



Employers and Employees like the Convenience and Cost Savings of Payroll Debit Cards

Only one year ago, payroll debit cards were a new concept for most companies in search of a solution to address the needs of their unbanked and under-banked employees. These reloadable Visa Payroll Debit Cards can be conveniently and cost effectively funded each pay period with the company's payroll.

Today, an increasing number of temporary, part-time and contracted employees as well as the unbanked are asking for information on payroll debit cards, how they work, and the benefits of using them. In fact, many employers have added this service as a new and convenient benefit for employees.

Last June, a landscape business in the Southeast started offering payroll debit cards to its employees. Only four employees signed up for payroll cards at that time. However, within three months, 65 percent of the 125 seasonal employees were enrolled in the payroll debit card program. It turned out that those four employees liked the benefits of having a payroll debit card so much, they bragged about them to the other employees, and the trend caught on.

We learned from the employer that the number one reason employees chose a payroll card over a paper paycheck was the fact that they were able to access their pay immediately on payday, instead of waiting for checks to be distributed. While other employees had to wait to get their paycheck and then stop at a check-cashing store where fees are typically added or at a bank, the other employees were easily accessing their pay, with no extra fees, hassles or wait. The employees also liked the prestige of a Visa®-branded payroll debit card which now gave them access to online purchasing and other perks.

Payroll Debit Card/PayCard FEATURES:

- Easy to implement – web-based solution, no hardware or software required.
- Re-loadable debit card that allows multiple uses.
- Loaded each pay period with the employee's payroll (the same as direct deposit).
- Funds are accessible on payday from ATM's or cost-free over-the-counter at the bank.
- Uses Employer Administration Web site.
- Free employee online access to statements and account balances.
- Pay employees anytime – holidays, days off, or during disasters.
- Convenience and savings for employees – pay bills, make telephone or online purchases.
- Employee purchases are protected by [Visa's Zero Liability policy](#).
- Accepted everywhere Visa cards are accepted - over 1.2 million ATMs and 29 million retail locations in over 170 countries.
- Cards are quickly and easily replaced if lost or stolen.
- Marketing materials for employees are available in both English and Spanish.

The result? Employees like the many new benefits associated with the payroll debit card, and employers are actually saving money by reducing the costs of payroll checks, check printing and distribution. As well, employers who are able to supplement their online payroll process with the payroll debit card especially like the convenience and cost savings afforded by going 100 percent electronic.

Payroll Debit Card/PayCard BENEFITS:

- Solves the problem of paying employees who are currently unable to take advantage of direct deposit.
- Almost all employees are eligible - no credit checks and no prior bank relationship required.
- Reduce the time and costs associated with paper payroll check processing
- Check delivery fees are eliminated.
- Eliminates costs associated with lost, stolen, off-cycle, or fraudulent checks, and associated processing.
- Increases security by reducing opportunity for fraud.
- Increases employee productivity by eliminating time-consuming trips to check-cashing stations or banks.
- Creates an additional voluntary benefit, increases employee retention and loyalty due to improved employee satisfaction.

Payroll Debit Card/PayCard FAST FACTS:

- A recent American Payroll Association study reveals that payroll check issuing cost approximately \$1.35; lost or stolen check replacement costs approximately \$12.00 per check.
- More than 4 million paychecks are lost or stolen every year and lost paycheck replacement costs are estimated to be \$48 million per year.
- Currently, 25% of all employees in the United States do not currently have bank accounts.

Call John Israel at **215-654-9140, ext. 110** / jisrael@proxushr.com or Chris Cumo at **ext. 129** / ccumo@proxushr.com to learn more about how your company can offer the Visa Payroll Debit Cards to your employees. PROXUS can also provide you with sample educational letters [English & Spanish] to use with your employees to peak their interest and to determine their needs. Payroll debit cards can offer a great new benefit for your employees while providing you with an added convenience and significant payroll cost savings as well.

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