***Virtual Payables Card Initiative***

1. **Why has James Madison University decided to expand the commercial card program?**
* The current initiative to increase the number of suppliers paid by virtual card will allow us to continue to grow our card program and assist us in realizing the following card program benefits:
	+ *Process Efficiency*: Our institution can reduce internal processing and transaction costs by streamlining the payment process and reducing invoice processing and check payment.
	+ *Working Capital Management*: We can improve our working capital position due to the longer settlement process of the card statement with the issuing bank as compared with our current payment process.
	+ *Supplier Management*: Analyses from card program data can help to facilitate negotiation with suppliers and identification of opportunities to select preferred suppliers.
1. **Are all of our suppliers being contacted for this program?**
* Our goal is to pay as many of our suppliers as possible using a virtual credit card.
* This program is currently available for U.S.-based suppliers.
* A prioritized list of suppliers that meet a number of criteria which appear to make them a good fit for this program is being targeted. Those not enrolled or not a good fit for this program will be targeted for ACH (direct deposit) enrollment as the next step in the onboarding campaign.
1. **How does this payment strategy change our current purchasing and payment process?**
* The current processes for purchase requisitions and invoices will remain the same. The only change will be to the payment process.
	+ *The SPCC is still the primary method of payment for all vendors excepting payment cards where purchases are $10,000 and under.*
1. **Why are we changing the current process?**
* The university recently signed a new Financial Services contract, resulting in a transition from the previous provider to our new provider, Bank of America.
1. **What are the benefits to our suppliers of receiving payment by virtual credit card instead of check?**
* Our suppliers can realize significant, tangible savings from accepting virtual credit card payments from their customers, including:
	+ *Process Efficiency*: Suppliers can reduce internal processing and transaction costs by eliminating paper-based processes, including check processing.
1. **How can our employees encourage use of Virtual Payables?**
* We need to communicate the benefits of virtual credit card payments to our employees and suppliers and inform them that we expect compliance.

***Supplier Management***

1. **How should I communicate this change in payment strategy to my suppliers?**
* Communicate that accepting Virtual Payables is our preferred form of payment. We see this change as mutually beneficial and believe that the supplier can gain efficiencies.
1. **How do suppliers get set up to accept virtual credit card payments?**
* For those **suppliers who currently accept credit card payments**, they can begin this new payment arrangement by emailing jmuepayments@jmu.edu and requesting a form to complete.
* For those **suppliers who are not currently set up with a merchant account**, to arrange for basic Visa/MC card acceptance, have the supplier call their corporate banking service provider. Once this step is completed, the supplier should contact the Cash and Investments Office at jmuepayments@jmu.edu to complete the remaining steps as noted above.

***Additional Help***

1. **Who do I contact if I have additional questions?**
* Contact the Cash and Investments Office at jmuepayments@jmu.edu.