Welcome to Kuali
Financial System (KFS)
Procurement Card
Document training
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Special Note

What’s Covered/Not covered:

- This training covers the KFS **Procurement Card** and **Procurement Cardholder** document processes used by Fiscal Officers/Delegates/Card Reviewers to review/transfer Purchasing Card expenses

- Required Online training on how to apply for and use the Purchasing Card (Cardholder training) and manage cardholder activity (Reviewer training) is available on the Purchasing Card website at [http://pcard.ucdavis.edu/training/index.cfm](http://pcard.ucdavis.edu/training/index.cfm)
High-Level Overview

• We’ll start with a discussion and demonstration of what happens in the **Kuali Financial System** after a Purchasing Cardholder makes a purchase

• We’ll discuss the process, the documents, and what needs to be done to ensure that the tax and accounting information is correct for each transaction

• Then, we’ll discuss the document used to ensure that the default accounting information is correct for the Purchasing Cards that you manage

• Finally, we’ll discuss the Help Resources available to help you after this training

• Let’s get started!
Step 1: Cardholder Makes Purchase

- The Purchasing Cardholder follows the university policies and procedures, in addition to any department-specific procedures.

- The Purchasing Cardholder secures an itemized transaction receipt from the vendor.
Step 2: System-Created Document Pays Bank

- Document is known as the **Automated Clearinghouse** document.

- Appears in FIS **Decision Support** as **ACHD** document type and appears on transaction reports.

- The ACHD document is system-created and pays the bank.
Step 3: Procurement
Card Document Created

- **Automatically** created and appears in the KFS Action List of the Fiscal Officer/Delegate/Reviewer assigned to account on card
Title field contains the **cardholder name**, **vendor name**, last 4 digits of Purchasing Card, and total **dollar amount** of transaction.

Doc **Initiator** is KFS since document is created by system.

### Procurement Card Doc Contains Cardholder and Vendor Information

<table>
<thead>
<tr>
<th>Id</th>
<th>Type</th>
<th>Title</th>
<th>Route Status</th>
<th>Action Requested</th>
<th>Initiator</th>
<th>Delegator</th>
<th>Date Created</th>
<th>Group Request</th>
<th>Log</th>
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</thead>
<tbody>
<tr>
<td>32404068</td>
<td>Procurement Card</td>
<td><a href="http://WWW.NEWEGG.COM">WWW.NEWEGG.COM</a> - 6060</td>
<td>ENROUTE</td>
<td>APPROVE</td>
<td>KFS, null</td>
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<td>ENROUTE</td>
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<td>11:44 AM 05/20/2014</td>
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</table>
Step 4: Cardholder gives receipt to fiscal officer or attaches to document

- Fiscal Officer/Reviewer needs the transaction receipt in order to confirm/match the data in KFS

- If Cardholder is not a KFS user, they can simply give receipt to their Fiscal Officer

- If Cardholder is ALSO a KFS user, they can perform a document search in KFS and attach the receipt to the document in the Notes and Attachments section

- When searching for the Procurement Card document, the document type is PCDO
One item retrieved.

<table>
<thead>
<tr>
<th>Document Id</th>
<th>Status</th>
<th>Document Description</th>
<th>Organization Document Number</th>
<th>Ledger Document Type</th>
<th>Total Amount</th>
<th>Route Log</th>
</tr>
</thead>
<tbody>
<tr>
<td>325559812</td>
<td>ENROUTE</td>
<td>DMI* DELL BUS ONLINE 2115 $36.16</td>
<td></td>
<td></td>
<td>36.16</td>
<td></td>
</tr>
</tbody>
</table>
Attaching a Receipt to Document

1. In Notes and Attachments section, type a note indicating receipt being attached

2. Click Browse button to locate the receipt (you will need to scan the receipt to your computer first)

3. Click ADD button to add receipt to document

Security Tip! Be sure to mask out full credit card number before attaching receipt!
Step 5: Fiscal Officer/Reviewer Opens PCDO document

**Description** field contains vendor name, last 4 digits of Purchasing Card number, and transaction amount.

**Total Amount** field reflects the amount that has been paid to the Bank for the transaction.

**Default Account Line** section identifies what account has been debited for the payment.
Step 6: Identify Tax Situation for Transaction

Some vendors automatically transmit the amount of tax they charged, and this will appear in the **Sales Tax Amount** field.

If purchase was tax exempt, you should check the **Tax Exempt Indicator** field, and select the reason from the **Tax Exempt Reason** field.

If tax was collected by the vendor, but it’s **not** indicated in the **Sales Tax Amount** field, manually enter it in the **Vendor-Charged Sales Tax** field (refer to itemized sales receipt).
Step 6: Identify Tax Situation for Transaction

The **Ship to Postal Code** field should reflect where the university took possession of the item or where the item was shipped (manually enter it).

If no accounting changes are needed (you wish to leave expense on default account), check the box for **No Accounting Line Changes**.
Step 7: Identify Different Account(s) for Transaction (optional)

If moving the expense to an entirely new one, simply type over the default account information.

If leaving a portion of the expense on the default account, change the dollar amount to the amount that the account should be expensed.

The total of the new account(s) must match the amount that was originally expensed.
Step 7: Identify More Specific Object Code for Transaction (optional)

Default Object code **PCRD** can be changed to better reflect what was purchased, such as **8005** for Computer Supplies.

If the Purchasing Card purchase was for an equipment **fabrication**, enter Object code **9600**.

Learn more about equipment fabrications on the **Equipment Management** website, accessible from accounting.ucdavis.edu.
Step 7: Complete Additional Tabs for Equipment Fabrications

The Accounting Lines for Capitalization and Modify Capital Assets sections are required (and can only be completed) when Object code 9600 is entered.

1. Click on the Modify Asset button to open up the Modify Capital Assets section.

2. Click on the Asset Number lookup icon to locate the UCOP Tag Number (property sticker #) assigned to equipment.

3. Click Redistribute Total Amount button and...

4. ...Amount will be applied to the asset number!
Step 8: Fiscal Officer/Reviewer Approves PCDO document

- Click **approve** button at bottom of document to route the document

  - If approved by a **Reviewer**, will route to **Fiscal Officer** for approval

  - Document will also route to any Organization Review hierarchies set up for the department

  - No **Disapprove** button at bottom of PCDO document; Transaction has already been approved and Bank paid

  - If transaction is fraudulent, contact the Purchasing Card administrator at purchasingcard@ucdavis.edu and US Bank at (800) 344-5696
What Happens If PCDO document isn’t approved?

- System **auto-approval** takes place after a set # of days, currently 60 calendar days from date of system-initiation of document.

- Purchasing Card expense remains in default account, default **Object** code of **PCRD**.

- If expense needs to be re-distributed later, a **Distribution of Income and Expense** or **General Error Correction** document should be used (refer to the [accounting.ucdavis.edu](http://accounting.ucdavis.edu) for online help for these documents).
PCDO Auto-Approval and Tax Considerations

- If out-of-state (non-CA) vendor was used and is not set up in KFS as collecting CA sales tax, a Use tax is automatically assessed and paid to the CA State Board of Equalization.

- If the Use tax should not have been assessed, you will need to complete the KFS Use Tax Accrual Correction Form, available on the accounting.ucdavis.edu website.

- Best Practice is to manually approve any PCDOs BEFORE auto-approval occurs, to ensure that use tax is not inadvertently assessed.
Any FIS user can perform lookups against the Procurement Cardholder Lookup screen; ONLY the Fiscal Officer/Delegate can update the default Purchasing Card information assigned to the card account(s) they manage.
Fiscal Officer/Delegate can change any of the default accounting information assigned to the Purchasing Card (e.g., account number, project, sub-object, etc.).

Fiscal Officer/Delegate can change the person (Reviewer) to whom the Procurement Card (PCDO) document is originally sent.

Best Practice is to set up PCDO to go to a Group for Review; this makes it easier to approve PCDO documents within 60 calendar days.
Help Resources

• Accounting website: http://accounting.ucdavis.edu

• FIS Help Desk: (530)752-3855 or fishelp@ucdavis.edu

• We want to ensure your success in KFS!
Thank You for Your Time!