

FAQs About Contract Negotiations

1. WHAT IS JMFA CONTRACT OPTIMIZER?

A contingency-based service with a 98% success rate for helping banks and credit unions save millions in vendor contract expenses – much more than their vendor’s “best and final” offer. Through our no-cost review and assessment, you’ll discover how your financial institution’s processing and technology service proposals, contracts and agreements rate in the areas of pricing, service and support, terms and conditions, and more.

2. HOW CAN A REVIEW OF OUR VENDOR CONTRACTS BENEFIT MY FINANCIAL INSTITUTION?

A regular audit of your vendor contracts, especially if you’ve never had a third-party review, can give you valuable insight into not only significant savings opportunities, but improved contract terms and service upgrades. Also, depending on the type of contract or agreement there may even be increased revenue potential. Overall, for many of our clients getting our expertise provides them great peace of mind when making such important purchase decisions.

3. WHAT TYPE OF CONTRACTS CAN BE NEGOTIATED?

Core data processing, debit/credit card processing, ATM maintenance/branch maintenance contracts, EFT network processing, card brand agreements, all telecommunications services (local, wireless, long distance/toll free, internet access, phone system maintenance, etc.), internet banking, item/image processing, armored car agreements, credit reporting for consumer loans, and others upon request.

4. DO YOU NEGOTIATE TERMS WITH VISA AND MASTERCARD®?

Yes, we have been successful in negotiating card branding agreements with Visa, MasterCard and Discover® Debit on behalf of our clients. By looking more closely at your card brand agreements for your debit or credit card program, or extending your current term, you might have the opportunity to increase interchange revenue, lower fees, and improve service terms for you and account holders.

5. HOW EARLY DO I NEED TO START NEGOTIATING WITH MY VENDORS TO HAVE ‘NEGOTIATING LEVERAGE’?

Typically, contract reviews should start 18-24 months before the contract expires. However depending on the type of contract or agreement it could be as soon as 12-18 months prior to the renewal or expiration date.

6. WILL WORKING WITH JMFA TO NEGOTIATE OUR CONTRACTS CREATE A PROBLEM WITH OUR EXISTING VENDOR RELATIONSHIPS?

To the contrary, JMFA’s involvement helps preserve the relationships you’ve built with your vendors. As an objective third party, we eliminate the discomfort that can come with directly negotiating costs with your account representative. We bring a highly professional approach to the negotiating process and a valuable knowledge of industry benchmarks, for healthy vendor relationships.

7. HOW LONG DOES THE NEGOTIATION PROCESS TAKE FROM START TO FINISH?

Once we issue a request for proposal (RFP) to a vendor, we give them 30 days to respond. The whole process from start to finish can take about 4-6 months depending on the complexity of the project.

8. WILL THIS BE TIME-CONSUMING FOR OUR STAFF?

Not at all. We take the task off your plate. Our team of experts negotiate with vendors every day and will dedicate their full attention to your financial institution’s best interest. You simply provide our team with your contracts and invoices, and we will present you with the options you need to make the most informed strategic decisions for your financial institution.

9. I AM HAPPY WITH MY VENDORS. DO I HAVE TO CHANGE VENDORS IN ORDER TO WORK WITH JMFA?

No, the majority of our clients remain with their existing vendors but secure an extended agreement with lower prices, better terms and conditions, and higher standards of service. However, if it is in your best interest, we will provide you the guidance and support needed throughout the decision-making process of selecting a new vendor. With our extensive experience, we will compare pricing, terms and conditions, service, obtain references and set up demonstrations to ensure you get the very best agreement for your organization.

10. WHAT’S THE EASIEST WAY TO GET STARTED?

Contact us at info@jmfa.com or call 800-809-2307 to inquire about a free assessment. From there you’ll be able learn just how much potential savings could be yours with JMFA. If we aren’t able to find any savings, then there is no fee. At the very minimum you’ll have peace-of-mind knowing that your financial institution is indeed getting the best deal on your vendor contracts.