9.0 P-Card & T-Card Purchase
Process Report
December 2017

UNIVERSITY OF ILLINOIS SYSTEM

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Overview

The P-Card/T-Card process exists to streamline small dollar purchases and the reconciliation process, while providing customer convenience and reducing the risk for violating state purchasing laws

Illinois Mandate Symbol -

University Policy Symbol -

Professional Mandate Symbol -

Process Executive Summary

Business Process

The P-Card/T-Card process exists to streamline small dollar purchases and the reconciliation process, while providing customer convenience and reducing the risk for violating state purchasing laws. The process eliminates out of pocket expenses, records the purchase expense in Banner, and enables reconciliation between the user/department levels/University levels.

A need to make a purchase with either a P-Card or a T-Card is identified. Some departments route for approval prior to making a purchase of a good or service. The purchase is made within the purchase card rules. The purchase transaction is reconciled with transaction received by the credit card processor, and the expense is posted in Banner.

Current Process Activities

Identify need to purchase with P-Card or T-Card	Determine Approval	Make Purchase	Complete Reconciliation	Post to Banner
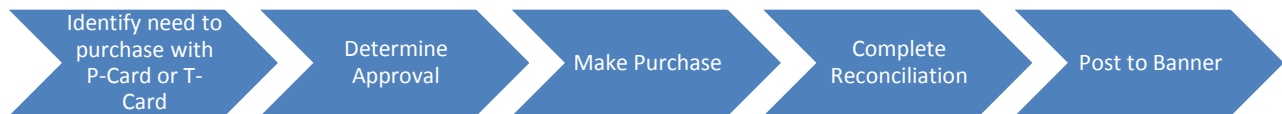
Approach

The current state process activities were mapped by the Subject Matter Expert (SME) and project process team. A SIPOC diagram was created to capture the tasks executed by the University System departments. The SME project team identified opportunities for improvement and brainstormed potential solutions. The current state was presented, issues were identified, and recommendations were discussed at customer focus group meetings in the University System. The process report was presented to the Source2Pay Director Council where they ranked the proposed recommendations for implementation.

Key Findings

- Mistakenly use the incorrect credit card to make a purchase

- Waiting to receive an email notification to begin reconciliation

- Lack of functionality in the PCard Solutions software

- Two systems to support processes

Improvement Recommendations

The process team identified 10 suggested improvements. From the 10 suggested improvements, the team selected 3 improvements to recommend for implementation. The Director Council reviewed the 3 recommendations and did not prioritized them. The Director Council recommended incorporating recommendation number 1, Re-evaluate and update the current P-Card and T-Card web-based training programs and certification quizzes into the University's certification process for the University credit cards.

Chapter 1: SIPOC Diagram

Process Name	Date
9.0 P-Card & T-Card Purchase	October 2017

SUPPLIERS	INPUTS	PROCESS	OUTPUTS	CUSTOMERS
Who provides input to the process	*What* goes into the process	*How* the inputs are transformed to outputs	*What* comes out of the process	*Who* received the outputs of the process
AITS Bank Banner Payables (Card services, Travel) P-Card Software TEM University Department Unit Vendors Purchasing	Approvals Business Purpose Card Transaction CFOAPAL Expense types Order Log Receipt Supporting Documentation University Business Rules regarding credit cards	Identify need to purchase with P-Card or T-Card Determine Approval Make Purchase Complete Reconciliation Post to Banner	Approvals Posted expense transaction Card Transaction Email notification Payment information Rejected transaction Reports Supporting Documentation Transaction information	Bank Banner P-Card Software TEM University Department Unit UAFR

Chapter 2: Suppliers

Suppliers provide input to the process:

AITS

What they care about: Maintain the credit card software, P-Card Solution software, process the transaction files from credit card processor for the purchase transaction for P-Card and T-Card, supporting the posting process, and change control error processing

When they care: Daily for the posting process, any errors that occur

Bank

What they care about: Processing credit cards for the University of Illinois, supplying transaction file, providing the WORKS interface with MasterCard, providing supporting credit card security transaction analysis and monitor for fraudulent transactions.

When they care: Every time a purchase needs to be made on a credit card, and fraudulent transactions

Banner

What they care about: Posting, the system of record for all financial transactions, track purchase card transactions

When they care: Every time a transaction is posted

Payables (Card Services, Travel)

What they care about: Department units have the knowledge to run their program, care about purchase violations, making sure the transactions are complete and contain accurate information, all the software is interfacing accurately, following policies

When they care: Every time there is a credit card purchase transaction

Notes: University Payables' Card Services provides support throughout the entire P-Card and T-Card Purchase process see Chapter 4: Process for details within each step of the process

P-Card Solutions software (PCard Software)

What they care about: processing transactions

When they care: When they receive a file

TEM

What they care about: processing transactions

When they care: When they receive a file

University Department Unit

What they care about: Being able to make a purchase quickly, without a lot of effort, minimal paperwork, following the rules, and remaining in compliance

When they care: Every time they make a purchase using a P-Card or T-Card

Vendors

What they care about: Receiving payment, supplying a receipt, and a good for the purchase provide to the University of Illinois.

When they care: At the time of a purchase

Purchasing

What they care about: When there is an exception to a credit card purchase that needs a review and approval, and answering any question to a credit card hold prior to the card being used to make a purchase.

When they care: P-Card and T-Card transactions that have an exception.

Business Rules

None applicable

Chapter 3: Inputs

Inputs are information or verification which goes into the process

Approvals

College/Department approvals for purchases for goods and travel, and approval for reconciliation of purchase transaction within the supporting software. Approvals also provided by the University Purchasing department, and University Payables.

Business Purpose

The University Department Unit's reason for the purchase or travel, including the benefit to the University.

Examples include:

- Items for research related use
- Items for use in research initiative
- Items used in XX project by XX
- Business travel for XXX to present research to colleagues and attend the XXX conference from XXX.

Card Transaction

Detail of the transaction on the card which include: Quantity, description of item, shipping, amount, and reference numbers

CFOAPAL

The Chart, Fund, Organization, Account, Program, Activity, Location for the purchase to be expensed to.

Expense Types

The types will vary depending on what the item is that is being purchased

Order Log

The log within the PCS application to enter the details of the purchase.

Receipt

Receipt of the purchase showing the place, date, time, item, and amount of purchase

Supporting Documentation

Documentation supporting the purchase either to a P-Card or a T-Card including:

- Order request
- Approval
- Receipt
- Log number
- Expense report

University Business Rules regarding credit cards
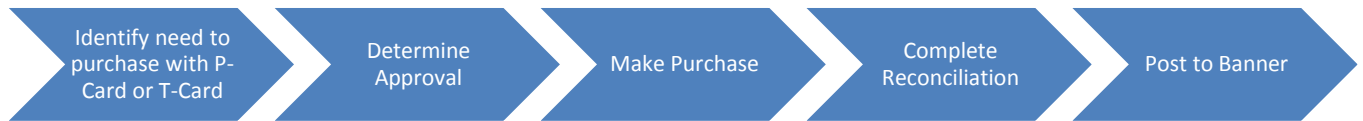
Business Rules

OBFS Policy and Procedures

University Purchase Card, section 7.6

Travel, section 15

Chapter 4: Process

A process is defined as the method for transforming inputs into outputs:

Identify need to purchase with P-Card or T-Card → Determine Approval → Make Purchase → Complete Reconciliation → Post to Banner

Note: University Payables' Card Services provide support to the cardholder, the DCM, and the reconciler throughout the process for a purchase using either a P-Card or a T-Card.

Identify need to purchase with P-Card or T-Card

A need to make a purchase with either a P-Card or a T-Card has been identified.

Note: University Payables' Card Services provides support such as answering questions regarding which credit card to use in a specific scenario, and what is allowable to be purchased.

Determine Approval

Once the need is identified, the request may be routed for approval within the department for the purchase of a good on a P-Card. Travel approval is obtained prior to the travel being executed. This phase also includes the review of a submitted exception form.

Note: University Payables' Card Services provides support in the reviewing of the submitted exception form which is a credit card purchase outside of the normal process. If not approved, the requestor will need to select another purchasing method.

Make Purchase

The purchase is made via the internet (including the option to purchase using the University Amazon Group), direct phone order to the vendor, or visiting a Brick and Mortar store. The purchase is either for a good, using a P-Card, or travel, using a T-Card. A purchase of a service may be placed on a P-Card when a master contract exists for such services as catering, labor repair, or rental.

A Purchasing Card has the following rules:

- Dollar Amount per transaction
    - o Limit is $4,999.99 or less
- Rules on a single transaction
- Rules on monthly transaction cycle
    - o Limit is $24,000.00 or less
- Restricted and Prohibited transaction items

Note: If a greater dollar amounts limit is needed a request is submitted to Card Services.

Note: University Payables' Customer Service provide support to the card holder and the DCM when a purchase exceeds the approved card transaction amount.

Complete Reconciliation

After a purchase has been made, the transaction is entered into the Order Log for a purchase using a P-Card. Transactions used to purchase using a T-Card are entered into the TEM application. The Order log, documentation, and receipts are forward for reconciliation. Prior to the reconciliation, some departments route for approval, and then forward for reconciliation. During the reconciliation the following is reviewed:

- Account Code
- Allowability
    - If not Allowable, must self-report, or issue a refund to the University by the purchaser, or return the purchase
- Is it an exception, e.g. meals over the value of $60, if so request an exception
- Matching receipts to amount
- Review and provide supporting documentation
- Add any notes to the Order Log regarding the transaction and/or reconciliation

When the transaction is reviewed the approval is given. If approval is not given, the transaction is returned to the purchaser

Note: University Payables' Card Services provides support to the card holder when the Order Log is completed, to the reconciler of the transaction, and when a purchase violation occurs.

Post to Banner

Transactions are posted as expenses within Banner

Note: University Payables' Card Services provides support when errors occur when a credit card transaction in unable to post.

Business Rules

OBFS Policy and Procedures

University Purchase Card, section 7.6

Travel, section 15

Chapter 5: Outputs

Outputs are the resulting information or entities that are produced as part of the process:

Approvals

Approvals provided by:

- College/Department
- University Payables' Card Services
- Purchasing at each University

Posted expense transaction

Expenses posted in Banner

Card transaction

Purchase card transaction

Email notification

- Receipt/confirmation received via email from the vendor once a purchase is completed
- Cardholder receives a letter from the DCM when a violation has occurred
- P-Card Solution sends email when a reconciliation is needed on a transaction
- TEM sends notification when a transaction needs to be reconciled
- Reason for rejected transaction

Payment information

Information collected for payment of a purchased

Rejected transaction

A transaction not in compliance or incorrect

Reports

List of reports supporting the process include:

- Eddie Reports (HRFIN BOS Expense – expenses that appear on a specific account)
- Operating and General Ledgers

Supporting Documentation

Supporting documentation include:

- Receipt of Purchase showing: date, time, place item details, and amount of transaction
- Email approvals

Transaction information

Purchase transaction information entered into either P-Card Solutions software or the TEM application

Business Rules

OBFS Policy and Procedures

- University Purchase Card, section 7.6
- Payment and Reimbursements, section 8
- Travel, section 15

Chapter 6: Customers

Customers receive the output of the process.

Bank

What they want: Cardholders to use the University credit card for the appropriate business related transaction. Process credit card transaction on behalf of the University of Illinois, and provide the credit card transaction file successfully.

Banner

What does it want: Received and process the credit card transaction files successfully.

PCard Solutions software (PCard software)

What they want: Expenses to be reconciled within 7 days of purchase, detailed explanations regarding transactions (business purpose), and a copy of each retained receipt

Travel Expense Management (TEM)

What does it want: Expenses to be reconciled within 7 days of purchase and retained receipt, detailed explanations regarding transactions (business purpose), and attach a copy of each retained receipt

University Department Unit

What they want: Compliance with the University Policy and Procedures

University Accounting & Financial Reporting (UAFR)

What they want: Reconciliation of each purchase made on a University credit card, and compliance with the University Policy and Procedures

Business Rules

None applicable

Chapter 7: Customer - Oversight Roles

Customers who provide oversight and what oversight is needed: (Example Funders, OBFS, Auditors, Board of Trustees (BOT), Legislature, Public)

Auditors

What they want: Compliance with University Policies and Procedures, State laws, and Federal laws. To ensure that there are not inappropriate use of University funds.

Grant Sponsors

What they want: For provided funds to be used as originally proposed and responsibly to achieve the mission of the University

Board of Trustees

What they want: for purchases to be in compliance with the University Policies and Procedures, State laws, and Federal laws, and University funds are being used appropriately

Public

What they want: Security knowing that funds are being used to ensure success of students

Legislature

What they want: For the University as a whole to comply with State laws and Federal laws

Business Rules

- Federal Mandates
- Grant/Agency Policies
- IRS
- OBFS Policies and Procedures (P-Card Policy – 7.6, T-Card Policy – 8.0, 15.0)
- Office of Foreign Asset Control – International banking and treasury rules
- Procurement Code
- State Laws
- Tax Laws
- University Policy

Chapter 8: Questionnaire for Current State Analysis

1. **Why does the process exist?**
    - Avoid pitfall with regulations
    - Small dollar purchase made quickly
    - Low dollar purchase has low risk of violating purchase requirements
    - Customer convenience

2. **What is the purpose of the process?**
    - Enable departments to purchase without purchase approvals
    - Record purchase expense in Banner
    - Apply limits and controls to purchases
    - Travel Management
    - Eliminate the need for out of pocket expense
    - Vendor gets payment immediately
    - Enable reconciliation between department/user/banner
    - Ability to audit within own department

3. **What are the process boundaries (i.e., when does it start and end?)**

    When does the process start: someone has identified a need to make a purchase using a P-Card or T-Card

    When does the process end: when P-Card/T-Card purchase is posted in a ledger in Banner

4. **What are the major activities/steps in the process?**

    See Chapter 4: Process (Ctrl-click to follow link)

5. **What is the expected outcome or output of the process?**

    See Chapter 5: Outputs (Ctrl-click to follow link)

6. **Who uses the output of the process, and why?**

    See Chapter 6: Customers (Ctrl-click to follow link)

7. **Who benefits from the process, and how?**
    - Card Holders
    - Purchasing – involved in exception role
    - University Departments – Easier process, less paper, saves time, and less out of pocket expense for travel
    - University Payables – less transactions to process
    - Vendor – payment is quicker

8. **What information is necessary for the process?**

    See Chapter 3: Inputs (Ctrl-click to follow link)

9. **Where does that information come from?**

    See Chapter 2: Suppliers (Ctrl-click to follow link)

10. **What effect does that information have on the process and output?**

    The information is crucial to ensure that the item being purchased is an allowable University expense and does not put the University at risk for any liabilities or audit findings.

11. **Who is primarily responsible for the process?**
    - Card holder
    - University Department Unit

12. **What other units/organizations participate in or support the process?**
    - Grants and Contracts Office
    - Technology Services
    - University Auditing

13. **What Information Technology system(s) support the process?**
    - Access databases
    - Banner
    - Department Shadow System (portal for routing)
    - Email
    - FAT client (Desktop application for PCard Solution)
    - Internet
    - PCard Solutions software
    - T-Card Services (TCS)
    - TEM
    - TOAD application
    - WORKS (Bank of America's system)

14. **What policies guide or constrain the process?**
    - Exception processes (Restricted and prohibited policies that need to be renewed each year)
    - Federal Grant rules
    - Federal mandates
    - Mandatory training for card holders on P-Card and T-Card
    - OBFS Policies (7.6 – P-Card Policy, 8.0 & 15.0 – T-Card Policy)
    - Office of Foreign Assets Controls – International banking and treasury rules
    - Procurement Code
    - Separation of duties/roles
    - State Laws
    - Tax Laws
    - University policies

15. **How often does the process get executed?**
    - T-Card has 250,000 transaction annually
    - Estimated 7,000 card holders between P-Card and T-Card

16. What are potential defects with respect to the process?
- Does not stop people from making incorrect purchase
- Stringing purchases to avoid purchase orders
- Not knowing which card to use, P-Card or T-Card
- Swapping cards between T-Card and P-Card to make a purchase
- Transaction after the fact/purchase was already made
- P-Card Solution software is 'Old' technology
- Untimely reconciliations

    a. How often do the potential defects occur?
    The potential defects occur daily

17. What types of challenges have employees who participate in the process raised?
- Having to use two systems
- Knowing which card to use
- Software is not intuitive
- Giving cards to others to use, not checking names of cardholder
- Can't currently use templates on a T-Card on recurring transactions
- Not aware the system will show more than one CFOAPAL on a T-Card purchase
- System website issues, performance and system breakdown
- Unable to access a penalty to a reconciler for not completing a reconciliation
- Timely reconciliations
- Timeliness with banking transactions
- P-Card and T-Card funds are not encumbered for grant purposes

18. What types of challenges or concerns have customers raised?
- Knowing which card to use
- Software is difficult to navigation and not intuitive,
  - Users don't know where to start
  - Users can't remember how to use each time
  - The terminology is difficult to understand
  - Icons are not clear or relevant to the task to perform
- Can't currently use templates on a T-Card on recurring transactions
- Not aware the system will show more than one CFOAPAL on a T-Card purchase
- P-Card and T-Card funds are not encumbered for grant purposes

19. Will the process be changed by another initiative in the near future?
TEM next release or upgrade

Chapter 9: Questionnaire for Potential Process Improvement Candidates

1. **How would the process operate differently in the "Perfect Situation?"**

   - Ability to have all information prior to starting the reconciliation

   - Use workflow for approvals and reconciliation

   - Block all unallowable transactions

   - Have the receipt comes in with the transaction from the bank – comes directly from the vendor

   - No need for an order log

   - Receive level three data from all vendors

2. **What does the team hope to achieve through this improvement?**

   - Less paperwork

   - Streamlined workflow

   - More digital approvals and receipts

3. **Who would benefit from the desired improvement to the process?**

   Staff

   University Payables' Card Services

       a. **How would we know?**

         Staff – less processing time, less tracking of receipts, less frustration

         University Payables' Card Services – less mistakes, less work, happier customers

4. **What data can be provided with respect to the process performance (e.g. service rating, cycle time, customer survey responses, etc.)?**

   - Review reports for processing transaction timely

   - Reduction in outstanding reconciliations

5. **Who should be included in any improvement discussions for the process?**

   - Auditing

   - AITS

   - Department Card Managers

   - University Accounting

   - University Payables' Card Services

   - University Purchasing

Chapter 10: Current State Metrics

Metrics in three areas is being collected on each process. These metrics will be used to measure success in the future state.

- How long does the process take from start to finish?
    - Greater than 7 days
    - Reconciliation process: from a few min up to 2 years
    - Exceptions can be hours to months to process
- How many touchpoints are there per process?

  The number of touchpoints in this process varies. The touchpoints can be four, at the minimum and as many as twelve.
- How many steps are involved in each process?

  The number of steps in the process varies from as little as 26 to 45 steps.

Chapter 11: Feedback from Customer Focus Groups – Current State

The Current State process was presented to each University's Customer Focus Group on Monday, October 9, Tuesday, October 10, and Wednesday, October 11, 2017. A total of 15 people attended with five people in attendance from UIC, two people from UIS, and eight people from UIUC.

Campus Focus Group Summary

Each Customer Focus Group received an overview of the current process for P-Card and T-Card purchase. After the overview the attendees were asked "Is there anything their department did during the process to make a purchase with a P-Card or a T-Card?" In summary, the departments' process to purchase using a P-Card or a T-Card for the most part are very similar as captured.

- Some departments have a pre-approval process prior to making a purchase.

- Departments mistakenly use the incorrect credit card to make a purchase. The department then needs to resolve the incorrect charged transaction by either going to the vendor to make a return and a repurchase using the correct card, or make a journal voucher entry within Banner, or some departments will contact Payables for assistance when not familiar with how to make the correction.

- Departments will receive a notification when a transaction is ready to be reconciled.

- Some departments will reconcile either daily or weekly in the applications of PCS or TEM.

- Some departments reconcile monthly with reports from Eddie and their department shadow systems.

- Wants to be self-sufficient

    o Can get setup with Bank of America for alerts, but no one is aware of it

    o Can see pending charges with Bank of America and be alerted of potential fraud early, but no one is aware of it

Campus Focus Group Report

Current Process:

- Doesn't route for internal approver, goes to the reconciler

- Make sure to have a proper receipt for a P-Card purchase, include the who, what it was for to get a business justification, description, date, and confirm the receipt contains the verbiage of paid, amount if taxes, and if the purchase is allowable.

- Perform reconciliations within the P-Card system at least once a week.

- Perform a monthly reconciliation with the operating ledgers from Eddie and a printed log from the PCS application and expense reports from the TEM application

- Is smaller departments were staff size is smaller, make sure there is segregation of duties

- Use T-Card to purchase so employees don't have to wait for reimbursements

- Use a department system to track purchase

    o Use to enter all department business information

    o Department value includes the ability to share with the Dean to know the budget

    o Perform monthly reconciliations

- Received a notification when a new transaction is ready to be reconciled
- Check FOAPAL in addition to the account code
- Runs various reports weekly and monthly to monitor purchases and reconciliation
- Reconciler will reach out to the Approver role with Questions
- Reconcile prior to approving transaction
- Places in a separate system to complete first, then goes through the reconciliation process
- Retain P-Card receipts for six years, and T-Card receipts for one year, end up keeping everything for 6 years
- Unallowable items, make cardholder aware, and place a note on the transaction
- Try to be a proxy for as many people in the college to allow to see the transactions
- If there is re-occurring issues, department will put out a mass email clarifying what is allowable and what is not allowable.
- Department has a TEM form, and the user has to write in what the benefit to the University is.
- Card hold will send screen shots of the transaction in P-Card to the reconciler/approver so they can see the transaction

Likes in the current process:

- T-Card ability to auto populate to an expense report
- T-Card ability to have multi-transaction on the same expense report, great when creating large travel plans
- Ability to run a report by line item for TEM from Webi is Great
- T-Card ability to see the charges actually made
- Some users go to the Bank of America center site as the cardholder, if there is an issue will call card services and report any charges that shouldn't be there and request a new card
- Set up an alert for my cell phone to be advised when cards are getting close to their limits
- T-Card stores the documents really nice and makes the process faster by not having to enter an account code
- TEM contains error checking
- Card can be suspended if not reconciled, which they would suspend more often, it forces the card holder to follow the rules
- There are boundaries to use credit cards
- Support from Card Services is really good

Issues:

- Unknown what card to use for a P-Card or a T-card, causing a non-allowable transaction resulting is the need to correct by going to the vendor to return and re-charge on the correct credit card
- Purchasing of Food on P-Card and T-Card, very confusing, must know the exact type of expense, example – using two cards in the grocery store to make a purchase
    - o Need a Food Card
- Departments don't like the P-Card Solutions application
    - o P-Card Solutions is old, non-trustworthy

- User at UIC promotes using iBuy for purchases
  - o Unable to upload receipts
  - o Hard to see history
  - o No validation on account code
    - Very time consuming to correct the charge code
  - o P-card system did not auto-approve after 3 days, counts actual days verses business day.
    - Very challenging when needing to work on Fridays and auto approve my Monday
    - Results in a Journal Voucher needing to be created due to rough transactions
    - Discussion this was updated for the Reconciler, but not the approver

- Ideal world would be just ONE card

- Where approving a transaction in T-Card, unable to change charge code, but can change in P-Card, must reject, then notify the originator of the error to resolve

- Approver cannot view transactions

- Reporting is Bad, met with UPay and Card Services to get better data, but a dead-end, ended up going the EDW route

- Purchasing limit is hit nearly every month

- Wants to be self-sufficient
  - o Can get setup with Bank of America for alerts, but no one is aware of it
  - o Can see pending charges with Bank of America and be alerted of potential fraud early

- Does Bank of America offer a one-time use card?

- Template reports would be nice in Webi

- P-Card sometimes will put in the general or "Other" supplies account code, causing frustration and the need to make a change

- Card hold will send screen shots of the transaction in P-Card to the reconciler/approver so they can see the transaction

- The card holder doesn't get any notification when the charge comes through, only the reconciler, resulting in the reconciler needing to contact the cardholder for the order log and receipt

- In the TEM application, a manager doesn't have the ability to change the CFOAPAL, must reject, and route again, waste of time.

- People just don't know what is allowable and what is not allowable, this can be a big issue. Items on the allowable chart is inaccurate on the research page

- "Hate" business justification and the benefit to the University Field, what is the purpose. Consistently getting rejected, trying to understand the verbiage in the reject reason which is often unclear. Process is very inconsistent, unknown where the resubmitted rejected TEM goes in the queue to be worked.

- You have to "fudge" the numbers, not seeing the true price in a P-Card when a discount is given. The actual paid price is not reflected.

- Attaching the credit card transaction in TEM is really challenging, if the "Done" button or "Save" button is not selected on the card transaction doesn't get attached to the expense report resulting in the submitter will receive the reimbursement instead of show the charge on the T-Card

Chapter 12: Opportunities for Improvements

The following opportunities for improvement were identified through team discussions, feedback provided by University focus groups, and the Director Council. Issues were categorized into 6 categories, covering Communications, Documentation, Policy and Procedures, Resources, Technology, and Training. Issues shown in **Bold** are connected to a Recommendation for Improvement in Chapter 15: Recommendations for Improvements

Communications – Issues related to providing information	
C1	Purchasing limit is hit nearly every month
C2	Does Bank of America offer a one-time use card?
C3	Does not stop people from making incorrect purchases
C4	**The terminology is difficult to understand**

Documentation – Issues related to lack of documentation	
D1	Wants to be self-sufficient - Can get setup with Bank of America for alerts, but no one is aware of it, Can see pending charges with Bank of America and be alerted of potential fraud early
D2	Does not stop people from making incorrect purchase

Policy/Procedures – Issues related to Procurement Policies and Procedures	
P1	Purchasing limit is hit nearly every month
P2	Does not stop people from making incorrect purchases
P3	Giving cards to others to use, not checking names of cardholder
P4	Stringing purchases to avoid purchasing limits
P5	**Swapping cards between T-Card and P-Card to make a purchase**
P6	Transaction after the fact/purchase was already made
P7	Unable to access a penalty to a reconciler for not completing a reconciliation

Resources (Financial, Human) – Issues related to lack of sufficient staff or funding	
D1	Does not stop people from making incorrect purchase
D2	Having to use two systems
D3	Timeliness with banking transactions
D4	Unable to access a penalty to a reconciler for not completing a reconciliation
D5	Untimely reconciliations
D6	Exception process is lengthy

Technology – Issues related to system's lack of functionality to support the process	
T1	Departments don't like the P-Card System application - Unable to upload receipts
T2	Departments don't like the P-Card System application - Hard to see history
T3	Departments don't like the P-Card System application - No validation on account code
T4	Reporting functionality is limited.
T5	Template reports would be nice in Webi
T6	In the TEM application, a manager doesn't have the ability to change the CFOAPAL, must reject, and route again, waste of time.
T7	You have to "fudge" the numbers, not seeing the true price in a P-Card when a discount is given. The actual paid price is not reflected. The allocations are difficult when entering them in the system.
T8	Does not stop people from making incorrect purchase
T9	Having to use two systems
T10	Icons are not clear or relevant to the task to perform
T11	P-Card and T-Card funds are not encumbered for grant/state purposes
T12	P-Card software is 'Old' technology
T13	P & T card Software is not intuitive
T14	Exception Process is lengthy
T15	Two Reconciliation Systems, P-Card/TEM need to be standardize
T16	Secure e-mail (e.g. hotels reservations)
T17	Receive trans file directly from MasterCard rather than Bank

Training – Issues related to lack of understanding the process	
TR1	**Unknown what card to use for a P-Card or a T-card, causing a non-allowable transaction resulting is the need to correct by going to the vendor to return and re-charge on the correct credit card**
TR2	**Purchasing of Food on P-Card and T-Card, very confusing, must know the exact type of expense, example – using two cards in the grocery store to make a purchase - Need a Food Card**
TR3	Departments don't like the P-Card System application - Very time consuming to correct the charge code
TR4	Departments don't like the P-Card System application P-card system auto-approves after 3 days, counts actual days verses business day.
TR5	Approver cannot view transactions
TR6	Purchasing limit is hit nearly every month
TR7	P-Card sometimes will put in the general or "Other" supplies account code, causing frustration and the need to make a change

Training – Issues related to lack of understanding the process	
TR8	Card hold will send screen shots of the transaction in P-Card to the reconciler/approver so they can see the transaction
TR9	The card holder doesn't get any notification when the charge comes through, only the reconciler, resulting in the reconciler needing to contact the cardholder for the order log and receipt
TR10	**People just don't know what is allowable and what is not allowable, this can be a big issue. Items on the allowable chart is inaccurate on the research page**
TR11	Attaching the credit card transaction in TEM is really challenging, if the "Done" button or "Save" button is not selected on the card transaction it doesn't get attached to the expense report resulting in the submitter will receive the reimbursement instead of show the charge on the T-Card
TR12	Does not stop people from making incorrect purchase
TR13	Giving cards to others to use, not checking names of cardholder
TR14	Not aware the system will show more than one CFOAPAL on a T-Card purchase
TR15	**Not knowing which card to use to make a purchase, P-Card or T-Card**
TR16	**Stringing purchases to avoid purchase limits**
TR17	**The terminology is difficult to understand**
TR18	**Transaction after the fact/purchase was already made**
TR19	**Users can't remember how to use each time**
TR20	**Users don't know where to start**

Chapter 13: Suggested Improvements

The following recommendations came from discussions with the process team members, and/or the Director Council, and/or University System focus groups. Not all improvements were selected by the process team. The selected improvements were presented to the University focus groups for feedback, and are recommended from review by the Director Council. A Suggested Improvement displayed in **bold** is associated with a Recommendation for Improvement, and is further discussed in Chapter 15: Recommendations for Improvements

Number	Category	Suggested Improvement
1	Resources	Offer P-Card/T-Card Open labs
2	Resources	University Payables Symposium
3	Training	Offer P-Card/T-Card Open labs
4	Training	University Payables Symposium
5	Training	Mandatory on-hands training before card issued
6	Training	Lab Training
7	**Training**	**Include system comprehension questions as part of card training to obtain card, and harder to pass**
8	Training	Webinar give step by step process how to use the systems
9	**Training**	**Improve job aids for more condensed information rather than links to additional training**
10	**Training**	**Require additional training completion before being allowed to try to get a P-Card/T-Card after failed attempt/violation**

Chapter 14: Feedback from Customer Focus Groups – Future State

The Future State process was presented to each University's Customer Focus Group on Monday, November 13, 2017 – Wednesday, November 15, 2017. A total of 11 people attended with six people in attendance from UIC, one person from UIS, and four people from UIUC.

Campus Focus Group Summary

The three recommendations for improvement and the future requirements were presented. The attendee all agreed the recommendation would improve the process and the future requirements represented the functionality needed.

The groups also suggested to review the annual exception process to streamline and possibly tie to the expiration of the University credit card instead of an annual expiration.

The groups also felt the departments could implement and require the additional training if it was required by OBFS.

Campus Focus Group Report

Re-evaluate and update the current P-Card and T-Card Web-based Training Programs and certification quizzes

- Helpful to provide situational examples specific to University transactions
- In the training remind if the purchase can be made in iBuy, use iBuy
- Definitely would be very helpful

Improve the P-Card and T-Card job aids and training tools, and create a communication plan to provide cardholders with training resources information.

- Good for referencing for those people that don't complete the process as often
- Definitely more visual aids would be helpful
- Business office would use it, can't see a cardholder using the job aids
- If it's not part of the recertification, it may be a waste of effort

Require additional training to be completed before allowing P-Card/T-Card purchases after failed purchase attempt and or violation

- Overall positive feedback
- Would make it mandatory from the top down
- Make this an OBFS requirement, leaving it up to the department will get more pushback
- May be an issue for departments when the purchase is an integral part of their job, another staff member would need to pick up the slack until the recertification is completed
- One department already does this

Other suggestions

- Reevaluate the purchase exception process for certain P-Card, such as purchase of animals, ads on websites, catering for ingredients. Have the exceptions be associated with the expiration of the card instead of needing to apply annually for the exception

- Each year the department must submit an exception to increase the card limit, once this is approved associate the card limit to the expiration date.

- Review the segregation of duties between a University credit card holder and the department reconciler, unable to be the same person

Future Requirement suggestions

- Provide notification on aging transactions that need to be reconciled

- Provide the ability to sort reports, example in date order

- Ability to block taxation on a credit card purchase

- Ability to setup an activity code associated with various funds for a purchase

Note: Discussed the suggestions with the SME team. Due to prior audit findings the policy of an annual expirations of P-Card exception was implemented. An exception will expire one year after approval of the exception. A notices is provided to the cardholder of the expiration after 11 months has passed after the approval.

Chapter 15: Recommendations for Improvements

The recommendations have been identified for improvement. One category were identified for the improvements, and each improvement received a level of implementation. The category includes Training. There are two levels of implementation: "short-term" indicates improvements suggested for the current system and process prior to the development of an RFP, and "long-term" indicates improvement to the process with an RFP for a new system.

Number	Describe Potential Solutions	Category	Implementation Level	Related Issue(s)
1	**Re-evaluate and update the current P-Card and T-Card Web-based Training programs and certification quizzes.** There is a need to update the current training programs with current technology and incorporate current situational examples of what is allowable and what is not allowable when making purchases with University credit cards. Also update the certification quizzes and restructure the system comprehension questions. When restructuring the quizzes, determine a process to review the questions, strengthen the complexity of the quiz, and at what intervals to perform the review and update. We are recommending a working team with representation from University Payables' Card Services department, Department Card Managers from each University, and OBFS Business Solution and Support Instructional Design team.	Training	Short Term	TR1, TR2, TR10, TR15, TR16, TR17, TR18, TR19, TR20
2	**Improve the P-Card and T-Card job aids and training tools, and create a communication plan to provide cardholders with training resource information.** Update the P-Card and T-Card job aids to include more screen shot examples and difference usage scenarios. Improve the job aids by condensing the information rather than links to additional training. Create a communication plan to advise the cardholders of the update training resource information and create a plan to continue to keep the cardholders informed of available training information. In notification training emails include subject of training up front and in subject header line.	Training	Short Term	TR1, TR2, TR10, TR15, TR16, TR17, TR18, TR19, TR20

Number	Describe Potential Solutions	Category	Implementation Level	Related Issue(s)
	We are recommending a working team with representation from University Payables' Card Services department, Department Card Managers from each University, existing cardholders, and OBFS Business Solution and Support Instructional Design team and Communications Team.			
3	**Require additional training to be completed before allowing P-Card/T-Card purchases after failed purchase attempt and/or a violation** Recommending University Payables offer guidelines to the Department Card Managers at each University on how to monitor University credit card usage violations and request a cardholder complete the P-Card/T-Card training and certification quizzes again after a failed purchase attempt and/or a violation. The benefit of doing this effort will increase the working relationships between University Payables' Card Services and University departments. We are recommending a working team with Department Card Managers from each University, Business Managers from each University, and University Payables' Card Services.	Training	Short Term	TR1, TR2, TR10, TR15, TR16, TR17, TR18, TR19, TR20

Chapter 16: Solutions Prioritization Matrix

The recommendation for improvements were reviewed and were not prioritized by the Director Council. The Director Council recommended incorporating recommendation number 1, Re-evaluate and update the current P-Card and T-Card web-based training programs and certification quizzes into the University's certification process for the University credit cards which is currently being worked on.

	Solution Prioritization Matrix: P-Card/T-Card Purchase							
	Describe Potential Solutions	**Category**	**Ease of Implementation:** 1 (very difficult) - 5 (very easy) Avg of attribute from each participant)	**Permanence of the Solution:** 1 (temporary) - 5 (permanent) Avg of attribute from each participant)	**Impact of the Solution:** 1 (low) - 5 (high) Avg of attribute from each participant)	**Cost of the Solution:** 1 (high) - 5 (low) Avg of attribute from each participant)	**Total Score (Average of The total product from each participant):**	**Ranking**
1	Re-evaluate and update the current P-Card and T-Card Web-based Training programs and certification quizzes.	Training						
2	Improve the P-Card and T-Card job aids and training tools, and create a communication plan to provide cardholders with training resource information.	Training						
3	Require additional training to be completed before allowing P-Card/T-Card purchases after failed purchase attempt and/or a violation	Training						

Chapter 17: SIPOC Diagram

Process Name				Date
9.0 P-Card & T-Card Purchase – Future State				November 2017

SUPPLIERS	INPUTS	PROCESS	OUTPUTS	CUSTOMERS
Who provides input to the process	***What*** goes into the process	***How*** the inputs are transformed to outputs	***What*** comes out of the process	***Who*** received the outputs of the process
AITS

Bank

Banner

Payables (Card services, Travel)

Card processing solution

University Department Unit

Vendors

Purchasing | Approvals

Business Purpose

Card Transaction

CFOAPAL

Expense types

Receipt

Supporting Documentation

University Business Rules regarding credit cards | Identify need to purchase with P-Card or T-Card

Determine Approval

Make Purchase

Complete Reconciliation

Post to Banner | Approvals

Posted expense transaction

Card Transaction

Email notification

Payment information

Rejected transaction

Reports

Supporting Documentation

Transaction information | Bank

Banner

Card processing solution

University Department Unit

UAFR |

Chapter 18: Future State Requirements

This is a comprehensive list of functional requirements and technical requirements for the future state of the P-Card and T-Card Purchase process. Excluded from this list are any requirements for functionality outside of the scope of this specific process, such as security, accessibility, etc, which will be handled in a different process.

1. Ability to have one system to host both multiple credit cards for individual unique processing, such as P-Card and T-Card transactions
2. Ability to receive level three data from the card process provider
3. Ability to receive electronic receipts for a purchase
4. Ability to email the Department Card Manager when a purchase/transaction violation occurs
5. Ability to create an automatic letter to the cardholder when there is a purchase/transaction violation
6. Ability for a reconciler to generate a notification to the Department Card Manager when there is a violation
7. Ability to provide document management which includes a repository to attach and store images to an expense report
8. Ability to provide user defined Business Rule compliance
9. Ability to provide the Department Card Manager role with "Hold"/"Cancel" cardholder functionality
10. Ability for the Department Card Manager role to view all card transactions
11. Ability to use messaging to interface with applications
12. Ability to use defined templates, with ease of access via user interface
13. Ability to obtain approvals using multiple levels of routing
14. Ability to create reports
15. Ability to provide card maintenance by the Department Card Manager role, with ability to have Credit Card Office provide approval on defined maintenance
16. Ability to navigate the user interface without having to train to understand how to use it
17. Ability to define the roles that can make changes to the accounting codes (FOP)
18. Ability for the user to have a step by steps activity to complete the process with ease
19. Ability to have consolidate ledger reporting
20. Ability to validate accounting codes (CFOAPAL)
21. Ability to incorporate level three data within the reconciliation/validation transaction process
22. Ability to define expense types (air fare, hotels)
23. Ability to have configurable Business Rules
24. Ability to provide separated access for administration roles and Card Services
25. Ability to define work-flow for input order
26. Ability to define the set frequency to use data by the user (example default to CFOAPAL)

Chapter 19: Subject Matter Expert Team

The following individuals participated on the Subject Matter Expert Team of the BPI P-Card and T-Card purchase project:

Name	University/Department	Title
Brad Johnson	UIUC/OBFS - Payables	Bus/Adminv Assoc
Darren Strater	UIUC/OBFS – Payables	Assoc Dir Support Services
Deborah Caparoon	UIUC/Facilities and Services	Bus/Adminv Assoc
Eric Phillips	UIC/Intercollegiate Athletics	Associate Athletic Director - Internal Operations
Jeanne Santamaria	UIC/Mechanical and Industrial Engineering	Office Support Assistant
Karen Mueller	UIUC/OBFS – Strategic Procurement	Bus/Adminv Assoc
Kevin Fair	UIC/Purchasing	Associate Director
Lori Magsamen	UIUC/Cooperative Extension	Accountant III
Sarah Chronister	UIUC/Purchasing	Business/Adminv Associate
Steven Branch	UIUC/AITS	Enterprise Sys Coord
Suzanne Lowry	UIUC/Civil & Environmental Eng	Res and Policy Analyst
Vernell Hammons	UIC/OBFS Office of Procurement Diversity	Supplier Diversity Coordinator
Yossi Hernandez	UIC/College of Engineering	Office Manager

Chapter 20: University Focus Group Participants

The following list of individuals participated in a University Focus Group meeting either during the current state and/or the future state of the BPI P-Card & T-Card Purchase process project.

Name	University
Barnard, Jo	UIS
Darce Dillavou	UIUC
Engstrom, Kathleen	UIC
Ford, Tisha	UIC
Gochanour, Wendy	UIS
Gottschalk, George	UIUC
Helmuth, Angie	UIUC
Jennifer Black	UIUC
Lee, Denise	UIC
Oller, Mark	UIC
Reynolds, Maile	UIUC
Rodriguez, Yolanda	UIC
Sage, Jana	UIUC
Thompson, Maria	UIUC
West, Brent	UIUC

Appendix A: Business Glossary

D-Card

A T-Card just for Housing, has special exceptions and permissions

DCM

Department Card Manager

Master Card

Master Card is the vendor for the University credit cards, P-Card and T-Card. Currently the providing financial institution is Bank of America.

P-Card

A Purchasing Card with the following rules:

- Dollar Amount per transaction

- Rules on a single transaction

- Rules on monthly transaction cycle

- Restricted and Prohibited transaction items

- Purchase of a 'Good/Item' (Supplies, small equipment, up to the value of $4,999.00)

- Purchase of a service must be part of a Master Contract already negotiated by the University, e.g. Catering, labor repair, rental

There are some P-Cards that have higher dollar limits, those are exceptions and have supporting requests and approvals

P-Card Amazon Group

Must have a University P-Card. Receives an invitation to participate from the Department Card Manager (DCM) to join as a member of the group. The card holder must use their University email address.

Provides the card holder with the ability to purchase items from the Amazon Business site, tax free products and with free shipping.

T-Card

A credit card used to purchase travel, travel expenses, food for a specific event, and business meals.

The T-Card has the following rules:

- Dollar Amount per transaction

- Rules on a single transaction

- Rules on monthly transaction cycle

- Restricted and Prohibited transaction items