



<b>Purchasing Card Program Profile</b>	
Organization:	Baltimore County Public Schools, MD-USA
Sector:	Public
Card Target:	1699 users
Average Monthly Spend:	\$ 1.2 Million
Pilot Start Date:	July 2002
Bank	US Bank
General Ledger	AMS
Management Software	ProCharge

### **Baltimore County Schools - Purchasing Card Success**

When Baltimore County PS Controller Patrick Fannon was invited to visit a large federal government agency to learn about their purchasing card program, he never imaged how committed he soon would be to launching a card program in his district.

With a total annual budget of over \$1 Billion and non-salary, non-construction spending in excess of \$100 million during the pilot in 2003, Patrick quickly realized the tremendous savings possible with a P-card program. In an attempt to fast-track the project, he came to the conclusion that the standard procedure of committee formation and cross-functional decision-making would simply take too much time. With buy-in at the top, Patrick pulled together the needed the resources and personally championed the launch. Today the annual budget has grown to over \$1.4 Billion, with non-construction spending in excess of \$140 million.

The US Bank VISA program is now rolled out county-wide to 165 schools. Utilizing the school system's video infrastructure, card-holders and managers receive video training classes before they are issued a card. No teacher or staff member is allowed the issue of card until their school's principal is trained and approves the card.

#### **Keys to Success**

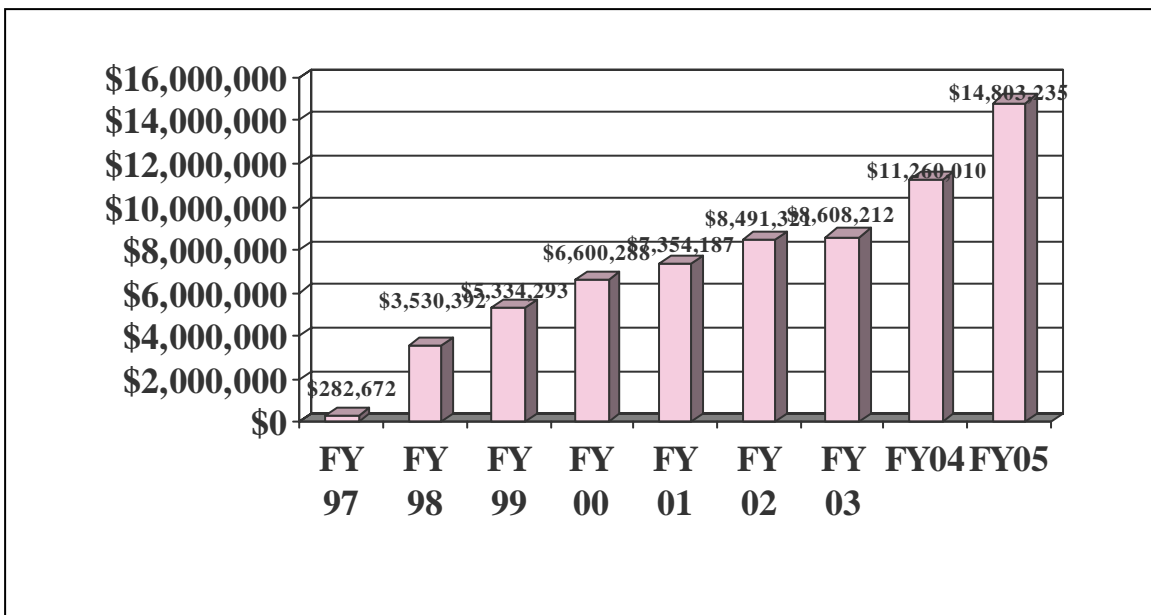
- Mandate that all supplies under \$1,000 must be purchased on card.
- Video training provides faster roll out.
- US Bank has proven P-card program.
- Cardholder's sign compliance statement.
- ProCharge for Reconciliation and Transaction Management.
- Rebates fund software needs.



With spend peaking over \$1 million a month and 1600 users in 2003; Baltimore Schools was faced with a program that could not be scaled. In an attempt to manage transaction reconciliation, cards had been issued and directly associated with a given single expense account. In some cases, a single user might have several cards so that different types of purchases could be made. The program had three shortcomings. First is the inconvenience of having several cards. Another problem occurs when a card is used to purchase goods not associated with its designated expense account. Additionally US Bank's rebate level is based on average spend per card; incentive to have a single card per user.

The dilemma: How to have a one-card program without increasing the time it takes to reconcile? After evaluating several software solutions, Baltimore County Schools decided to implement ProCharge. With a proven track record for automating reconciliation and providing audit and reporting tools, ProCharge was able to solve the card program's issues and increase rebates. ProCharge created the path for p-card reconciliation and capturing Level III transaction detail into the AMS general ledger. Today, the program has grown to over \$1.2 Million a month in spend and 1699 users.

Figure 1: Total Dollar Amount spent with BCBS P-Cards per Year FY 97 – 05





When asked what makes the plan work? Patrick Fannon replied “having the training that can be viewed throughout the district is great. When you want the cards to be used, mandate certain size and types of transactions must be on the cards. And when it comes to the cost of the ProCharge software, there isn’t an issue of cost as the additional rebates that we gain because of it, more than pay for it.”

What’s next? Baltimore County is continually improving their purchasing processes and has successfully launched an e-catalog system and is currently integrating it into the existing p-card and financial systems.

#### About TakeCharge Technologies:

Leaders in innovative applications in the spend management, procure-to-pay and corporate card market, TakeCharge’s products have enabled organizations to reap maximum benefits from card programs. With customer installations in both the public and private sectors, TakeCharge’s web-based enterprise solutions provide superior transaction management and reporting capabilities. These products essentially tie the credit card transactions to an enterprise accounting system reducing manual processing. The systems also greatly reduce the chance of fraud, by providing superior auditing tools which are sought by public entities pledged to closely monitor tax-payer dollars and their spending.

More info at <http://www.takechargetech.com>