



## **Accounts Payable Automation Initiative Staff FAQ**

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### **Program Strategy**

#### **1. Why has University of New Brunswick decided to expand our commercial card program?**

- We are focused on optimizing our Procure-to-Pay process with an emphasis on cost reduction and streamlining operations; a key part of this effort has been working to grow our commercial card program.
- The new initiative to increase the number of suppliers paid by Visa payment solutions will allow us to continue to grow our card program and help enable us to realize the following card program benefits:
  - *Process Efficiency:* reduce internal processing and transaction costs by streamlining the payment process and reducing invoice processing and cheque 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.
  - *Spend Visibility and Enhanced Data:* Data from the card program allows us to gain insight into spend, which can give us better control over what we buy from which suppliers and at what price.
  - *Supplier Management:* Analyses from card program data can help to facilitate negotiation with suppliers and identification of opportunities to select preferred suppliers.

#### **2. Are all of our suppliers being contacted for this program?**

- Our goal is to pay as many of our suppliers as possible using Visa payment products.
- We plan to include International suppliers as well.
- A prioritized list of suppliers meeting certain criteria which appear to make them a good fit for this program (e.g., commercial card acceptors, regularly used, currently paid by cheque and/or direct deposit) are being contacted to participate.

#### **3. How does this shift in payment strategy change our current purchasing and payment process?**

- The current processes for purchase requisitions and paying invoices will remain the same. The only change will be to the method used to pay the supplier.
- With the new payment process our suppliers will receive a visa card account and an email notification for each payment instructing them of the amount to process using their existing Point-of-Sale device/software.

- 4. Why should we change the current process when it is already working well?**
- Our goal is to have leading edge Procure-to-Pay capabilities and so we are updating our processes to incorporate new technology.
  - The new process is simpler, more streamlined, and can provide our University with additional benefits such as working capital, data capture, and controls.
  - The new process will allow both our suppliers and the University to streamline operations.
- 5. What quantifiable benefits does the commercial card program provide?**
- Compared to cheques, our commercial card program can generate cost savings by:
    - Streamlining payment processing activities
    - Reducing accounts payable overhead required to process traditional payments
    - Removing risk of late payment to suppliers
    - Improving spend controls to limit maverick spend
    - Eliminating material costs such as cheque production, paper and postage
- 6. What are the benefits to our suppliers of receiving payment by Visa payment solutions instead of cheque?**
- More and more, our suppliers are coming to realize that they can enjoy significant, tangible savings from accepting Visa card payments from their customers, including:
    - *Process Efficiency*: Suppliers can reduce internal processing and transaction costs by eliminating paper-based processes, including cheque processing and associated reconciliation efforts.
    - *Working Capital Management*: As an incentive, UNB is agreeing to pay card accepting suppliers on approval of invoices, which may result in a significant acceleration of payment.
    - *Customer Acquisition and Retention*: By allowing Visa card payments, our suppliers provide a valued service which may be a determining factor in becoming or remaining a preferred supplier.
- 7. Are there any fees to our suppliers for receiving payment by Visa card payments instead of cheque?**
- The standard processing fees administered by the supplier's acquiring bank will apply. We encourage suppliers to review their merchant acquirer agreement and discuss ways to achieve the most favorable rates with their acquirer.
- 8. How do I communicate these changes to members of our staff?**
- Share documentation with them regarding the changes in our payment strategy, such as these frequently asked questions.
  - Let them know that the new changes have the potential to have a significant positive impact on our University from efficiency, spend visibility, supplier management, and working capital improvement and that their support is needed.
  - Instruct them to contact Pam Thorne at [VisaPay@unb.ca](mailto:VisaPay@unb.ca) / (506) 453-3524 with questions or for assistance with enrolling our suppliers.
- 9. How can our employees encourage use of Visa payment solutions?**
- Employees can communicate the benefits (noted above) of Visa card payments to our suppliers to encourage them to participate.

**Supplier Management**

**10. Will I have to approach my suppliers regarding this initiative?**

- You will not be the primary person responsible for approaching suppliers. We have a team prepared to manage this activity.
- We ask for your support if suppliers come to you with questions.
- Please be prepared to discuss this initiative with your suppliers and direct them to contact Pam Thorne at [visapay@unb.ca](mailto:visapay@unb.ca) / (506) 453-3524 for questions and enrolment support.

**11. How should I communicate this change in payment strategy to my suppliers?**

- Communicate that accepting Visa Commercial Card payments is a valuable service that they can provide to our University and that it is our preferred form of payment. We see this change as mutually beneficial and believe that the supplier can potentially gain cost savings from accepting Visa payments.
- See answers to question #6 above.

**12. How do suppliers get set up for this program or what do they need to do to accept Visa card payments?**

- For those **suppliers who currently accept credit card payments**, they can begin this new payment arrangement by completing the below information for each appropriate remittance address and send it to [UNB@supplier-services.com](mailto:UNB@supplier-services.com) or fax it to 866-935-4843.

Company Name:	
Remittance Address:	
City:	
Province:	
Postal Code:	
Contact Name:	
Contact Title:	
Contact Phone:	
Remittance Email*:	
CVV2 Required:	[Yes] [No] <a href="#">What is this?</a>

\*This is either a Receivable Department email or designated person to process card transaction payments.

- Suppliers will then receive an automated email notification for each payment. These emails will contain a link to a secure web portal where the supplier will obtain a unique Visa credit card account number, the amount to charge, and the other pertinent details of the transaction needed to process and reconcile the payments. In the future we also ask

that suppliers include the appropriate invoice number(s) and/or purchase order number(s) when processing the transaction for our reference.

- For those **suppliers who are not currently set up with a merchant account**, to arrange for basic Visa card acceptance, have the supplier call their corporate banking service provider or contact our preferred credit card service provider, Paymentech. Paymentech specializes in business-to-business transaction processing. Suppliers can reach a Paymentech Account Manager at 917-206-3510 or email [George.monize@chasepaymentech.com](mailto:George.monize@chasepaymentech.com). Once this step is completed the supplier should contact the UNB Enrolment Team at 800-275-6675 or via email at to [UNB@supplier-services.com](mailto:UNB@supplier-services.com) to complete the remaining steps as noted above.

### ***Additional Help***

#### **13. Where can suppliers find more information about accepting Visa card payments?**

- Comprehensive information is available on Visa.com at [https://www.visa.ca/en\\_CA/run-your-business/accept-visa-payments.html](https://www.visa.ca/en_CA/run-your-business/accept-visa-payments.html). Merchants will find materials related to card acceptance guidelines, Visa operating regulations, and Visa interchange fees.

#### **14. Who do I contact if I have additional questions?**

- For enrolment support, please contact the UNB Enrolment Team at 800-275-6675 or via email at to [UNB@supplier-services.com](mailto:UNB@supplier-services.com).
- For questions about the UNB commercial card program, please contact our Program Administrator, Pam Thorne at [visapay@unb.ca](mailto:visapay@unb.ca) / (506) 453-3524.