

# Strengthen controls and optimize savings with a state-of-the-art management tool.

## Implement continuous monitoring and assist with organizational policy compliance

Implementing commercial card and electronic payment solutions can help you streamline the Procure-to-Pay process, reduce costs and provide greater visibility into spend. These benefits may increase with greater use of the solution—as does the ability to identify any potential for misuse.

To create an environment of supervision and control, many organizations add internal audits and Issuer reporting to the inherent restraints of payment solutions (e.g., spending limits and merchant category authorization). It's been estimated that these tactics can identify nearly two-thirds of non-compliant transactions resulting from fraud or out-of-policy spend.<sup>1</sup> Until recently, it wasn't cost effective to identify questionable spend not found by these traditional methods. But now there's Visa IntelliLink Compliance Management.

## Sophisticated data mining designed to help you detect and deter misuse

Visa IntelliLink Compliance Management is an easy-to-use, web-based solution that is intended to provide protection and control via sophisticated monitoring techniques. Using enhanced data mining, Visa IntelliLink Compliance Management can monitor every transaction made with your commercial card to identify non-compliant behavior. Constant surveillance can reveal questionable spend proactively—including patterns you may not know to query for—allowing you to intervene early and get your program back in compliance. Audit documentation at the touch of a button and reporting that encourages program and regulatory compliance also keep your program aligned with company policies, helping to maximize savings.



Creating an environment of oversight and control can greatly lessen the opportunity for commercial payment program fraud and misuse.

<sup>1</sup> *Fraud Prevention and Detection: Establishing and Maintaining a Purchasing Card Program with Adequate Management Controls to Prevent Fraud, Misuse and Abuse*, NAPCP, January 2004.

You can use the tool to conduct:

- Analytics and investigative reporting
- Misuse and abuse detection
- Program and regulatory compliance
- Program performance reporting
- Questionable spend and risk reduction
- Self-service administration

### Increase savings from greater compliance

Visa IntelliLink Compliance Management can augment your commercial payment program by promptly making you aware of any spend that could negatively impact overall savings.

You potentially gain from:

- **Improved compliance.** Continuous monitoring of every transaction eliminates the need for manual spot checking. This can also accelerate the detection of out-of-policy spend versus waiting for passive reports, internal audits or ad-hoc queries. Neural-network scoring proactively tracks misuse and abuse by analyzing transactional patterns, and detects questionable behavior not easily apparent to the human brain. Standard and customizable reports and rules can alert you to all non-compliant instances, allowing your program managers to take remedial action and keep problems from continuing or growing.
- **Increased savings.** The tool may help reduce employee misuse and its associated costs. Ongoing monitoring can also help increase compliance with your program policies, which can direct additional spend toward the card. This can lead to streamlined operations, increased process efficiencies and greater volume incentives that may be available with your program.
- **Simplified audits.** An electronic audit trail and single repository for documentation gives program managers instant access to critical information, while reducing the time and personnel needed to prepare for an audit.
- **Greater program insight.** Reports and dashboard charts with drill-down capability showing usage trends enable your program managers to make appropriate and timely adjustments. Better access to transparent and actionable intelligence highlights opportunities to encourage usage where the program is being underutilized and where additional education or reminders can help improve compliance. In-depth reporting can also aid in negotiating favorable terms with your key vendors.

### Real Results with Compliance Management

Visa IntelliLink Compliance Management can be effective in identifying questionable spend in numerous categories. A review of programs that had implemented Visa IntelliLink Compliance Management at the time of sampling demonstrated the following:\*

**46%** reduction in restricted MCC spend<sup>2</sup>

**28%** decrease in spend on weekends<sup>2</sup>

**13%** drop off in split transactions<sup>2</sup>

\*The percentage decreases were based on the proportion of transactions made in the listed categories.

## Modular components adapt to your needs

The tool is comprised of distinct modules that make it easy to customize a solution to your program needs, whether for a government agency or private sector company. The solution is packaged with industry standard rules and reports that are relevant to your program type—procurement, T&E or fleet. Dashboards, compliance audit questionnaires and other features cater to the different policies typically in effect within government agencies and private enterprises. Additionally, the unique market needs for various countries are factored into the definition of the rules and the Predictor scoring model.

| MODULE                | FEATURES  | INTENDED BENEFITS  |
|-----------------------|---|--|
| <b>Reporting</b>      | <ul style="list-style-type: none"> <li>Includes pre-defined reports for purchase, travel and fleet card types</li> <li>Allows for customized reports</li> </ul>   | <ul style="list-style-type: none"> <li>Simplifies internal and government reporting requirements</li> </ul>  |
| <b>Rules</b>          | <ul style="list-style-type: none"> <li>Compares each transaction to your internal rules to identify out-of-policy spend</li> <li>Includes industry-standard rules, as well as custom rule creation capability</li> </ul>  | <ul style="list-style-type: none"> <li>Automates the comparison process</li> <li>Reviews every transaction made with your payment solution</li> </ul>  |
| <b>Sampling</b>       | <ul style="list-style-type: none"> <li>Reviews statistically representative sets of transactions</li> <li>Offers multiple sampling plans and the ability to customize samples</li> </ul>  | <ul style="list-style-type: none"> <li>Facilitates random, non-biased transaction audits</li> <li>Helps program managers quickly determine the likelihood of undesirable activity</li> </ul>   |
| <b>Compliance</b>     | <ul style="list-style-type: none"> <li>Distributes flagged transactions to the appropriate personnel for review</li> <li>Provides validation and verification questionnaires (customized by card type) for transactions flagged for audit</li> </ul>            | <ul style="list-style-type: none"> <li>Gives program managers timely information and tools to audit and remediate out-of-policy transactions</li> </ul>  |
| <b>Administration</b> | <ul style="list-style-type: none"> <li>Allows administrators to manage user entitlement rights</li> <li>Permits users to manage profiles and passwords online</li> </ul>  | <ul style="list-style-type: none"> <li>Eliminates paper trails</li> <li>Reduces administrative costs with electronic, self-service management of profiles</li> </ul>   |
| <b>Predictor</b>      | <ul style="list-style-type: none"> <li>Uses intelligent, neural network scoring to point program managers toward anomalies</li> <li>Evaluates transactions based on common rules and unique attributes of your company or the cardholder in question</li> </ul> | <ul style="list-style-type: none"> <li>Provides a rapid means for reviewing unusual transactions to determine if further investigation is needed</li> <li>Helps identify questionable behavior that may not be otherwise apparent</li> </ul> |
| <b>Dashboard</b>      | <ul style="list-style-type: none"> <li>Provides a quick and customized view of program status and metrics</li> <li>Allows for drill-down on graphs to view and download in-depth details</li> </ul>   | <ul style="list-style-type: none"> <li>Gives program managers a snapshot of your program's health</li> </ul>   |

## An example of how the tool can be used\*

An employee was issued a Visa Purchasing card to procure anti-virus software for his team. Company policy allowed him to charge up to \$2,000 for a single transaction without requiring manager or contracting officer approval. The employee purchased the software from his brother-in-law's computer store, even though the mark-up on it was greater than what was specified in the company's catalog of authorized vendors. To get around this, the employee split the purchase into two transactions so that they were below the purchasing threshold.

Once the company subscribed to Visa IntelliLink Compliance Management, the misuse was uncovered. The tool's Split Purchase Detection, line item detail and other rules showed not only what was purchased, but also that the purchase was split into two transactions and that it was made at an unauthorized supplier. The solid business capability of the Rules module helped the card program administrator identify the misuse and take appropriate action against the employee via the Compliance audit workflow.

Without Visa IntelliLink Compliance Management to detect, deter and help remediate questionable spend, the employee could have continued violating company policy and giving business to his brother-in-law for years, thus costing the company money.

\*For illustrative purposes only.

## Contact your commercial banker to learn more

Ask your commercial banker for complete details about Visa IntelliLink Compliance Management and how it can optimize your commercial payment program. You can also get more information online at [visa.com/intellilink](https://visa.com/intellilink).

Visa IntelliLink  
Compliance  
Management is  
intended to add  
another layer of  
protection and  
control so you  
can focus on your  
core business.

<sup>2</sup>The estimates of savings were derived from a sample of 33 card programs' purchase and travel card transactions for MCC spend, and purchase card transactions for weekend spend and split transactions. The percentage decreases were based on the proportion of transactions made in the listed categories between Time Period A (December 1, 2007 through September 30, 2008) when the programs had not deployed the Visa solution and Time Period B (December 1, 2008 through September 30, 2009) when the programs had deployed it.