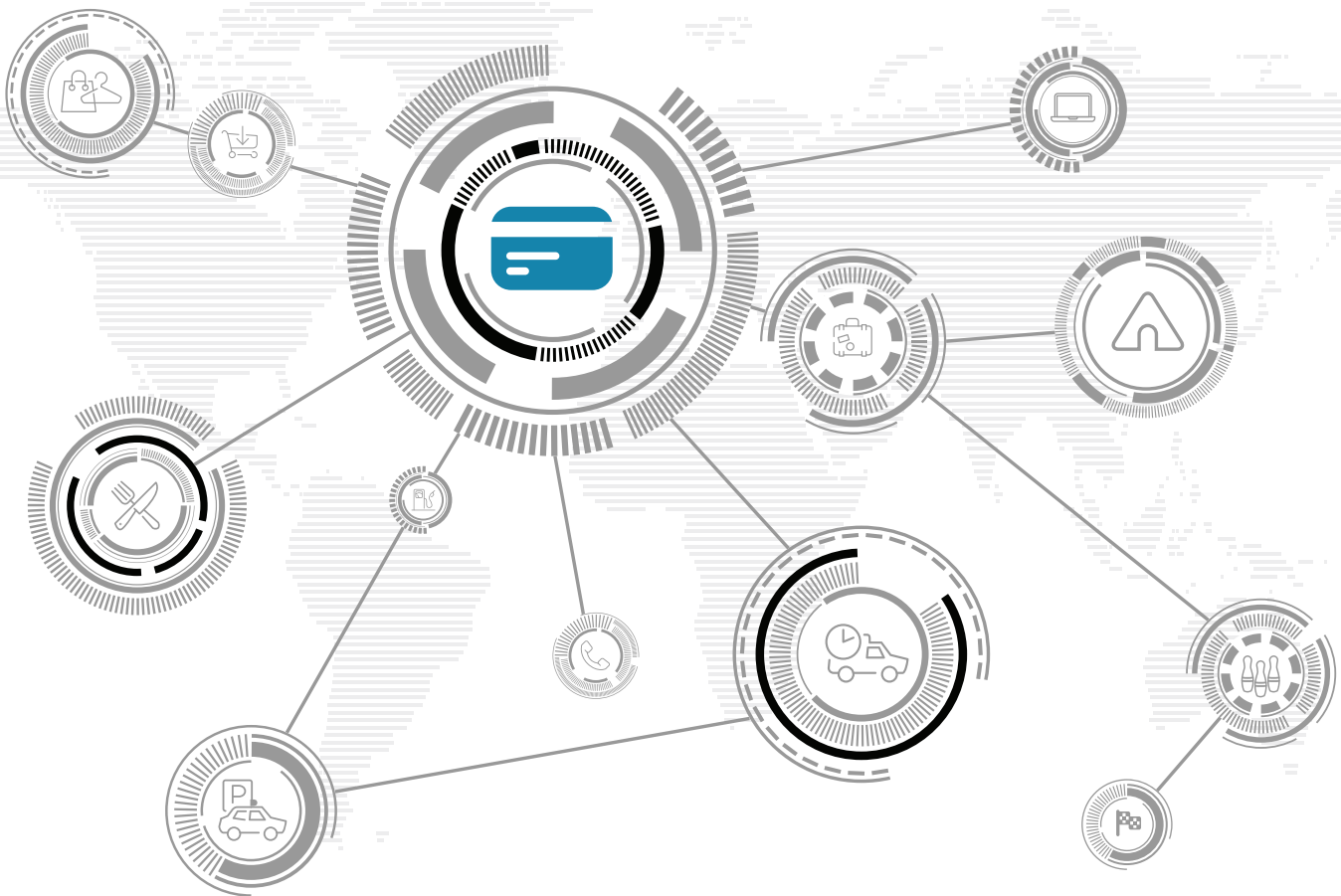




# Purchase Card Program Analytics Guide



Alessa continuously monitors purchase card transactions and automatically reports anomalies and instances of non-compliance. Below is a list of some of the analytics available with the solution.

## Administration & Analysis

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### Card Issuance

Unauthorized Card Use	Identifies transactions using cards that do not correspond to the cards in the employee's cardholder file.
Unused Card Liability	Identifies active cards that are assigned to an active employee and have had no transactions within a specified time frame (e.g., the last six months).
Inactive Employee Usage	Identifies transactions made by inactive employees, such as those who have been terminated, are on extended leave or retired.
Cardholder on Leave	Identifies active cards that do not have any transactions and are assigned to inactive employees.
Elevated Liability	Compares employee card usage and credit limit to maximum balance held throughout the year in order to optimize credit line and minimize liability.

### Analysis

Cardholder Watch List	Verifies spending patterns of employees on a watch list.
AP Duplicate Payment	Identifies payments completed to same vendor for same amount in Accounts Payable and credit card within a specified time frame.
Segregation of Duties	Identifies individuals approving their own transactions or approving transactions outside of their cost center.

### Administration

Cardholder Business Unit or Cost Center Mismatch	The Cardholder and HR records contain different cost center or business unit numbers.
Exceeded Transaction Threshold	Identifies transactions that exceed the card transaction limit.
Exceeded Daily Threshold	Identifies card use that exceeds the allowed daily dollar value threshold.
Exceeded Cardholder's Threshold	Identifies cards whose total outstanding transaction amount for the month exceeds the card or employee limit.



# Program Performance

## Personal

Personal Expenditures Reconciliation	Identifies personal purchases that have not been repaid.
Excessive Personal Card Usage	Excessive personal card usage resulting in excessive reimbursements.

## Policy Breach

Manager Review Process	Identifies short time frame between cardholder sign off and manager sign off.
Receipts Required	Identifies approved transactions without a receipt attached.
Insufficient Comments	Identifies cardholder comments that are too short.
Tax Exemption Verification	Identifies cardholders that did not receive tax exemptions with specified vendors.

## Case Study: Benefits of Automating P-card Program

At a recent conference, the University of Miami discussed how automating their p-card program improved how they managed 1,200 credit card holders, three categories of purchase cards and \$25 million in spend. Previously the university used to review 20 percent of p-card transactions nine months of the year (which was not done consistently) and 100 percent of transactions, three months of the year. This policy left them at risk to misuse, abuse and fraud.

When they decided to automate their review process, they did the following (1) identified their data sources;

(2) reviewed the data analytics queries they wanted done on their transactions; (3) identified the exception reports they wanted created; (4) automated their queries and reports and (5) decided on a schedule to review their p-card process.

After the implementation of their P-card monitoring solution, the university was able to do the following (1) review 100 percent of their credit card transactions every month, (2) eliminate manual reviews and have staff focus on reviewing exception reports; (3) allocate more staff time for customer service, rather than transaction monitoring.



# Personal Card Usage

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## Split Transaction

Split Transaction On One Card	Identifies potential split transactions on a single card.
Split Transactions Across Multiple Cards	Identifies potential split transactions over multiple cards.

## Unexpected Usage

Sudden Card Activity	Identifies cards that have not been used for an extended period and now are being used.
Outside Business Hours Purchase	Verifies that cards are not used outside of business hours.
Weekend Holiday Purchase	Verifies that cards are not used on weekends and holidays.
Excessive Year-end Budget Usage Misuse	Identifies spending for which there is no legitimate need, is of large dollar value and occur in the last month of the fiscal year.

## Usage Profiling

Small Dollar Transactions	Identifies excessive small dollar transactions.
Duplicate Transactions	Identifies potential duplicate transactions based on amount, vendor, purchase date and post-date.
Department Outliers	Compares spending of cardholders and departments based on MCC groups to identify outliers and reasonability of transactions.
Personal Purchases through Cardholder Comments	Identifies all personal purchases that have not been repaid through keywords in comments.
Personal Purchases through Level 3 Data	Identifies personal purchases through Level 3 item details keyword search.
Single Vendor Usage	Identifies excessive single vendor usage based on threshold percentage of usage.
Vendor/Employee Collusion	Identifies cardholder may be receiving excessive credits from vendor.

# Policy Management

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## Ghost Cards

Ghost Card Misuse	Identifies all ghost cards being used outside of expected Category.
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## Employee Cards

Rounded Multiples	Verifies that purchase cards are not used for cash advances by identifying transactions with rounded amounts (i.e., multiples of \$100).
Purchasing Not Allowed Items	Identifies cardholders that are purchasing from “Not allowed” Merchant Codes or Groups.
High-risk Personal Purchases	Identifies purchases that are categorized as personal shopping.
Purchasing from Blacklisted Vendor	Identifies purchases from black-listed vendors.

## Most popular P-card tests

Alessa can run a very wide range of tests on purchase card transactions but these are the most popular:

- Duplicate payments through AP and/or T&E
- Duplicate transactions (same day, merchant or amount)
- Even dollar amounts
- Non-preferred vendor spend
- Card used at unauthorized merchant
- Employees with multiple cards
- Open cards with non-active employees
- Personal purchases
- Card limit exceeded
- Unusual increase in cardholder's average spend



## Strengthen your purchase card program

Alessa is a solution designed to monitor and ensure compliance in p-card and T&E programs. It offers features like transaction monitoring and screening, fraud detection, risk scoring, dashboards, workflows and investigation tools.

To learn about how Alessa can help you detect fraud, misuse and abuse; prevent improper payments; eliminate the need for cost-recovery services; gain control of expenses and much more, visit us at [alessa.com](https://alessa.com) or email us at [alessa@tier1fn.com](mailto:alessa@tier1fn.com).

### About Alessa

Alessa, by Tier1 Financial Solutions, is a compliance, controls monitoring and fraud prevention solution for banking, insurance, fintech, gaming, manufacturing, retail and more. With deployments around the world, Alessa allows organizations to quickly detect suspicious transactions, identify high-risk customers and vendors and decrease fraud risks that reduces profitability and increases costs. To learn more about how Alessa can help your organization ensure compliance to regulations, detect complex fraud schemes, and prevent waste, abuse and misuse, visit us at <https://www.alessa.com/>.



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