

Integrated Payables

Eliminate manual Accounts Payable check writing
and maintain control over disbursements

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Life of the A/P Department



Integrated Payables

Although recent years have presented unique challenges, they have also uncovered opportunities to address many inefficiencies in financial functions.

One of those opportunities is how streamlining the company A/P system provides efficiencies and benefits

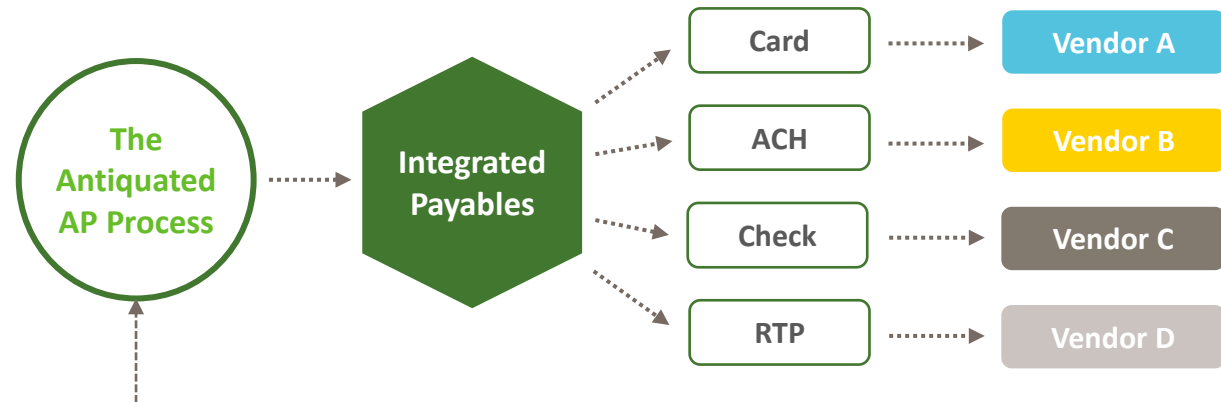
Integrated Payables

The Antiquated AP Process

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- Uploading separate payment files for each payment method
- Missing early pay discount opportunities due to holding check/ACH payments
- Potential fraud risk through check payments
- Manually signing, stuffing, and mailing paper checks
- Reconciling payments from separate systems that provide inconsistent data

Integrated Payables



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Integrated Payables

Integrated Payables

- Streamlined business to business payment solution within a touchless environment
- One simple payment file to upload in one portal
- Frees up time for your AP staff
- Pay vendors faster
- Protect yourself from fraud
- Cost savings from moving checks to electronic payments
- Maximize your working capital
- Maximize your rebate
- Vendor payment method is stored and managed on the IP Web Portal, not your AP system

Integrated Payables

Integrated Payables

- Initiate payments from anywhere you access Business Online with a fully integrated portal
- The user –friendly portal web portal enables you to upload, review, approve, create, and reconcile all your payments in on interface regardless of payment method
- Extend your DPO by utilizing the float associated with the credit terms that our Virtual Card program can provide
- Reduce the need for paper checks and manual processing while helping protect you from errors and fraud

Integrated Payables

While the number of card and ACH payments continues to rise, the number of check payments has been steadily declining since the 2000s.*

Although card and ACH payments are becoming the most common form of payment, check use is still prevalent.* Managing all three payable types can be cumbersome.

* The Federal Reserve Payments Study.

<https://www.federalreserve.gov/paymentsystems/2019-December-The-Federal-Reserve-Payments-Study.htm>

Integrated Payables

Based on the average number of monthly payments calculated, businesses spend:

- Wires \$3,605 per month
- Checks \$3,150 per month
- ACH \$560 per month

So, an average company spends \$7,315 a month manually processing payments. **That's nearly \$88,000 a year.***

* Association for Financial Professionals. *AFP Payments Cost Benchmarking Survey Report of Survey Results.*

<https://www.afponline.org/docs/default-source/default-document-library/pub/2015-payments-cost-benchmarking-report>

Integrated Payables

75% of the organizations that experienced attempted or actual fraud in 2020 were victims of check fraud.*

Fraud is an unfortunate risk that comes with writing checks. Converting check payments to electronic payments can help reduce this risk.

* Association for Financial Professionals. 2021. *2021 AFP Payments Fraud and Control Survey Report*. Bethesda: Association for Financial Professionals. Accessed November 18, 2021.

Integrated Payables

More businesses are paying with commercial cards, virtual cards or same-day ACH payments rather than checks. Electronic payments and invoicing pave the way for automation, which can improve cash flow, reduce manual labor and provide a holistic view of business health.*

More and more vendors are accepting card payment. Making payments on card can lead to greater rebates and a decrease in fraud activity.*

* *The Federal Reserve Payments Study.*

<https://www.federalreserve.gov/paymentsystems/2019-December-The-Federal-Reserve-Payments-Study.htm>

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Check

- We do the check printing, signing, stuffing, postage, and mailing for you
- Sent USPS First Class
- Automatically enrolled for Payee Positive Pay
- Invoice detail provided to vendors on the check stub

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Automated Clearing House (ACH) including Same Day ACH

- Pays vendors electronically
- Eliminates paper checks, saving you time and money
- Vendor account data and payment method is stored and managed on the IP Web Portal, not your AP system
- Notification of Changes are automatically done for you

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Total ACH payments grew at an accelerated rate from 2015-2018.*

	2012-2015	2015-2018
Per Year by Number	4%	6%
Per Year Value	4.1%	7.2%

ACH payments are on the rise. A higher amount of ACH transactions can lead to higher costs of manually processing those payments.

* Gerdes, Geoffrey, Claire Greene, Xuemei (May) Liu, and Emily Massaro. 2020. *The 2019 Federal Reserve Payments Study*. Washington, D.C.: The Board of Governors of the Federal Reserve. Accessed May 21, 2020. <https://www.federalreserve.gov/paymentsystems/2019-December-The-Federal-Reserve-Payments-Study.htm>.

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Commercial Card

- Minimizes the risk of fraud
- One-time use card number
- Extends your DPO by utilizing the float associated with credit terms
- Vendors are paid quickly
- Maximize your rebate with Commercial Card
- Huntington provides vendor match to see which vendors accept virtual cards
- Detailed invoice reconciliation is emailed to vendors

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Virtual Card

- Minimizes the risk of fraud
- One-time use card number
- Becomes invalid once the transaction is authorized and settled
- Issued and Authorized for exact amount owed
- Detailed invoice reconciliation is emailed to vendors

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Real-Time Payments (RTP)

- Payments clear and settle immediately 24/7/365
- Remittance data can be included with each transaction
- Optimize cashflow
- Payments pass directly through banking channels which are protected by bank security measures

Integrated Payables

64% of respondents who have automated payments are processing more invoices and payments with the same team size.*

What could your company do with the time gained from processing payments faster?

What Huntington Does

- Automate the process of preparing AP disbursements, placing controls within an automated workflow
- Provide support to convert vendors from receiving checks to electronic payments where possible
- Provide reconciliation data by AP system to ease balancing and reconciliation back to the source system
- Print and mail checks to eliminate the highly manual process in place today
- Provide check issue file information to protect checks from fraud

How Huntington Does It

- Huntington maps to your payment file export, minimizing your IT work
- We work with you to ensure we meet your requirements, including payment review/approval workflow for each user
- Payment method is maintained by Huntington so there is no need to maintain payment method or manage separate General Ledgers
- We complete supplier enablement for you, by contacting your vendors, providing them the benefits of accepting virtual cards, ACH, or RTP, and assisting you with enrolling them into electronic payments




What makes Huntington Different

- Implementation- Our ability to data map to almost any payment file (.csv preferred) reduces the need for you involve IT resources during your setup
- Support- A dedicated implementation manager and relationship manager for every account keeps up with your evolving business
- Enterprise Readiness- A full suite of payment solutions to solve spending challenges

Thank you

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