



WHITE PAPER



Helping ATM Deployers Manage ATM Costs More Efficiently

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Despite the growth of other payment methods, the need for safe, reliable cash access remains strong. The amount of cash in circulation in the United States is estimated to be \$1.7 trillion and continues to increase¹. In fact, cash represents roughly 26 percent of consumer transactions, more than electronic, credit, or checks². ATM deployers play an important role in ensuring consumers have access to cash. Efficient management of an ATM's cash can play a significant impact on a deployer's profits and improve customer satisfaction.

Managing ATMs efficiently and effectively can be a challenge for both financial institutions and independent deployers. With a wide variety of tasks required, both in the operation of ATMs and the associated regulatory requirements, properly managing these important assets can be time-consuming and expensive.

According to ATM industry estimates, cash-related expenses can account for around 30 percent of the cost of running an ATM fleet. Managing those costs could be the key to success.

¹ https://www.federalreserve.gov/faqs/currency_12773.htm

² <https://www.frbsf.org/our-district/press/news-releases/2019/annual-fed-report-indicates-increase-in-demand-for-cash-despite-slight-decline-in-usage-by-consumers/>

Many of today's more successful ATM deployers are building a business strategy that includes outsourcing their cash management services at its foundation.

"There are a number of factors to consider when determining if outsourcing your cash management is right for your business," said Laura Jones, President of U.S. Bank Cash Management Services. "Tailored forecasting services, cash availability that matches your ATM footprint, experienced armored vendor management services and insightful reporting tools all have an important role in the success of your business."



Cash provisioning

When organizations use their own cash to stock their ATM fleet, they tie up their business capital. By outsourcing vault cash services, they don't have to limit their growth. They can use their cash to invest in expansion in order to grow their business. Using a vault cash provider to fund their ATMs also allows them to expand beyond their local geographic region.

Forecasting

Keeping the right amount of cash in machines is critical. Without sufficient cash, ATMs sit idle. This lost opportunity means reduced revenue. Emergency cash runs add expense. When an organization puts too much cash in its ATMs, costs increase unnecessarily. A vault cash provider can help organizations achieve the ideal amount of cash across their fleet.

Financial Institutions can also benefit by outsourcing ATM cash management functions. Working with a cash management provider can help maintain optimal cash levels throughout a financial institutions self-service channel, reducing costly trips to replenish ATMs and free up back office staff for other duties, while improving customer satisfaction.

Armored carrier management

Managing relationships with armored carriers can pose a challenge for ATM deployers. Placing cash orders, following up on fills, managing emergency cash orders and verifying each invoice can be time consuming. Outsourcing armored carrier management to a trusted cash management partner helps to ensure safe, reliable cash delivery and billing that is verified and consolidated into a single invoice. Such a partnership also allows for the utilization of historical data to help prevent shortages and emergency cash fills.



For larger financial institutions that use multiple armored carriers, keeping track of the various load schedules, collecting reports and filing claims can be a burden on the financial institution's back office.

Claims Management

Organizations often struggle to respond to Reg E claims within the allotted time frame, if at all. Researching and verifying cardholder or processor claims can be time consuming. A good cash management partner will do the research and verification, providing thorough Reg E claims processing. This allows organizations to free up resources to focus on other business priorities.

Summary

Many successful ATM deployers choose to outsource their cash management services. Outsourcing some services allows financial institutions and independent ATM deployers the opportunity to better manage costs, pursue new business opportunities, free up time and grow revenues.

Look to robust ATM cash management solutions and knowledgeable experts to help your business accomplish more.

About the sponsor:

U.S. Bank Cash Management Services offers best-in-class products and services to help your business thrive. Backed by the strength of U.S. Bank, we are the largest vault cash provider in the nation, managing over \$3 billion in monthly vault cash balances. Collaborate with our dedicated team to manage your costs and optimize your business with our cash forecasting, cash provisioning, reconciliation, claims and armored carrier management services.