



Commercial Card

Solutions

Fall 07

An Exclusive Publication for Commerce Bank Commercial Cardholders

ControlPay™ Advanced Offers Enhanced A/P Processing with PayMe

Commerce Bank is pleased to announce ControlPay™ Advanced (CPA), our new electronic payments solution. This program helps you automate your A/P by replacing paper checks with electronic payments through the Visa® Network.

Commerce Bank is the first in the industry to take A/P processing to the next level with our exclusive PayMe processing model. This new option is available under the CPA umbrella, and will introduce our customers to the future of A/P technology. PayMe, available exclusively to Commerce Commercial Card Clients, automatically pushes approved invoice payments directly into the supplier's account – now that's automated!

Push Payment with PayMe – So Much More than ACH

With typical ACH programs, not much detail is provided with the payment. This can make reconciliation very tedious. With PayMe, the invoice information is available right along with the payment

notification. It also offers customizable reporting options to assist with back-end analysis.

Our Supplier Enrollment Specialists Do the Legwork for You

Commerce Bank supplier enrollment specialists work on your behalf to make the process easy for your suppliers. They work with you to determine which suppliers would be a good fit for the PayMe program. Our enrollment specialists are available to contact your suppliers to encourage participation and sign them up for the program, so you don't have to.

Your supplier list will be reviewed with you periodically to help identify new supplier

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PayMe automatically pushes approved invoice payments directly into the supplier's account.

PayMe's Win-Win Scenario

Client Benefits:

- Reduced check-writing costs
- Increased revenue-share
- Easier reconciliation
- Reduced risk
- Supplier enrollment specialists do the legwork

Supplier Benefits:

- Increased cash flow
- Guaranteed funds
- Reduced paperwork
- No credit check or credit limit required



Congratulations! Commerce Employees Earn CPCP Certification

The National Association of Purchasing Card Professionals (NAPCP) offers a program that certifies P-Card professionals who "have demonstrated experience and understanding of the body of knowledge necessary to administer a Purchasing Card program."

The NAPCP offers the CPCP certification program to members and non-members alike, encouraging excellence in our industry.

We would like to recognize the following Commerce Bank employees who fulfilled the requirements to become Certified Purchasing Card Professionals (CPCP):

- Tammy Haug
- Sarah Jurgens
- Erica Raterman
- Lance Wright

Applicants must pass an exam that covers various topics regarding the implementation and management of P-Card programs, as well as demonstrate understanding of government regulations and supplier concerns. Using a point system, a combination of post-graduate education, industry experience, continuing education and industry participation are considered to determine who is eligible to take the exam and earn certification.

The NAPCP offers the CPCP certification program to members and non-members alike, encouraging excellence in our industry.

Gain Industry Recognition with CPCP Certification

If you haven't already received CPCP certification, consider taking the steps to make it happen. Through certification, NAPCP recognizes P-Card professionals who have demonstrated a "distinguished level of experience" in our industry. For more information on the program, visit the NAPCP Web site at www.napcp.org/cpcp.

We are proud of our Commerce Bank employees who have dedicated themselves to our industry and achieved CPCP certification. You can feel confident that along with a thorough understanding of P-Card practices and procedures, they will also keep your best interests in mind.

Source: www.napcp.org

Informative Forums Highlight the Latest Advances in Electronic Payments **Commerce Bank Teams with Visa® and AOC Solutions®**

Commerce Bank together with Visa and AOC Solutions offers informative forums on innovative strategies to help reduce costs associated with vendor payables and generate a monthly revenue stream. Collectively, we have developed ControlPay™ Advanced, a program that replaces paper checks with electronic payments through the Visa® network, including a push payment option that pushes payments directly into your supplier's account.

The ControlPay Advanced payment solution provides invoice data, easy reconciliation, reduced check-writing costs and revenue share dollars. Along with Visa and AOC Solutions, we are presenting forums across the country to discuss these new advancements and strategies.

If you or a colleague would like to learn more about transforming your A/P department into a profit center, watch for a forum near you.



To learn more about transforming your A/P department into a profit center, watch for a forum near you or give us a call at 1-800-892-7104.

Streamline IRS Reporting with Merchant Category Codes

Are you using Merchant Category Codes (MCCs) to simplify reporting to the Internal Revenue Service? You could be! An MCC is a four-digit number assigned by the bankcard industry to classify suppliers into market segments. It can be used to determine which payment card transactions are reportable to the IRS.

A Little Background

You're required to report payments for services, but not merchandise, to the IRS. Historically, determining which payments were for services and which were for merchandise was an arduous process and frequently required a review of individual transaction detail. MCCs have simplified the process.

There are about 600 MCCs assigned to various types of businesses (for example, 5111 office supplies, 0780 landscaping service, 1750 carpentry contractors). The bankcard industry assigns the codes according to whether a larger percentage of the company's business is from products or services. A supplier gets a code when it first begins accepting payment cards.

The IRS maintains an MCC list that indicates whether each MCC is reportable or not. Using the list, you can easily determine which payments are subject to reporting without having to review individual transaction documentation.



The IRS is on Board

It's important to note that the IRS has agreed that you can rely on this list, even when a supplier with a non-reportable MCC performs services. Many businesses provide both merchandise and services, but the MCC is based on whether goods or services make up the greater percentage of the supplier's business.

Take the guesswork out of your IRS reporting process by programming the MCC list into your reporting systems and using it to filter transactions. For more information about how Merchant Category Codes can save your business time and money, please contact the Commerce Bank Client Care Center at **1-800-892-7104**.

1099 Reporting

Some companies are challenged when it comes to complying with tax laws on 1099 reporting when paying vendors with a Purchasing Card. Because you generally don't prepare an invoice, the necessary data for issuing a Form 1099, such as the taxpayer identification number (TIN), isn't available. It helps to plan ahead and also consult with your tax advisor.

Prepare Early and Often

It's much easier and less time-consuming when your 1099 reporting processes are established at the start of the year rather than crunching everything together in the fourth quarter. Commerce Bank clients have access to Visa® Information Management (VIM), which, in part, is a Web-based reporting service for providing 1099 tools. This allows for convenient, easy-to-use access to tax and regulatory information and provides enhanced accuracy over non-automated reporting. Clients can receive a summary and transaction detail

and have access to supplier information and historical data. Be sure to sign up for VIM in the first quarter of 2008 if you aren't currently signed up.

Seek Tax Advice

Having a plan in place at the start of the year can allow you to have a more efficient reporting system in place by the year's end. Be sure to involve your tax advisor for help in determining the best compliance strategy for your company. For more information about 1099 reporting, log on to www.irs.gov.

Those already signed up for this program can expect to receive their reports by mid-January. It will be automatically e-mailed to your Visa Information Management mailbox.

Alissa K. Jrolf

Getting to Know Commerce Bank



Alissa K. Jrolf
Program Specialist
Commercial Cards
Division

Alissa Jrolf, program specialist in the commercial cards division, works with Commerce Bank clients to ensure that all aspects of their Commercial Card programs are set up in the most efficient and beneficial way possible.

Q. What do you feel is the most important part of your job?

A. Communication with clients. It is my role to meet the business needs of each client, such as consulting on best practices for setting program policies and procedures. This can cover everything from spelling names correctly on cards to general ledger and departmental reports to maximizing supplier enrollment.

Q. What do you enjoy most about your job?

A. Our clients. I am in the unique position to see our clients go from a general understanding of streamlining T&E or automating accounts payable to realizing how much our reporting products and services can really help their organization. There is nothing better than hearing the excitement in someone's voice when they say, "The process we implemented is *actually* making day-to-day work easier for me!"

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relationships that would benefit from using PayMe. As supplier enrollment grows, so does your revenue share. Plus you will reduce check-writing costs and risk.

Your Implementation and Support Team

Because the program integrates smoothly with existing accounting systems, it's easy for your A/P department to make the transition to PayMe. Commerce Bank provides a dedicated support team to assist with implementation.

Along with your supplier enrollment specialist, we assign a dedicated relationship specialist to help you manage and grow your program and keep you informed of recent advances in technology. You'll also find experienced systems technology experts and a dedicated help desk to assist you with your day-to-day responsibilities.

Ask your sales or relationship rep how ControlPay Advanced can help turn your A/P department into a profit center.

Commercial Card Client Care Center

We offer personalized service through our in-house customer service department
7 a.m. to 6 p.m. Monday – Friday
1-800-892-7104 Fax: 1-816-760-7935
commercial.cards@commercebank.com

Please note our physical location:
825 Main Street, Kansas City, MO 64105

Write to us at:
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We're here to assist you with all your commercial card needs. For faster service, please have your account number ready when you call the Commercial Card Client Care Center.