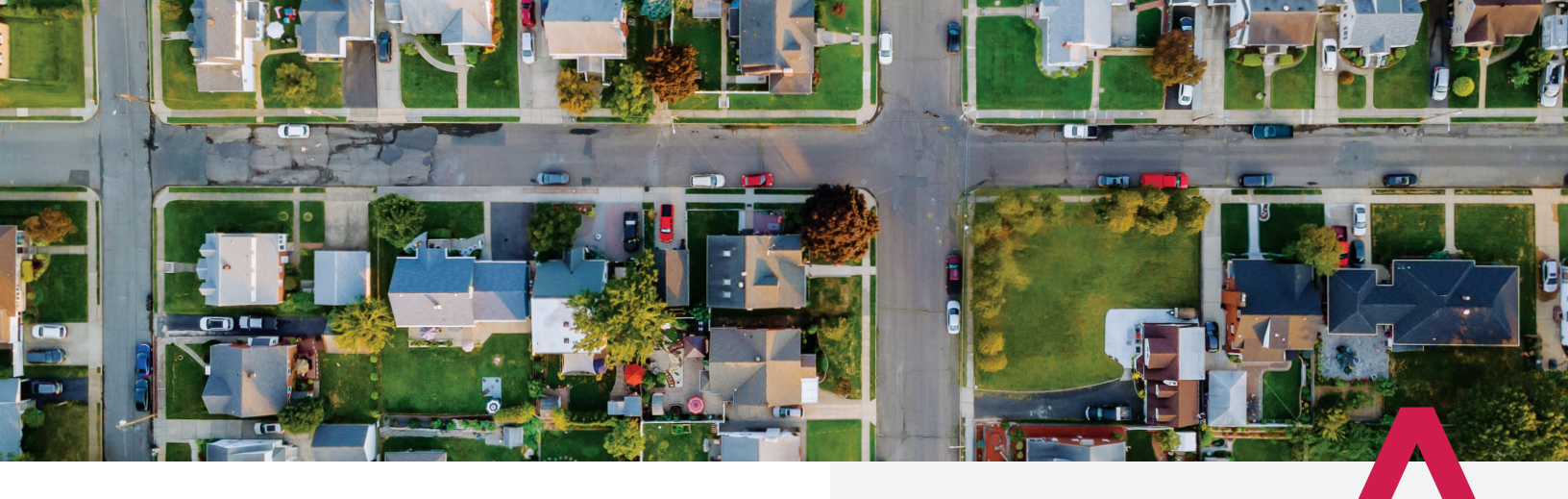Corpay^

Case Study

Government Administration

Corpay Payments Automation enables a township to eliminate checks, earn rebates, and turn their AP department into an income contributor.

Industry: Municipality
ERP: Accufund

AP Spend: $4.2M
Payment Volume: 3,250

Client Profile

A northeastern U.S. township with an annual budget of just under $50 million and an AP spend of about $4 million, faced a few challenges when it came to their payment processes. The Director of Finance realized that working with a small crew meant that juggling multiple payment processes and maintaining a reliance on paper checks would prove unsustainable in the long run.

Challenge

Though the team tried to get their vendors fully on board with ACH transfers, they weren't able to convert everyone, which led to an entirely separate workflow and a lot of paperwork. "We were going to try to convince all our vendors to move to ACH, and start taking payments that way… [this] is never going to result in 100% acceptance. You then end up with one payment process for your print checks and a second for your ACH transactions," said the Director of Finance. These multiple processes cost the city both time and money unnecessarily.

> "Corpay Payments Automation is just such a no-brainer in my mind for local governments—it makes life so much easier, can create some revenue, and it really does save time."

Director of Finance
Northeastern U.S. Township

With complicated approval processes and legislative requirements, it becomes difficult for local governments to consider process changes. The Director of Finance noted: "In some cases, there are statutory requirements that payments get two signatures on them. Those requirements were passed many years ago before credit card payments were even thought of. So it's difficult to get to a point where a government is okay to issue payments another way." Many government employees thought the idea of a payments process without paper checks was too good to be true.

| $80,000+ in rebates | 1,000+ hours saved | $40,000+ in transactional savings | $50,000+ in operational efficiency savings |

The small AP team did not have the time to constantly update vendor information for ACH. According to the Director of Finance, "We had to deal with the pains of maintaining vendor bank information and verifying any changes to that data… That would lead to vendors calling us and asking why we sent them an ACH payment." Eventually they had to make some big changes: "I started pulling the plug on the ACH payments that we had because I realized it would actually be more efficient for us to send those people checks than to do ACH." Though this solution did end up saving some time, it still required an antiquated process.

Solution

Once Corpay Payments Automation (formerly Nvoicepay) put the cost of deployment in perspective for their team, the township was ready to automate their payment process. "I barely remember [implementation] and that's a good thing. It was really simple," the Director of Finance said.

By turning complicated payment processes into a streamlined, paperless payment process, their team now has stronger control and visibility of payments, improved vendor relationships by enabling vendors to receive payments in their preferred method, and more time to find new streams of revenue for the town. They noted: "Corpay Payments Automation is just such a no-brainer in my mind for local governments—it makes life so much easier, can create some revenue, and it really does save time."

Results

With Corpay Payments Automation, the township has not printed a check in house for over three years, which has saved their small-and-mighty AP team hundreds of hours. The team has also been able to fund Accufund (their ERP solution) with the rebates earned from Corpay Payments Automation. With all the time saved on AP processes, the Director of Finance and their team have focused on building investment programs and new revenue streams. In short, Corpay Payments Automation has enabled the township to transform its AP department into an income contributor.

About Corpay

As a global leader in business payments, Corpay helps companies of all sizes better track, manage and pay their expenses through a comprehensive and trusted suite of online payment solutions. Corpay is also North America's largest commercial Mastercard® issuer, handling more than a billion transactions each year. Corpay is part of the FLEETCOR (NYSE: FLT) portfolio of brands. Learn more at www.corpay.com.

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