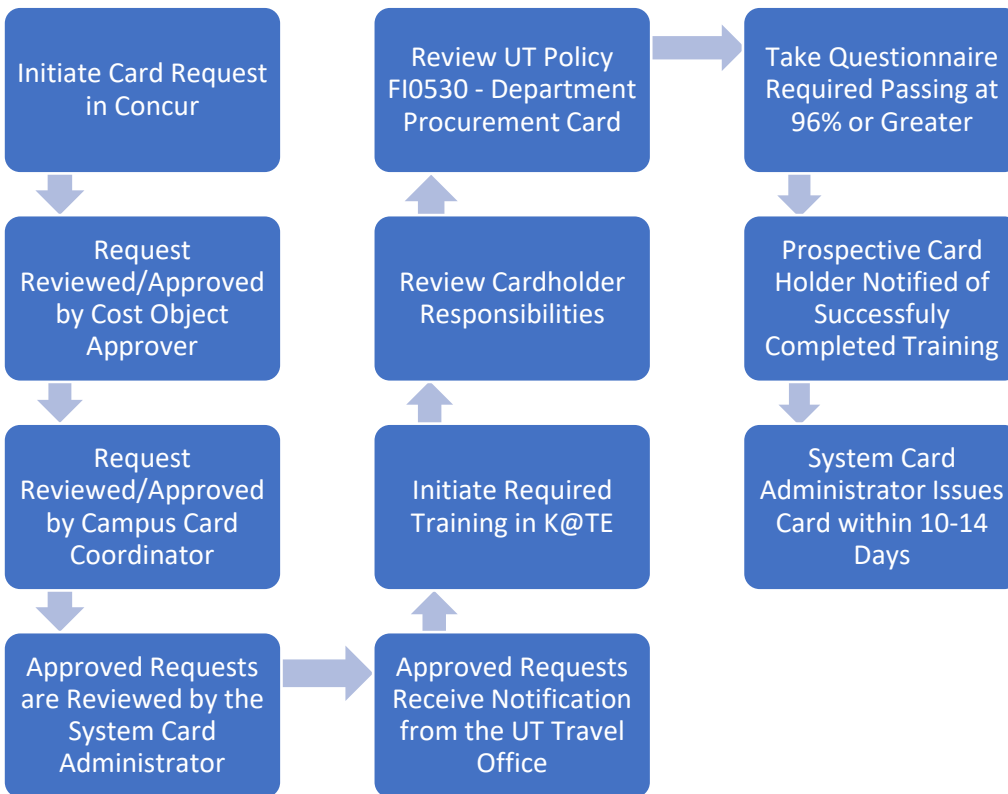# Contents

Information about the system-wide Procurement Card Program, including this procedure material, is consolidated and maintained at acctspayable.tennessee.edu

Requesting a Procurement Card

With the implementation of UT's new online travel platform, the procurement card request process will join the travel card request program in Concur, https://travel.tennessee.edu.
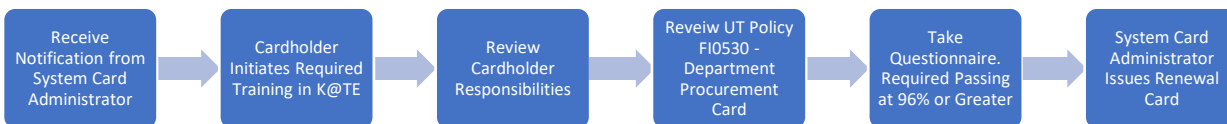
The required cardholder training and questionnaire will be delivered via the K@TE Learning Management System, https://kate.tennessee.edu.

Outlined below is the process for initiating a card request in Concur, completing the required training and questionnaire housed in K@TE.

```
Initiate Card Request          Review UT Policy              Take Questionnaire
in Concur                      FI0530 - Department           Required Passing at
                               Procurement Card              96% or Greater
        │                              ▲                             │
        ▼                              │                             ▼
Request                        Review Cardholder             Prospective Card
Reviewed/Approved              Responsibilities              Holder Notified of
by Cost Object                                               Successfuly
Approver                                                     Completed Training
        │                              ▲                             │
        ▼                              │                             ▼
Request                        Initiate Required             System Card
Reviewed/Approved              Training in K@TE              Administrator Issues
by Campus Card                                               Card within 10-14
Coordinator                                                  Days
        │                              ▲
        ▼                              │
Approved Requests       →      Approved Requests
are Reviewed by the            Receive Notification
System Card                    from the UT Travel
Administrator                  Office
```

Completing Annual Refresh Training

Once issued a card, the cardholder is required to complete a training refresher at the time of card renewal (every 3-4 years), including successful completion of the questionnaire, via K@TE. This renewal takes place around the time of your initial card issuance. Outlined below is the process for completing the training refresh.

```
Receive          →   Cardholder       →   Review          →   Reveiw UT Policy   →   Take               →   System Card
Notification from    Initiates Required   Cardholder           FI0530 -               Questionnaire.         Administrator
System Card          Training in K@TE     Responsibilities     Department             Required Passing       Issues Renewal
Administrator                                                  Procurement            at 96% or Greater      Card
                                                               Card
```

Frequently Asked Questions

Q. What are the technical requirements for accessing this training in K@TE?
A. Recommended browsers include the latest Mozilla Firefox Microsoft Edge for Windows 10 Apple Safari 10 and greater. Pop-up blockers must be disabled to view online K@TE courses. Follow the web browser prompts to allow pop-up windows from K@TE. Cookies and JavaScript are required to be enabled and Adobe Acrobat Reader is required to view training completion certificates launched from K@TE.

Q: Whom can I reach out to if I'm experiencing technical difficulties?
A: Please contact your campus/institute's local Help Desk to troubleshoot technical difficulties. You may also consider accessing K@TE from a different Internet browser and/or clearing your browser cache/history on the browser you are currently using.

Q. What if my request is not approved?
A. Requests that are not approved at any review step are returned directly to the prospective cardholder. If resubmitted, the request will route through approval workflow again.

Q. What if I do not pass the questionnaire?
A. If you do not pass the questionnaire on the initial attempt, you may retake the questionnaire after reviewing the training material. Cardholders are required to complete an annual training refresh in K@TE.

Q. What happens if I complete the K@TE training before I submit my card request in Concur?
A. You will not be issued a card until you have an approved card request in Concur. Once completed, the System Card Administrator will contact you regarding issuing your card.

Q. Who do I contact about a lost or stolen card?
A. Contact US Bank immediately at 1-888-449-2273 and complete the [Lost/Stolen/Compromised Notification](#) form.

Q. Where do I find additional forms related to procurement card use?
A. Visit the [UT Accounts Payable](#) website under PCard Forms.

Q. Where do I find additional training regarding procurement card reconciliation?
A. Visit [IRIS Help](#) for training and supplemental information regarding IRIS/SAP tasks including but not limited to printing statements, reconciling cards and supporting documentation.

Q. Who do I contact with questions regarding the Procurement Card Program?
A. Contact the Procurement Card Program office at 865-974-3086 or email ap_cardadmin@tennessee.edu.

Q. Are there additional University of Tennessee policies that I should be aware of regarding procurement cards?
A. Yes. In addition to [FI0530 – Procurement Cards](#), please be familiar with [FI0130 – Fraud, Waste and Abuse](#), [FI0405 – Procurement](#), [FI0715 – Entertainment Group Arranged Events, Food and Housing Purchases for UT Sponsored Conferences and Seminars](#).

If you have question or need additional assistance, please contact the:
- Procurement Card Program office at 865-974-3086 or ap_cardadmin@tennessee.edu
- K@TE Learning Management System support at kate@tennessee.edu
- Concur Travel System support at travel@tennessee.edu

Contact Information

US Bank

To report a card lost, stolen, or compromised, please contact U.S. Bank.

U.S. Bank is also able to assist cardholders when a card is declined and give information about the reason for the decline.

US Bank Customer Service: 1-800-344-5696

UT System Contact Information

Each campus has a Campus/Unit Coordinator that can assist with policy and procedure as needed. Questions may also be directed to System Administration as needed.

The Program Administration for all campuses rests with the System Accounts Payable Office. All requests for new cards, notices of cancelled cards, and fraudulent activity must ultimately be reported to the Program Administrator in System Accounts Payable either by the cardholder or by the Campus/Unit Coordinator.

*System Accounts Payable Office: 865-974-3086

Card Program Administration: ap_cardadmin@tennessee.edu

*If your call goes to voicemail, please leave a message with details of your problem including information such as the document number, last 4 digits of the card in question, etc. OR feel free to reach out via email.

General Information

Receipts

Cardholders are responsible for obtaining a proper receipt for all purchases. A proper receipt must include the following information:

- Itemized description of goods or services purchased, including unit price
- Vendor name
- Transaction date
- Transaction total

Receipts must be complete and original. Receipts that do not clearly list the items purchased or that are not originals will not be considered adequate documentation.

If you do not have a complete and original receipt, a Supplemental Receipt Form must be completed and attached to some sort of documentation from the vendor, such as the incomplete original receipt, a copy or fax of a receipt, an email explaining why the vendor cannot provide the necessary receipt, etc.

A supplemental receipt form may not be used as a replacement receipt without other supporting documentation.

All documentation should be attached to the statement in the order that the transactions appear on the statement. Procurement card statements with attached receipts should be filed in consecutive order by cardholder. Departments must keep these files for six years.

*For subscriptions, a copy of the renewal notice or initial subscription request is considered a proper receipt.

Procurement Card Documents

Procurement card documents begin with the number 8 in IRIS.

Documents can be found using transaction FBV2 for parked documents or FB02 for posted documents in IRIS.

The document number is also available at the top of the IRIS statement retrieved using transaction ZPOS.

Directions for these transactions are included in Section "Verification Process in IRIS"

Program Roles and Responsibilities

The University's Procurement Card Program was established to provide a more efficient, cost-effective alternative for departments to make purchases costing less than $10,000 and to reduce or eliminate departmental petty cash accounts. The procurement card is a special Mastercard credit card that works similarly to a personal credit card, except the accumulative charges for all cards are billed directly to the University and payment is initiated by the Treasurer's Office.

With this efficiency and flexibility, department heads, cardholders, and verifiers must be familiar and comply with the policies and guidelines found in Fiscal Policy 0530 – Departmental Procurement Card. Failure to follow guidelines and procedures provided in this fiscal policy will lead to termination of purchasing privileges and possible disciplinary actions. The continued success of the procurement card program depends upon the appropriate use of the card and strict compliance with fiscal policies.

Cardholder Responsibilities

Cardholders have the following responsibilities in procurement card usage and appropriate record keeping procedures:

- Read and abide by these policies and procedures and complete the Procurement Card Questionnaire at the end of this K@TE Learning Management System instructional element.
- Always try to obtain the best possible value for the university with the procurement card.
- Keep the card in a secure location and keep the card number confidential.
- Exercise caution in sharing account information.
- Ensure that state sales tax is not charged when making a purchase. The university's tax-exempt number is printed on the face of the procurement card.
- Obtain and keep receipts and maintain detailed information for each card transaction. A receipt must be obtained for each purchase or transaction. Receipts are critical to the success and integrity of the procurement card program.
- Obtain a monthly statement printed from the university's accounting system. Review the statement for accuracy. Sign the statement and forward it and the receipts to the appropriate individual in the department for verification.
- Resolve all incorrect charges and product returns with the merchant or vendor as quickly as possible. Call the bank immediately if the card is lost or stolen and notify the campus or unit coordinator and the program administration in the Treasurer's Office.

Verifier Responsibilities

The departmental verifier is responsible for verifying receipts with the monthly statements and has the following duties. If possible, the verifier should be an employee other than the cardholder and is normally the bookkeeper.

- Attend the required accounting system training on procurement cards.

- Obtain a signed monthly statement and supporting original receipts from each cardholder in the verifier's area of responsibility.
- Verify the statement by ensuring that receipts are in hand for all transactions listed on the cardholder's monthly statement. Confirm that the receipts are acceptable documents according to university policy and the items purchased appear to be legitimate in nature. Failure to routinely verify statements may result in disciplinary action.
- Report any questionable purchases to the attention of the department head or the campus internal audit department.
- Sign the cardholder statement signifying that it has been verified, as described above.
- Distribute the charges to the appropriate cost centers/WBS elements and general ledger accounts as necessary on the university's accounting system. The distribution must be completed in a timely manner that allows the approval process to be completed by the deadline. The distribution should proceed even if the verifier does not have all of the receipts or some transactions are disputed.
- Maintain a file of signed statements with original receipts attached for six years.

Department Head/Approver Responsibilities

- The department head is ultimately accountable for appropriate procurement card use in the department. The department head has the following responsibilities.
    - Select and approve employees who are eligible to apply for a procurement card.
    - Select individual(s) who will be responsible for verifying monthly statements. The verifier must have access to and be trained to use the university's accounting system. If possible, the verifier should be an employee other than the cardholder and is normally the departmental bookkeeper.
    - Ensure that cardholders and verifiers abide by university policies and procedures governing the procurement card program, as well as university purchasing policies and procedures.
    - Ensure that reconciled statements and supporting documents are retained for six years.
- The department head (or designee) is normally the approver. The approver must be authorized to approve the expenditure of university funds and should have knowledge of the department's procurement card activities. The approver is responsible for the final approval of procurement card statements and has the following responsibilities.
    - Obtain training for electronic approvals on the university's accounting system.
    - Review procurement card statements on the electronic approval system for approval or rejection. Approval indicates that the purchases and the distribution of charges are appropriate. Approve appropriate statements by the Treasurer's Office deadline.
    - Electronically reject statements requiring further processing by the verifier. The approver should attach an explanation indicating why the statement was rejected. Approvers should reject statements when they suspect an inappropriate purchase (that has not been marked as disputed), when they do not have enough supporting documentation to make an informed decision about the appropriateness of a purchase, or when the distribution of charges needs to be changed.

Campus/Unit Coordinator Responsibilities

- The campus or unit coordinator is the individual at the campus or unit level responsible for administrative and managerial functions associated with the procurement card program, as follows.
    - Distribute the procurement card policy to affected employees.
    - Review, approve, and forward card applications to the program administrator.
    - Ensure that training is conducted for verifiers (university accounting system) and department heads or their designees (electronic approval system).
    - Verify, for applicable campuses and units, that card applicants have completed the procurement card curriculum in K@TE before a card is issued.
    - Distribute new and replacement cards.
    - Collect and dispose of expired cards.

- Maintain file of executed cardholder agreements. New cards should not be distributed to employees until agreements are executed and the questionnaire is completed.

Program Administrator Responsibilities

- The responsibility for the administration of the procurement card program has been assigned to the Accounts Payable department in the Treasurer's Office. The program administrator acts as the primary liaison between the bank and the university. Duties include the following.
    - Manage the flow of information into the university's accounting system.
      Review applications and verify, for applicable campuses and units, that card applicants have completed the procurement card curriculum in K@TE before cards are issued. Request card from bank.
    - Distribute procurement cards to the campus or unit coordinators.
    - Review and pay monthly invoices from the bank.
    - Answer questions and solve problems regarding the program.
    - Maintain cardholder database.
    - Manage and maintain the VISA reporting system (i.e., InfoSpan).

If you have questions, contact the Procurement Card Program office by emailing ap_cardadmin@tennessee.edu or by calling 865-974-3086.

Verification Process in IRIS

All IRIS lessons can be found at https://irishelp.tennessee.edu/gm/folder-1.11.2080

Step 1: Print statement using ZPOS transaction

The cardholder should print and review the statement each month prior to submitting receipts to the verifier.

Enter ZPOS transaction

Procurement Card Statement Creation

Statement Information

Fund Center		to	
Statement Month	☑		
Statement Year	2020		

Include Inactive Entries For	99 Periods

Type fund center for the card (U number) and statement month
Make sure that statement year is correct
Include inactive entries for at least 6 periods to see any accounts recently closed

*You can select all statements that are needed, open, and then print them as a group.

The cardholder should check the statement for accuracy, attach all receipts, and then sign the statement before returning it to the verifier for reconciliation.

The verifier should sign the statement after reconciling distributing the charges in the IRIS system. The verifier should also report any suspicious card activity on the card prior to signing and attaching the statement.

Step 2: Reconcile Statement Before Entering

Compare printed statement with IRIS displays and with receipts.

Note important information on the face of receipts such as G/L account, cost center, reason for purchase, etc. Report suspicious transactions to the department head, campus or program administrator, or program auditor.

Contact vendors about

- Fraudulent or incorrect charges (including sales tax charged)
    - If you cannot get a problem resolved with the vendor in 30-45 days, complete a Disputed Transaction Form and fax it to the bank. The bank will issue a credit for the charge and handle the dispute with the vendor.
    - All disputed charges are marked as DISPUTED during IRIS statement verification using FBV2. The DISPUTED entry can then be changed to RESOLVED after you have resolved the dispute with the vendor or after the bank has issued a credit for the charge (FBV2 if still parked, FB02 if posted).
- Missing or incomplete receipts
    - Complete a Supplemental Receipt Form and attach any documentation you have from the vendor. All charges without complete, original receipts must be marked SUPPLEMENTAL during IRIS statement verification using FBV2.
    - The SUPPLEMENTAL entry can be removed after a complete, original receipt has been received and attached to the procurement card statement (using FBV2 if still parked, FB02 if posted).

After verification, when the verifier marks the document "complete" in the IRIS system, the statement is submitted into workflow for approval.

Step 3: Process Statement in IRIS

Set initial setting for procurement card verification. This will only need to be completed the first time using this transaction. IRIS Lesson for Initial Setting:

Procurement Card 3 – Initial Setting

Introduction to FBV2 transaction:

There are several ways to search for parked documents using FBV2, but the easiest way is to use the document number listed on the top of the statement you are attempting to reconcile.

Change Parked Document: Initial Screen

📋 Document list   ✏ Editing Options

Key for Parking

Company Code	UT
Doc. Number	
Fiscal Year	2018

In the "Doc. Number" field, enter the document number found at the top of the statement (this is an "8" number)

Make sure that the fiscal year is correct

Making Changes in FBV2:

Default values can be changed to distribute charges to other cost centers, WBS elements, or G/L accounts as needed (including using complex posting for sensitive minor equipment items, see lesson Procurement Card 11 – Assign Asset). Once you have entered the document, select "Fast Data Entry".

Incorrect Charges:
Double click on any fraudulent or incorrect charges that are being disputed with the vendor. In Reference key 1 field, type "DISPUTED".

Supplemental Receipts, Pending Documentation:
Double click on any charges without a receipt. In Reference key 2 field, type "SUPPLEMENTAL".

Splitting a Single Transaction into Multiple Lines:

To split a cost between G/L accounts, cost centers, etc. DO NOT OVERWRITE EXISTING DATA. Follow this process:

- Calculate the amounts that need to be separated
- Find the original charge that needs to be split
- Double click the charge and select "Fast Data Entry"
- Change the amount, G/L, and cost center using the same process as above
- Green arrow back
- Go to the first blank entry below all existing entries
- Double click the blank line
- Add all applicable information
- Arrow back
- Continue to add additional entries to blank lines as needed
- Make sure that the credit and debit numbers at the bottom of the page are in balance

Attaching the Statement to the Document:

- Sign statement after reconciling all charges and reporting any suspicious activity
- Scan all documentation into as few files as possible (pdf)
- Use drop down menu at top of page   ->   Change Parked Document: Overview
- Create>>Store Business Document
- Double Click: Parked Doc. Image (PDF)
- Find your pdf file and click "open"
- Click the green check to attach

*To enter detailed text about the charges on the statement (if needed) use the menu at the top of the page:

Extras >> Document Texts >>Correspondence

Document Completion/Send to Workflow for Approval:

Double click on the PROCURE CARD CLEAR line of the statement and change only the text "NOT RECONCILED" to "RECONCILED" in the Text field.

Mark the statement as COMPLETE to send for approval using either the keyboard shortcut SHIFT+F5 or by using the menu at the top of the page (Document>>Complete).

Items should be marked complete by the 20th of each month.

Step 4: Approval of statement in IRIS

Approvers should review all documentation for the procurement card, including the statement and receipts. All charges should be allowable per policy and approved by the department by the 25th of each month.

Step 5: Update DISPUTED and SUPPLEMENTAL charges when resolved

Use FBV2 (document is still parked) or FB02 transaction (document has been posted)

Double click the charge that needs to be corrected:

- Change DISPUTED to RESOLVED in Reference Key 1 field after a dispute has been resolved.
    - It can be helpful to keep copies of disputed transactions in a separate file until resolved.
    - Attach copies of the resolution document to the statement that shows the disputed charge, and attach copies of the disputed charge to the statement that shows the resolution of the dispute. That way both statements involved in the dispute and its resolution contain complete information on the transaction.
- Remove SUPPLEMENTAL from Reference Key 2 field after a complete, original receipt has been received.
    - Attach the complete, original receipt to the supplemental receipt form and incomplete receipt that are already attached to the statement.

Mark the statement as COMPLETE to save the change(s).

What to do if a document is rejected

Once parked documents are submitted for electronic approval by marking them complete, they could be approved or rejected. If a parked document (including a procurement card statement) is rejected by an approver, a "notice" will be sent to your Workplace Inbox.

Every IRIS user has a Workplace Inbox. You should check your inbox regularly to see if there are any rejection notices present.

To see if procurement card statements or any parked documents that you initiated have been rejected:
- Click (Workplace) from the main IRIS menu.
- Click on your (inbox) and then click on (Workflow).

For full instructions on how to deal with workflow rejection notices, complete the lesson FBV2 – Resubmit Rejected Parked Document. This lesson is available from the IRIS Help web site at:

https://irishelp.tennessee.edu/gm/workplace

Click on Financial>>Accounts Payable to access this lesson

Policy Information

Policy Statement

Review of applicable policies is the responsibility of each individual who participates in the Procurement Card Program at any level. Current system-wide and campus policies are available online at policy.tennessee.edu

Please consult the current policy housed on the policy site (PolicyTech) prior to making any business or purchasing decisions. All purchases made with the procurement card program will be held to the standard of the current policy for purpose of verification or audit.

The procurement card orientation information provided in this packet, or any other supplemental information provided by any department, unit, or campus, is not a substitute for or addendum to any University policy.

Campus and departmental polices may be more strict than System policy, but may not be less strict in their requirements.

Other policies than those reviewed in this document may apply to purchases made with procurement cards. Please consult policy prior to purchasing items.

Policy FI0130 – Fraud, Waste, and Abuse

This policy highlights reporting responsibilities and defines fraud, waste, and abuse. The policy also outlines investigation procedures, disciplinary action, recovery of assets, etc. Please refer to current policy for further information.

Fraud: An intentional deception that violates a law or the public trust for personal benefit or the benefit of others
Waste: The act of using or expending resources carelessly, extravagantly, or to no purpose
Abuse: Behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary operational practice given the facts and circumstances. This includes the misuse of authority or position for personal gain for the benefit of another.
Waste and abuse do not necessarily involve fraud or illegal acts.

Any employee who suspects fraud, waste, or abuse of the procurement card program may report such activity to the following individuals:
- Supervisor or Department head
- Campus or Institute Official, including Program Coordinator
- System Program Administrator
- System Program Auditor
- The Office of Audit and Compliance

Employees wishing to remain anonymous may report to:
- UT Compliance Hotline 1-855-461-2771
- UT Compliance Online uthotline.ethicspoint.com
- State Comptroller's Hotline 1-800-232-5454

Policy FI0530 - Procurement Cards

Policy provides guidelines for the Procurement Card program, including program participant responsibilities, limitations on the cards, processes for obtaining or cancelling a card, and general instructions for reconciliation of card statements.

Cardholders:
- May not maintain a personal membership with their procurement card for a merchant such as Sam's Club, Barnes & Noble, Costco, etc.
- Should not save their procurement card information to personal accounts (prevents accidental spend)
- May not use the procurement card for personal purchases
- Amazon Prime Membership is not a permissible expense because there is a business membership available through the UT Marketplace.

Cards should be cancelled immediately when:
- Cardholder suspects the card number has been or may be used without authorization (i.e., stolen).
- Cardholder has transferred to another university department.
- Cardholder seldom or never uses the card.
- Cardholder is no longer employed by the university.
- Cardholder goes on leave without pay.
- Cardholder is requested to surrender card due to violation of policies.
- Cardholder/department decides to no longer participate in the program.

Policy FI0405 - Procurement

Policy provides best practices and policy for procurement of goods and services for the University, including providing information about the UT Marketplace. The Procurement Card is accepted for many vendors available in the marketplace.

Cardholders should attempt to use the Marketplace for vendors when possible since these vendors have been bid for best value by Procurement Services.

If the department will spend over $10,000 with a single vendor in a calendar year, the department should reach out to Procurement Services to determine if the goods/services should be bid and if a Framework/Purchase Order should be put in place.

*Procurement Cards may not be used for contract payments in the contract system.

Policy FI0715 - Entertainment and Group Arranged Events

Spending for events of any kind must have CBO approval on file if the cost is:
- Over $100 per person
- Over $1000 per event

When making entertainment purchases, please keep in mind that travel merchant categories are blocked in UT's Procurement Card Program. This may restrict purchases from some event-type vendors such as:

- Caterers and restaurants
- Hotels, resorts (to reserve meetings rooms)
- Certain conference registrations
- Tickets for some entertainment activities (i.e., movie theaters, museums, etc.)

If a purchase is declined, please call US Bank to determine the cause of the decline first. If needed, work with your department head to either determine an alternate method of payment or to receive an exception approval from the Campus CBO.

Other supplies for appropriate events and entertainment may be purchased with the procurement card, such as supplies obtained from grocery stores, most party rentals, party supply stores, general supply stores, etc. provided that they comply with University policies.

Procurement Card Terms

Campus/Unit Coordinator: Individual at the campus/unit level responsible for administrative and managerial functions associated with the Procurement Card Program such as distributing cards to cardholders and verifying appropriate use of the program.

Cardholder Agreement: Document detailing the basic responsibilities of procurement cardholders. Cardholder Agreement must be accepted in K@TE curriculum before employee receives a procurement card.

Cut-off Date: Calendar date when all procurement card transactions will post to the general ledger. The cut-off date will typically be the 25th calendar day of the month following the statement date. For example, purchases made with procurement cards during the month of January will post to the general ledger on the 25th of February.

Default Cost Center/WBS Element: General ledger expense Cost Center/WBS Element to which procurement card transactions will post. Each procurement card will be linked to a departmental expense Cost Center/WBS Element number during the card and ad hoc reporting.

Program Administrator: Program Administrator is the primary liaison between the card-issuing bank and the University. The program administrator is responsible for the ordering, cancellation, and distribution of cards to all campuses, as well as monitoring the system-wide usage of the program.

Statement: Monthly statement listing all procurement card transactions for a particular cardholder for a billing cycle (month). Statements must be printed by the cardholder each month directly from the IRIS system using the ZPOS transaction.

Verify: Process whereby receipts for procurement card transaction are matched against procurement card monthly statements by the verifier and checked for any abuse or misuse.

Verifier: Individual within department responsible for verifying receipts with monthly statements. The verifier should sign and attach the statement to the corresponding after verifying the statement, and should only sign if all transactions appear to be legitimate purchases OR if the verifier has already documented and reported any questionable card activity to an appropriate member of staff such as the Department Head, Program Administrator, or Program Auditor. Verifier will typically be the department bookkeeper.