Annual pCard Administrator Webinar
October 30, 2017

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TOPICS

I. Introduction

II. Chip Cards

III. Applicable/Maintenance Forms

IV. CentreSuite (Dashboards/Reports)

V. Fraud

VI. FHB Reminders
  I. Disputes
  II. Payments
  III. Finance Charges & Fees

VII. Merchant Category Codes (MCC's)

VIII. SPO-035 Requests to Use pCard for Blocked

  Purchases

IX. Reminders

CHIP CARDS

VERIFICATION ID (6 numeric)

- Executive Branch: Cardholder Statement zip code plus zero. (Ex: 96813 plus 0 = 968130)
- Used for Card Activation.
- Used for Identification purposes when calling Customer Service.

CARDHOLDER NOTIFICATION

- pCard Admin to notify cardholder when they turn in their application what their 6 numeric Verification ID is.

PIN FOR FOREIGN TRAVELERS

- Use the Maintenance Request form to request a PIN.

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FORMS

Cardholder Application Form

- To be used as of January 1, 2018

- Sections of the application can be customized to Department needs

- Email the completed form to DataEntry@fhb.com

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FORMS

Maintenance Request Form

- To be used as of January 1, 2018

- Used to make changes to existing cardholder accounts

- Email the completed form to DataEntry@fhb.com

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STATE OF HAWAII pCARD MAINTENANCE REQUEST FORM

EMAIL FORM TO:	DataEntry@fhb.com			Date: 10/26/2017
REQUEST FROM:	Company Name:	COMPANY NAME	Company Number:	XXXXXXX

Complete all information in this section: (Required)

Cardholder Name: (As seen on the credit card)		Account Number (last 4 digits):

Select all that apply:

☐ Close Account	☐ Block & Transfer Account due to Fraud on account	☐ Replace Card due to Did not receive card
*This is a permanent account closure. Cards are not requested.	*New card automatically requested for Block & Transfer account*	

☐ Cardholder Credit/Spend Limit Change Temporary *Temporary Credit/Spend limit increases should not exceed 3 months.	Change to $	*REQUIRED FOR TEMPORARY CREDIT/SPEND LIMIT CHANGES* NOTE: End date should be a cycle date (i.e. 04; 14; 28)
		START DATE		END DATE

Cardholder Information:

Cardholder Name Change due to Legal Name Change:

NOTE: Name change is only for the cardholder on this account. If you need to add a new cardholder, please complete the Cardholder Application Form.

Address Change (Correspondence Address Only)

Address Line 1:	
Address Line 2:	
Address Line 3:	

City:	State:	Zip:	Country:

| Phone Number1: Update Business | EXT |
| Phone Number2: Update Business | EXT |

Email Address Update

Travel Note Request:

Depart Date:	Return Date:
State(s):	Countries:

THIS SECTION FOR CARDHOLDERS WITH SINGLE PURCHASE LIMITS AND/OR MCC RESTRICTIONS
NOTE SINGLE PURCHASE LIMIT (SPL) IS NOT THE CARDHOLDER CREDIT/SPEND LIMIT

Delete Single Purchase Transaction Limit $	Update Existing Single Purchase Transaction Limit to $
Add MCC Group	Update MCC Group to

Delete MCC(s) to MCC Group

*NOTE: Adding/Deleting MCC's to an MCC Group allows/removes MCC access to all cardholders in the same MCC Group.

Instructions * Only an Authorized pCard Administrator can submit the Maintenance Request Form
* Email completed form to DataEntry@fhb.com
* Contact the Commercial Card Department at comlcard@fhb.com for all other inquiries

CENTRESUITE – DASH BOARDS

With this release, new report dashboards will be added to the Report Module. The new dashboards will provide enhanced trending analysis related to program spend and CentreSuite usage.

*Live Demo

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CENTRESUITE

- Department / Jurisdiction pCard CentreSuite Admin Role
  - Reset User passwords & security questions
  - Unlock User accounts
  - Create Admin User accounts
  - Monitor cardholder accounts for usage and spend

- PDF statements available for review and download 1 - 2 days after cycle.

- PDF statements are available online for **6** rolling months. (new)

- Transaction data available online for 24 rolling months.

BEST PRACTICE: Download PDF statements and transaction data to build your own database for research, audit purposes, and UIPA requests.

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FRAUD

- Types of Fraud

- Fraud Decline Overview

- Fraud Tips and Best Practices

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TYPES OF CARD FRAUD

Card Fraud is rapidly evolving, with numerous types of card fraud that pose loss challenges to issuing banks and merchant acquirers.

1 **Third Party Transaction Fraud**	**Card Present (In Person)**	• Mostly Counterfeit 'Clone' Cards *(Data Breach or ATM/Gas Pump Skimmer)*
	Card Not Present (Digital)	• Digital Gift Cards / Money Transfers becoming more common vs. shipment
2 **Third Party Identity Theft**	**Fraudulent Applications**	• Fraudsters gather personal information to apply for credit cards in 3rd parties name
	Account Takeovers	• Fraudsters gather personal information and contact bank to request a replacement card for existing account.
3 **1st Party Fraud**	**Non-Payment & Payment Bustout**	• Fraudsters apply for credit cards in their real identity or a 'synthetic' fake identity, intending to charge-off quickly.

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TYPES OF CARD FRAUD (CONT'D)

Hawaii transactional card fraud trends are similar to the mainland, however identity theft and 1st party fraud losses are currently much lower than the mainland.

			Growth Trends	
			Hawaii	Mainland

1 | **Third Party Transaction Fraud**

Card Present (In Person)
- Mostly Counterfeit 'Clone' Cards
(Data Breach or ATM/Gas Pump Skimmer)

Card Not Present (Digital)
- Digital Gift Cards / Money Transfers becoming more common vs. shipment

2 | **Third Party Identity Theft**

Fraudulent Applications
- Fraudsters gather personal information to apply for credit cards in 3rd parties name

Account Takeovers
- Fraudsters gather personal information and contact bank to request a replacement card for existing account.
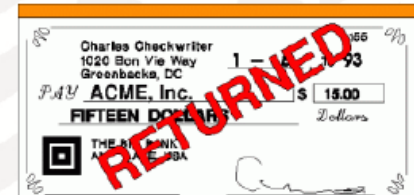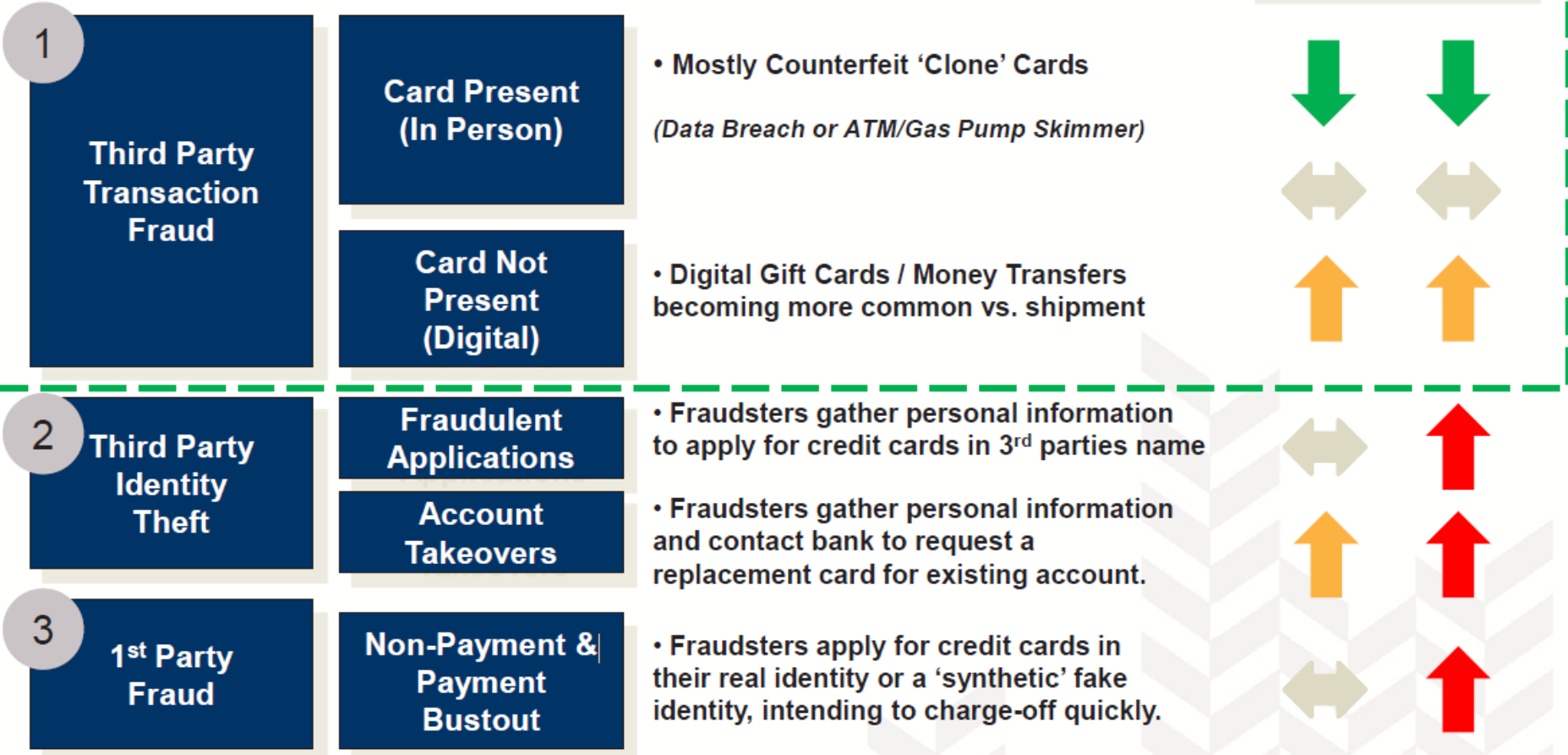
3 | **1st Party Fraud**

Non-Payment & Payment Bustout
- Fraudsters apply for credit cards in their real identity or a 'synthetic' fake identity, intending to charge-off quickly.

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FRAUD DECLINE OVERVIEW

To help reduce fraud losses to the bank and improve customer experience, issuing banks choose to decline some attempted transactions with elevated fraud risk.

% of Transactions Declined for Fraud Concerns

0% Declined

- Maximum Bank Revenues
- Best Customer Experience
- **Extreme Fraud Loss**

~X% Declined

- Bank lose some Revenue for Declines
- Some Customers Impacted & Declined
- **Acceptable Fraud Loss**

100% Declined

- No Bank Revenues
- Worst Customer Experience
- **No Fraud Loss (Only possible way to prevent all fraud)**

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FRAUD TIPS / BEST PRACTICES

- Notify the Bank for any upcoming spend related to travel, special projects, very high dollar amounts, etc…

- Have the cardholders periodically monitor their posted transactions for unauthorized activity.

- The cardholder may be contacted by our Risk Department to confirm suspicious activity on the account. If not fraud, the Risk Department will remove the watch flag and the cardholder can resume using the card.

- If confirmed fraud, the cardholder can block the account but the POC must authorize the Bank to transfer the account and mail out the card.

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REMINDERS

DISPUTES

- Notify the bank if any fraudulent or unauthorized charges have posted to the account.

- All notices of disputed items must be made within 60 days of the cycle in which the item first appears on the cardholder statement.

- Protections for the State includes zero liability for fraudulent transactions. However, buyers must notify their administrators of the fraudulent transactions so that it can be disputed.

- Advise the cardholder to look for the dispute form in the mail, after they have disputed a transaction.

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REMINDERS

PAYMENTS

- The pCard is a paid in full product, so payment must be paid in full.

- If a transaction is disputed after the statement has been produced, payment in full is still required. Must pay the amount due on the statement.

- Any short payment may result in finance charges, late fees and restricted use if the company account is two months past due.

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REMINDERS

FINANCE CHARGES & FEES

- Finance charges & fees may be assessed if a payment in full has not been received.

- First Hawaiian Bank shall have the option to waive the interest finance charges/fees under certain circumstances:

  - First time offender with no history of past due accounts, or

  - Last finance charge was assessed more than 12 months ago, or

  - Finance charge is due to bank operational processing, or

  - Extenuating circumstances exists, based on a case to case situation. This requires the State Procurement Office verification and recommendation.

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MAHALO NUI LOA!

If you have any follow up questions please do not hesitate to email the commercial card team at
comlcard@fhb.com

Cecilia McMoore	844-3184
Katie Kaopua	844-3127
Lynne Hirayama	844-4657
Kelsey Lew	844-3181
Jay Polk	844-3187
Carissa Leonida	844-3183

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Request to Use pCard for Blocked Purchases

➢ Form SPO-035 must be submitted 7 days prior to the event.

  ➢ Dates cannot be retro-active but can be a single date or date range

  ➢ Effective dates cannot be indefinite

  ➢ If submitting an eSign form must include the audit report

➢ Merchant Category Codes Updated

  ➢ Review PC2003-16, Amend 18

➢ SPO will check delegation, training & cardholder agreement and method of procurement

➢ Comptroller approval (if applicable)

➢ Declined transactions

  ➢ Call your pCard Administrator first.

➢ Primary SPO point of contact – Shannon Ota

REMINDERS

- Effective 11/20/2017 all SPO-035 are required to be submitted through HANDS.

- Any changes to the department's/juridisction's pCard administrator or alternates must be submitted using SPO-036.

Contact Information

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Mahalo