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The Many Benefits of Today's P-Card

The purchasing card (P-Card) of today is a procurement tool of incredible power for those business units who choose to employ it. Its benefits have made the card one of the most effective, efficient and risk-free means of conducting frequent, small dollar purchases.

In the past, the term "P-Card" was usually associated with fear, apprehension and mistrust. Administrator concerns with managing the cards, cardholders, and purchases, coupled with the overriding fear of misuse, led organizations to turn their backs on the card and subsequently, the rewards associated with it.

As we move into 2012, those archaic mindsets are a thing of the past. Today, with ever decreasing budgets and cost-cutting measures, organizations cannot afford to miss out on opportunities to streamline business processes, build in efficiencies and save money. Organizations are becoming smarter in how they operate. The Department of Administrative Services' P-Card program, which is offered through the Bank of America, has been in place since 2007. State and local entities in Georgia are taking advantage of the P-Card program and its benefits that include:

- ✓ Reductions in procurement costs and improved cash flow
- ✓ Potential to increase procurement staff efficiency and productivity
- ✓ Shorter procurement cycle times
- ✓ Access to detailed spend data
- ✓ Opportunities to consolidate vendors
- ✓ Possibility of reducing or eliminating use of petty cash
- ✓ Liability protection against fraud and misuse
- ✓ Rebate on annual purchase volume *for local participants*

In short, purchasing with a P-Card is faster, less expensive, and safer than using traditional forms of payment.

Other card options available to streamline an organizations' AP process are ePayables, Ghost Cards, and AP Cards. Each card has its own distinct advantages and benefits, but all are efficient ways to streamline the accounts payable process and save time and money. In this day and age, organizations cannot afford to pass up such a great opportunity at operational savings.