

# bringing streamlined, secure payment acceptance to a government corporation's ERP

## Client Overview

The client is a wholly-owned government corporation with a fundamental mission to employ and provide job-skills training to inmates. It accomplishes this goal by producing market-priced quality goods and services that are exclusively sold to Federal Government agencies. The client has over 100 factories in federal prisons, producing approximately 175 different types of products and services including textiles, electronics, vehicular components, industrial products, office furniture, recycling activities, data entry and encoding. The client uses SAP Enterprise Central Component (ECC) to support the sales and finance cycles and has implemented the Sales and Distribution (SD) and Financial Accounting (FI) modules.

## Client Situation

The primary customers for the client are servicemen and women who are deployed around the world. These soldiers make purchases with credit cards and GSA SmartPay Cards that have limited credit.

Under the previous system, failed purchase attempts and numerous authorizations erroneously reserved available credit that would otherwise be needed by the buyer. Additionally, as more transactions failed and the credit limit was exceeded, it was difficult for the client to ship goods until the account was reviewed and corrected. Many orders had multiple authorizations for a single invoice and the customer, as a result, would see multiple charges on their statements.

The client chartered a project to address these issues and set the following goals:

- Increase order accuracy and decrease repetitive authorizations
- Provision and deliver orders more quickly and reduce fulfillment delays so that our soldiers receive purchases sooner (*of critical importance given the nature of their work*)
- Provide better and error-free assistance to our servicemen and women

The client identified the following crucial factors for a successful implementation:

- Secure all transactions
- Implement a method to "void" a credit card transaction
- Include additional order information (sales order and invoice numbers) on the billing statement
- Ensure one authorization per invoice
- Design a method to prevent returns from being credited to expired cards
- Create a mechanism to inform customers that their card will not be billed until their item is shipped unless they request advance billing

## In CardConnect's Words

The client was committed to providing the men and women fighting for our country a better customer experience. They wanted to ensure their payment information was protected with the highest level of security and improve the order process for quicker purchase-to-delivery times. CardConnect's SAP integration and payment acceptance solutions were integral to achieving those goals.

*-Project Lead, CardConnect*

### Quick Summary

**Client:** Government corporation

- > Government-owned corporation
- > Manufacturer of 175 products
- > 114 Factories
- > \$900M+ yearly revenue
- > Processes Level-1 and Level-2 transactions

### Requirements

- > Increase order accuracy and decrease erroneous authorizations
- > Integrate payment acceptance into SAP ECC
- > Secure credit card info with tokenization
- > Remove SAP ECC from PCI Compliance scope

### Solutions

- > On-Demand Authorization and Settlement
- > CardClear
- > Settlement Consolidation
- > CardSecure
- > Authorization Reversal

## The CardConnect Solution

To address these challenges, the client engaged CardConnect to integrate electronic payments into SAP. The CardConnect team was comprised of subject matter experts in banking, security, integration as well as SAP functional and technical areas. The primary goals of the project were as follows:

- Centralize all card transactions through a single secure channel
- Process web orders as well as orders originating directly within SAP
- Reduce PCI scope through the use of tokenization
- Improve process efficiency where possible
- Make minimal modifications to SAP system and keep system compliant for future releases

Those goals were met by providing the client with the following CardConnect solutions:

**On-Demand Authorization and Settlement** - Executes authorizations and settlements on-demand and made visible on orders and invoices. This is done at both the order level and invoice level.

**Authorization and Settlement Reports** - Shows a daily transaction log from your various payment sources (e.g. e-commerce, SAP, CardClear, etc.)

**CardClear** - Provides greater flexibility in charging payments in a timely manner. CardClear allows payments to be charged only after the items were shipped and prevents charges from exceeding the credit limit.

**Settlement Consolidation** - Eliminates multiple charges appearing on the statement by allowing a single authorization on the invoice.

**CardSecure** - Tokenizes customer credit card information during transactions and severely limits the chance of fraud.

**Authorization Reversal** - Allows the merchant to void previous authorization attempts.

*These solutions and more are included in CardConnect's comprehensive suite of offerings for SAP users.*

By leveraging the power of the CardConnect product suite, the client was able to:

- Reduce sales cycle time by integrating payments
- Decrease PCI scope by using tokenization
- Lower fees per transaction
- Improve sales and finance processes by eliminating non-value-added steps
- Add features and functionality that enhanced the customer experience
- Keep SAP ECC compliant for future releases

