

# United States Agency for International Development

## Declining Balance Cards Extend Coverage and Improve Efficiency

### Case Study

**The Client** The United States Agency for International Development (USAID) is the lead agency working to end extreme global poverty and enable resilient, democratic societies to realize their potential.

**The Challenge** USAID operates in more than 100 countries around the world, many of which are emerging markets and developing economies with limited infrastructure. The agency's employees and foreign service nationals (FSNs) frequently need to make payments associated with short-term emergency missions. Missions may be extended on short notice and employees and FSNs can undertake multiple missions in rapid succession. These requirements made it challenging for USAID to provide funds to employees and others as required. Moreover, an estimated 3,000 employees do not meet the criteria to receive a traditional Citi travel card so cash advances were frequently used. This created potential security risks, increased costs and limited visibility and accountability. USAID sought a solution covering 57 countries where it operated that would overcome these challenges, improve its card program efficiency and reduce costs.

**The Solution** USAID and Citi piloted a centrally-billed, Declining Balance Card Program. Declining Balance Cards enable USAID to preset cards with a limit and discrete period for use: payments are only authorized if the card has sufficient credit and the card validity period has not expired. If a mission is extended or more funds are required, the amount on the cards and their validity can be extended by USAID's program coordinators using the CitiManager® card management tool. CitiManager also enables coordinators to easily monitor spend volumes and mission timeframes.

As well as improving visibility and control, the solution means that cash spend can be eliminated: employees that do not meet travel card criteria are given a Declining Balance Card. As a result, USAID's card spend volume is expected to double, reducing out of pocket spend and improving program efficiency.

**The Result** USAID is introducing around 3,000 Declining Balance Cards, with 33 of 57 countries now implemented: card spend volume increased by approximately \$5 million in 2016. The agency has improved program efficiency and lowered costs by consolidating spend, while gaining greater visibility and control. Security and convenience have been enhanced for employees and FSNs, who no longer have to handle cash.