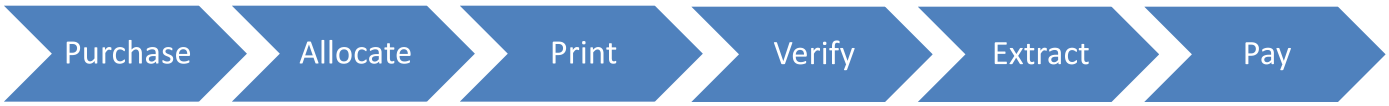
Pcard Interface Process

From purchase to PRC in 6 steps!



The State of Iowa's Purchasing Card Program was designed to save the State time and money in the Procure-to-Pay (P2P) process of goods and services. As an efficient alternative to traditional *payment* methods, Pcards achieve process saving by

- Consolidating payments – Numerous transactions to multiple vendors consolidated into single monthly payment
- Streamlining the payment process – Invoices and warrants reduced; payment documents automated

The "Pcard Interface" maximizes process savings through automation. Transaction information and accounting codes are extracted from U.S. Bank (Access Online) and imported into the State's accounting system (Iowa Advantage); lines in the Payment Request Commodities (PRCs) roll up by accounting string. This automated process eliminates the need to manually create PRCs and frees up time for other accounting tasks.

The Pcard purchase to PRC payment is essentially a 6-step process.

1. **Purchase** – Regardless of payment method, all goods and services must be purchased in accordance with State procurement policies and procedures. This includes Pcard purchases!

2. **Allocate** – Transactions are automatically allocated according to default accounting strings and must be reallocated in Access Online. This accounting information is used to create the PRC.

3. **Print** – Cardholder and Managing Account Statements should be printed at the end of the billing cycle (usually the 20^{th} of the month), along with a corresponding Transaction Detail Report.

4. **Verify** – During the 15-day allocation window, expenses and allocations should be verified or reallocated before data extraction.

5. **Extract** – On the 16^{th} day, data is extracted and PRCs are generated. The PRC amount totals should match Purchases minus Credits on the Managing Account Statement. PRC accounting strings (and totals) should also align with the Transaction Detail report (sorted by allocation).

6. **Pay** – Follow internal procedures for payment approvals. Payment terms are net 30 days; reference Vendor Customer # (VCN) to avoid misapplied payments.

(Note: Interface PRCs are for Pcards only; Travel Cards are to be paid via TPs.)

Step 1: Purchase

Regardless of the payment method, all goods and services must be purchased in accordance with State procurement policies and procedures per **Iowa Code 11, Chapters 117-120**, and any internal agency procedures (pre-approvals, documentation, etc.)

As a general rule:

- Three (3) informal quotes must be obtained for purchases up to $50,000 (see [Informal Quote Documentation]() form) **IF** purchases are:

  a) goods above $15,000 from a non-contract vendor;
  b) services above $15,000 from a non-contract vendor, or
  c) from a certified TSB in excess of $25,000
  (Purchases from Master Agreement vendors, or TSBs under $25,000, may be made without additional competitive bids.)

- Purchases between $15,000 and $50,000 require Advanced Procurement Authority unless purchasing from a Master Agreement.

- All purchases in excess of $50,000 require oversight from DAS Central Procurement.

- Goods or service contracts above $50,000 may require Iowa Department of Management (IDOM) approval. (Some exceptions apply; see [IDOM Approval Form]().)

- IT hardware or software purchases estimated in excess of $100,000 require prior approval by the Department of Management (DOM) Contact [ITrequests@iowa.gov]().

- A [Services Pre-Contract Questionnaire (PCQ)]() is required with any non-MA service purchase of $1,000 or more (one-time or in aggregate).

Step 2: Allocate

Cardholders and/or Agency Pcard administrators log onto Access Online to verify default allocations or reallocate cardholder transactions.

<table>
<tr><th>Select</th><th>Status</th><th>Trans Date</th><th>Posting Date</th><th>Merchant</th><th>City/State</th><th>Amount</th><th>Detail</th><th></th><th>Purchase ID</th><th></th><th>Comments</th><th>Accounting Code</th></tr>
<tr><td></td><td></td><td>06/18</td><td>06/20</td><td>WW GRAINGER</td><td>877-2022594, PA</td><td>$51.94</td><td></td><td></td><td>M4142751</td><td></td><td></td><td>0001|243|1220|||2229</td></tr>
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<tr><td></td><td></td><td>06/19</td><td>06/20</td><td>TIFFIN SYSTEMS</td><td>419-4478414, OH</td><td>$65.00</td><td></td><td></td><td>486061922330002</td><td></td><td></td><td>0001|243|1474|||2250||||||||||||||securitysupplies</td></tr>
<tr><td></td><td></td><td>06/19</td><td>06/20</td><td>OFFICEMAX CT*IN#454606</td><td>800-472-6473, IL</td><td>$174.43</td><td></td><td></td><td>0000000000000000</td><td></td><td></td><td>Multiple</td></tr>
<tr><td></td><td></td><td>06/18</td><td>06/20</td><td>BERRY HILL IRRIGATION</td><td>434-374-5555, VA</td><td>$19.40</td><td></td><td></td><td>4201</td><td></td><td></td><td>0001|243|1231|||2230||||||||||||||parts</td></tr>
<tr><td></td><td></td><td>06/17</td><td>06/19</td><td>WW GRAINGER</td><td>877-2022594, PA</td><td>$3,420.96</td><td></td><td></td><td>6262836777</td><td></td><td></td><td>Multiple</td></tr>
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<tr><td></td><td></td><td>06/18</td><td>06/19</td><td>REED JOSEPH INTERNATIONAL</td><td>GREENVILLE, MS</td><td>$280.00</td><td></td><td></td><td></td><td></td><td></td><td>0001|243|1474|||2303||||||||||||||ammo</td></tr>
<tr><td></td><td></td><td>06/17</td><td>06/19</td><td>LABELS STICKERS</td><td>631-5634323, NY</td><td>$720.00</td><td></td><td></td><td>06170822005841684452096622</td><td></td><td></td><td>0001|243|1474|||2250||||||||||||||securitysupplies</td></tr>
<tr><td></td><td></td><td>06/18</td><td>06/19</td><td>WAHLTEK, INC</td><td>515-309-3939, IA</td><td>$62.37</td><td></td><td></td><td>289</td><td></td><td></td><td>0001|243|1310|||2219||||||||||||||officesupplies</td></tr>
</table>

Tip #1: Allocating throughout the month expedites payment processing at cycle end.

Tip #2: Creating allocation Favorites (up to 25) makes reallocating easier. (For instructions, see [Access Online for Agency Management]() or [Access Online for Cardholders]().)

DON'T FORGET:

- **Iowa Advantage Validation**: The EXACT accounting string (Fund, Department, Unit, Object) must be loaded in Iowa Advantage to validate; otherwise the validation process will result in a PRC draft status of "rejected" instead of "held." (Agency Budget Analysts should update any new Iowa Advantage accounting codes every fiscal year as needed.)

- **PRC Roll Up**: The complete Accounting String – including the comment field – must match EXACTLY to roll up. Creating Favorites or a "master list" of accounting code favorites ensures all users are following same format.

Sample "Favorites" in Access Online:

			Accounting Code - Segment Name (Length)							
Delete	Favorite Name	Status	FUND (4)	DEPARTMENT (3)	UNIT (4)	SUB UNIT (4)	APPR UNIT (9)	OBJECT (4)	SUB OBJECT (4)	DEPARTMENT OBJECT (4)
	A-02-EQUIP MAINT-HVAC *	Active	0674	005	X674	02		2235		4185
	A-02-JANITORIAL SUPP-CUST *	Active	0674	005	X674	02		2225		3851
	A-02-OTHR OFFICE SUPP-CUST *	Active	0674	005	x674	02		2219		3851

Search for Valid Value

Add Additional Favorites

Save

Sample "Master Accounting Code Favorites" including comment:

Comment/Description	Fund	Dept	Unit	Sub-unit	Object	Dept Object
A-33-A/C HEATING-HVAC	0674	005	X674	33	2496	4185
A-33-ELECT SUPP-ELECT	0674	005	X674	33	2222	3881
A-33-HRDWR SUPP-CARP	0674	005	X674	33	2210	4186
A-33-HRDWR SUPP-LCKSMTH	0674	005	X674	33	2210	3879
A-33-JANITORIAL SUPP-CUST	0674	005	X674	33	2225	3851
A-33-LUMBER SUPPLIES-CARP	0674	005	X674	33	2221	4186
A-33-OTHR BLDG SUPP-CARP	0674	005	X674	33	2229	4186
A-33-PLUMBING-HVAC	0674	005	X674	33	2224	4185
A-33-PNTS & PRSRVTVS-PAINT	0674	005	X674	33	2223	3850
A-33-SIGNS & POSTS-CARP	0674	005	X674	33	2280	4186

Step 3: Print

Print the Agency Managing Account Statement. Statements are available via Access Online the day after the billing cycle ends (usually the 21st day of the month).

P.O. BOX 6343
FARGO ND 58125-6343

ACCOUNT NUMBER	
STATEMENT DATE	04-21-2014
AMOUNT DUE	$21,915.97
NEW BALANCE	$21,915.97

PAYMENT DUE ON RECEIPT

AMOUNT ENCLOSED

$

Please make check payable to "U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

CORPORATE ACCOUNT SUMMARY

Company Total	Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
	$17,488.28	$22,258.97	$0.00	$.00	$0.00	$343.00	$17,488.28	$21,915.97

Print the Transaction Detail Report. This report includes allocation information for all cardholder activity and can be sorted by cardholder and transaction date for statement reconciliation, or allocation strings to identify how expenses will roll up on the PRC. (For report instructions, see [Access Online for Agency Management](#).)

Vendor/Merchant	Allocation coding			Allocation Comments	Trans Amt	Sub Total
THE HOME DEPOT 2104	0674005X67433	2210	4186	A-33-HARDWARE SUPPLIES	$204.14	
AMERICAN MARKING,	0674005X67433	2210	4186	A-33-HARDWARE SUPPLIES	$32.00	
LUMBERMANS SUPPLY	0674005X67433	2210	4186	A-33-HARDWARE SUPPLIES	$745.02	$981.16
MENARDS 3046	0674005X67433	2221	4186	A-33-LUMBER SUPPLIES	$54.83	
MENARDS 3090	0674005X67433	2221	4186	A-33-LUMBER SUPPLIES	$25.54	$80.37
GRAYBAR ELECTRIC	0674005X67433	2222	3881	A-33-ELECTRICAL SUPPLIES	$111.91	
GRAYBAR ELECTRIC	0674005X67433	2222	3881	A-33-ELECTRICAL SUPPLIES	$231.14	$343.05
SHERWIN WILLIAMS #4340	0674005X67433	2223	3850	A-33-PAINTS & PRSRVTVS	$99.50	
SHERWIN WILLIAMS #4340	0674005X67433	2223	3850	A-33-PAINTS & PRSRVTVS	$103.44	$202.94
WW GRAINGER	0674005X67433	2224	4185	A-33-PLUMBING-HVAC	$14.30	
MENARDS 3046	0674005X67433	2224	4185	A-33-PLUMBING-HVAC	$232.98	
MENARDS 3046	0674005X67433	2224	4185	A-33-PLUMBING-HVAC	($82.99)	$164.29
BOB'S WHOLESALE	0674005X67433	2225	3851	A-33-JANITORIAL SUPPLIES	$260.50	
CAPITAL SANITARY SUPPLY	0674005X67433	2225	3851	A-33-JANITORIAL SUPPLIES	$81.67	$342.17
AMERICAN MARKING,	0674005X67433	2280	4186	A-33-SIGNS & POSTS	$75.00	$75.00
WW GRAINGER	0674005X67433	2496	4185	A-33-A/C HEATING-HVAC	$249.48	$249.48
WW GRAINGER	0674005X67435	2210	4185	A-35-HARDWARE SUPPLIES	$224.42	
WW GRAINGER	0674005X67435	2210	4185	A-35-HARDWARE SUPPLIES	$22.01	
WW GRAINGER	0674005X67435	2210	4185	A-35-HARDWARE SUPPLIES	$16.83	
WW GRAINGER	0674005X67435	2210	4185	A-35-HARDWARE SUPPLIES	$148.08	$411.34
DOORS INC	0674005X67435	2210	4186	A-35-HARDWARE SUPPLIES	$73.50	
GOLDEN VALLEY SUPPLY OF I	0674005X67435	2210	4186	A-35-HARDWARE SUPPLIES	$4.72	$78.22

Step 4: Verify

Verify Statements against receipts, other transaction documentation, and the Transaction Detail Report (with allocation detail referenced in Step 3); make any allocation adjustments in Access Online before data is extracted.

Cardholders and/or Agency administrators have **15 CALENDAR DAYS from the Statement date** to re-allocate in Access Online. This is the “Allocation Window.” Data is extracted on the 16th day.

Sample Extraction Schedule

Date	Activity	Day		Date	Activity	Day		Date	Activity	Day
9/20	Cycle Ends	0		9/26	Allocate	6		10/2	Allocate	12
9/21	Allocate	1		9/27	Allocate	7		10/3	Allocate	13
9/22	Allocate	2		9/28	Allocate	8		10/4	Allocate	14
9/23	Allocate	3		9/29	Allocate	9		10/5	Allocate	15
9/24	Allocate	4		9/30	Allocate	10		10/6	Data Extraction	16
9/25	Allocate	5		10/1	Allocate	11				

Remember: PRCs are only as accurate as the accounting strings provided. Only matching line items (accounting strings and comments) will roll-up.

Step 5: Extract

Once data has been extracted and uploaded into Iowa Advantage, **PRCs will be generated to cross-reference with the Managing Account Statement and Transaction Detail Report.** To locate draft PRC document(s), enter the following:

- Code = PRC
- Dept = your department number
- Unit = enter if applicable
- ID = PRC + Dept # + today’s date
- Create User ID = unapproved
- Phase = Draft

The **Managing Account Statement** consists of three sections of numeric data:

1) Corporate Account Summary

The Corporate Account Summary contains company ID, previous balances, new balances, plus current transactions, credits and other charges included in the other 2 sections. The blocks of data relevant for PRCs are “Purchases and Other Charges” and “Credits”.

CORPORATE ACCOUNT SUMMARY

	Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
Company Total	$17,488.28	$22,258.97	$0.00	$.00	$0.00	$343.00	$17,488.28	$21,915.97

2) Corporate Account Activity

The Corporate Account Activity includes payments received and adjustments made by U.S. Bank (late fees, charge-offs, payments, or reapplied payments). Sample shown; this information is not included in the PRCs.

CORPORATE ACCOUNT ACTIVITY

TOTAL CORPORATE ACTIVITY
$17,488.28CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-16	04-16	74798264106000000000030	PAYMENT - 000030180 00000 A	6,127.41 PY
04-17	04-17	74798264107000000000021	PAYMENT - 000030180 00000 A	11,360.87 PY

3) New Activity

The New Activity section consists of all cardholder transaction data (merchant purchases and credits). Since PRCs are generated from the Managing Account's New Activity, all of these are included in PRCs.

NEW ACTIVITY

Cardholder Name Card Number	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
	$0.00	$1,014.22	$0.00	$1,014.22

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-21	03-20	24717054080690800280630	MENARDS 3046 DES MOINES IA	99.46
03-24	03-21	24019514082605400493843	AMERICAN PLUMBING SUPPLY DES MOINES IA	39.95
03-27	03-26	24270764085286024300136	PLUMB SUPPLY COMPANY DES MOINES IA	140.00
03-31	03-28	24755424088730888917982	WW GRAINGER 877-2022594 PA	29.10
04-02	04-01	24717054092690920262019	MENARDS 3046 DES MOINES IA	16.25

Review Statement

Check totals first. Generally speaking Purchases & Charges minus Credits on your Managing Account Statement and Iowa Advantage PRC totals should MATCH. (In both examples below the New Balance matches the PRC, but depending on the previous balance, other charges, credits, and payment, that may not always be the case.

CORPORATE ACCOUNT SUMMARY

Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
$54,855.36	$25,875.27	$0.00	$.00	$0.00	$921.93	$54,855.36	$24,953.34

1	New	Draft	Rejected	9/13/13	unapproved	$24,953.34	Yes
1	New	Draft	Held	9/13/13	unapproved	$8,537.54	Yes

Note PRCs generated by the Interface will be in **Draft** status; User ID = **unapproved**

CORPORATE ACCOUNT SUMMARY

Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
$4,093.90	$8,553.42	$0.00	$.00	$0.00	$15.88	$4,093.90	$8,537.54

Note PRC Status to the left:

Rejected PRCs contain an invalid accounting code or other issue needing addressed.

Held PRCs may be processed once reviewed and approved.

Be sure to cross-reference individual Statement charges, Transaction Detail Report and PRC accounting lines to ensure data was accurately received. If there is a discrepancy, the Managing Account Statement detail and Transaction Detail Report should help you identify it.

- The PRC amount totals should match Purchases minus Credits on the Managing Account Statement.
- PRC accounting strings (and totals) should also align with the allocation totals in the Transaction Detail Report.

WARNING:

There are a few unique situations where the PRC and Managing Account Statements will not align … see below.

Unique Situations— beware!

In the situations that follow, you will need to examine your statements and PRCs extra carefully.

1) Prior Short Paid Statement: If a previous statement has been short paid (which is a no-no!), and the corresponding credit appears on the statement, it will need to be deleted from the PRC. Otherwise, the credit will be subtracted from the current charges and your PRC payment will be less than the actual amount due, for example…

Notice the Previous Balance was short paid by the amount of the credit. Had it been paid in full, then the credit adjustment to the new charges would be correct and the amount due would be $37.35. Since it was NOT paid, the credit should NOT be subtracted from the new charges. Solutions: Delete credit line from PRC and Do Not Short Pay statements!

CORPORATE ACCOUNT SUMMARY

Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
$3,108.77	$306.61	$0.00	$.00	$0.00	$269.26	$2,839.51	$306.61

1	New	Draft	Rejected	9/13/13	unapproved	$37.35	Yes

	Accounting Line	Total Line Amount	Line Closed Amount	Outstanding Amount
	1	$306.61	$0.00	$306.61
	2	($269.26)	$0.00	($269.26)

2) Misapplied payments: An agency's Pcard and Travel Card accounts ALWAYS have separate Vendor Customer Numbers that must be reflected accordingly on the payment to ensure it is correctly applied. If a payment has been made to the wrong account and is later corrected, it will be reflected in the Corporate Account Activity section. In the following example, the PRC is correct even though Purchases and Other Charges minus Credits does not = $590.48.

CORPORATE ACCOUNT SUMMARY

Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
$988.02cr	$6,776.63	$0.00	$.00	$0.00	$184.95	$6,669.48	$1,065.82cr

The Purchases and Other Charges amount includes 2 payment reversals in the amount of $6,001.20 that should NOT be included in the PRC calculation.

1	New	Draft	Held	9/13/13	unapproved	$590.48	Yes

	Accounting Line	Total Line Amount	Line Closed Amount	Outstanding Amount	
	1	$99.00	$0.00	$99.00	No
			$0.00	$491.48	No

NEW ACTIVITY

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$184.95	$775.43	$0.00	$590.48

r	Transaction Description	Amount
38585164	OFFICEMAX CT*IN#972070 800-472-6473 IL	433.35
50935290	CTO*GOTOWEBINAR.COM 800-263-6317 CA	99.00
00163092	OFFICEMAX CT*IN#055144 800-472-6473 IL	84.74
37947841	OFFICEMAX CT*IN#144570 800-472-6473 IL	158.34
74869866	OFFICEMAX CT*IN#271551 NAPERVILLE IL	184.95 CR

New Activity correctly reflects the amount of the PRC.

775.43	**Purchases**
-184.95	**Credits**
=590.48	**PRC Total**

However, the payment and reversal in the amount of $6,001.20 zeros out, the reversal is being included in the Purchases and Other Charges of the Account Summary section.

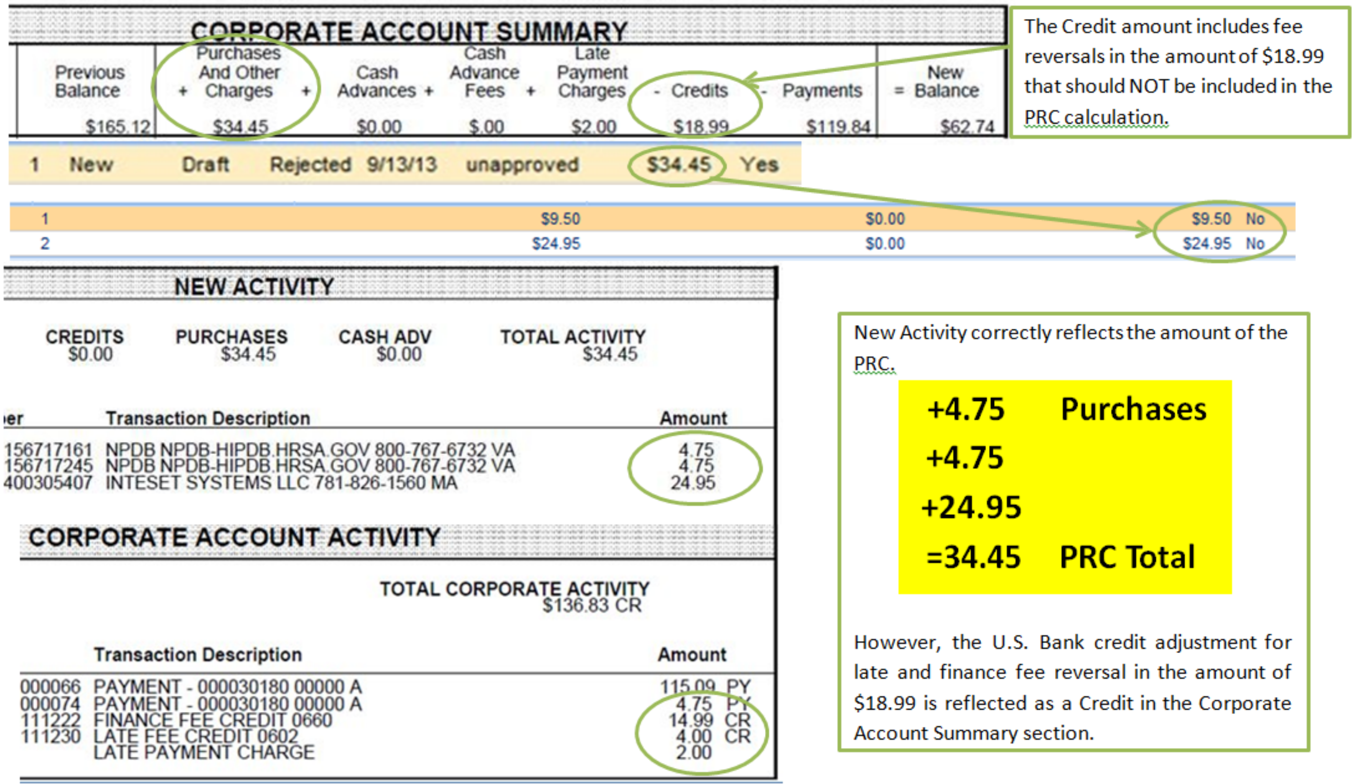
2126.20
+3875.00
=6001.20

CORPORATE ACCOUNT ACTIVITY

TOTAL CORPORATE ACTIVITY
$668.28 CR

mber	Transaction Description	Amount
00000000052	PAYMENT - 000030181 00000 A	3,875.00 PY
00000000054	PAYMENT - 000030181 00000 A	2,126.20 PY
00000000112	PAYMENT - 000030181 00000 A	99.00 PY
27111111168	REV 081213 PMT	2,126.20
27111111184	REV 080613 PMT	3,875.00
00000000068	PAYMENT - 000030181 00000 A	569.28 PY

3) Charge-offs: Similarly, late fees or finance charges accessed and credited by U.S. Bank should <u>not</u> be included in the PRC calculations.



CORPORATE ACCOUNT SUMMARY

Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
$165.12	$34.45	$0.00	$.00	$2.00	$18.99	$119.84	$62.74

1	New	Draft	Rejected	9/13/13	unapproved	$34.45	Yes

1	$9.50	$0.00	$9.50	No
2	$24.95	$0.00	$24.95	No

NEW ACTIVITY

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$0.00	$34.45	$0.00	$34.45

...er	Transaction Description	Amount
156717161	NPDB NPDB-HIPDB.HRSA.GOV 800-767-6732 VA	4.75
156717245	NPDB NPDB-HIPDB.HRSA.GOV 800-767-6732 VA	4.75
400305407	INTESET SYSTEMS LLC 781-826-1560 MA	24.95

CORPORATE ACCOUNT ACTIVITY

TOTAL CORPORATE ACTIVITY
$136.83 CR

	Transaction Description	Amount
000066	PAYMENT - 000030180 00000 A	115.09 PY
000074	PAYMENT - 000030180 00000 A	4.75 PY
111222	FINANCE FEE CREDIT 0660	14.99 CR
111230	LATE FEE CREDIT 0602	4.00 CR
	LATE PAYMENT CHARGE	2.00

The Credit amount includes fee reversals in the amount of $18.99 that should NOT be included in the PRC calculation.

New Activity correctly reflects the amount of the PRC.

+4.75	Purchases
+4.75	
+24.95	
=34.45	PRC Total

However, the U.S. Bank credit adjustment for late and finance fee reversal in the amount of $18.99 is reflected as a Credit in the Corporate Account Summary section.

Step 6: Pay

Proceed with internal approvals for processing PRC payments.
Remember:

- The interface process is only for Pcard accounts – not Travel Card
- Pcard payments must be made via PRC (TP for Travel Card)
- Pcard account and Travel Card accounts have different Vendor Customer #s (VCN) – make sure the correct Pcard VCN is referenced on PRC to avoid misapplied payments. (Reference Travel Card account VCN on TP.)
- Payment terms are net 30 days. Accounts must be paid in full—including fraud and disputed charges—or ALL CARDS in the Managing Account will be suspended and fees assessed at 60 days.

1) Purchase 2) Allocate 3) Print
4) Verify 5) Extract 6) Pay

Department of Administrative Services

Thank you for participating in the State of Iowa Purchasing Card Program!
If you have any questions, please ask us:

Jim Harris, 515-745-2526
Heather Johnson, 515-321-5284