

# State of Texas

State-wide card program delivers a high level of efficiency and cost savings to large and small government entities

## Case Study

**The Client** The Texas Comptroller of Public Accounts serves as the procurement center for state agencies and higher education institutions plus more than 2000 cities, counties, school districts and local government co-ops.

**The Challenge** One of the largest contracts that the Comptroller's Office awards is card services for purchase and travel, which accounts for over \$670 million of payments annually. Purchase and travel cards are rapidly replacing petty cash and checks as efficient and cost-effective ways to pay for goods and services and analyze the related spend. Texas currently ranks among one of the largest purchase and travel card programs in the United States.

In 2010, as the State's existing card contract neared expiration, the State began to seek opportunities to deliver a program with comprehensive reporting, greater efficiencies, cost savings and transaction management capabilities.

**The Solution** Citi was awarded the contract that included customized implementation, increased financial advantages, and unified program management and robust data reporting. Citi was able to offer card programs that best addressed the needs of Texas.

Citi's program includes customized training, marketing, standardized online program management and audit platforms. Citi provides Citi® Card Program Optimization, a consultative service that identifies ways to enhance program performance and maximize card use.

A significant feature of the Citi solution was a rebate program that leverages total card spend across all State of Texas agencies and co-ops to increase the financial advantages for small and large government entities alike. While each entity establishes its own individual card program or programs, depending on organizational structure and needs, the rebate formula negotiated by Texas creates a single rebate formula and attractive revenue generating opportunities for all participating organizations. Texas programs received over \$10 million for the State's 2012 fiscal year. And the Citi® Card Program Optimization is available at no cost to identify additional ways to increase rebates in the future.

Citi also offers Texas participants a universal approach to program management and data reporting platforms. All of the government entities that participate in the Texas program benefit from the same sophisticated suite of tools for monitoring card usage and compliance and for tracking and analyzing spend data. Plus, administrators for each individual program can establish card security controls and restrictions.

A dedicated Citi team services the accounts to include ongoing training and electronic newsletters that provide program administrators with useful tips and information on how to make the most of program features and tools. Annual conferences also focus on the needs and interests of user groups and provide insight and training on program management, audit and reporting tools.

### **The Result**

The Citi program has improved business processes in the State of Texas for government entities of all sizes. Smaller entities are provided the same sophisticated tools as larger entities for managing and monitoring card usage. They also are reaping the benefits of a more attractive rebate program, which translates into greater revenue streams. The card programs continue to save Texas taxpayers by utilizing this improved system of processing and making payments.

Citi has provided Texas with improved reporting on expenditures and purchasing trends. Aggregated spend data by vendor and purchasing categories has been used to negotiate more favorable terms with suppliers.

Citi continues to work with the Texas Comptroller's Office to advance its goals of delivering services that will improve efficiency and drive innovation.