



# MT. VERNON

COMMUNITY SCHOOL CORPORATION

*Engage, Educate & Empower Today's Students*

## MEMO

To: MVCSC School Board

From: Greg Elkins, CFO

Date: October 21, 2019

Subject: Credit Card Change Recommendation

I am recommending MVCSC change to Capital One (Visa) credit company from American Express (Amex) for the reasons listed below. I believe this change will be advantageous to the district in terms of rewards, expanded vendor payment options, and increased security/internal controls.

1. Virtual Relay program

- Online system with virtual card numbers, less risk and exposure for the corporation.
- Line of credit "float" with no business or personal guarantee.
- Cash back deposited monthly into account at 1.75%
- Check batches sent to online system, amount of batch comes out of the checking account via ACH.
- Vendors receive payment via secure direct deposit.
- Current vendor acceptance cashback rewards \$34,000.00
- Estimated vendor acceptance cashback growth \$13,000.00 - \$15,000.00

2. Line of credit for physical cards.

- \$50,000.00 line of credit (minimizing current exposure of \$1,000,000.00)
- 1.50% cashback on all purchases deposited monthly into account.
- 14 day billing cycle auto withdrawal (\$25,000.00 available per 14 days)
- \$35 annual fee per physical card.

3. AMAZON Corporate line of credit

- Line of credit for the corporation through synchrony bank.
- Designed specifically for schools and libraries.
- Will have a designated account rep.
- Will be invoiced monthly (payment will be paid through the Capital One relay program earning 1.75% cashback)
- Fraud minimized with no credit cards being entered at ordering.

[www.mvcsc.k12.in.us](http://www.mvcsc.k12.in.us)

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