Payment/Travel Card Updates

Accounting Policy Meeting
Feb. 4, 2026

Expenditure Assistance and **Financials System Support** sections
Fiscal Management Division

Agenda & Presenters

Payment and Travel Card Procedures

Presenter: **Lawrence Koonce**
expenditure assistance supervisor

CAPPS Procard Voucher Processing

Presenter: **Karl Westerman**
CAPPS financials analyst

Presenter: **Thanh Hermosilla**
CAPPS financials analyst

Questions/Adjournment

Presenters: **Expenditure Assistance & Financials System Support sections**
Fiscal Management staff

Being Informed on FMX

Resources

- **FMX** —Fiscal Management's website
  - ❖ FMX Quick Links flyout menu
- **FMXtra** — Fiscal Management's weekly e-newsletter
  - ❖ How to subscribe
- **Accounting Policy Meetings** webpage
  - ❖ Agenda
  - ❖ Handout
  - ❖ Q&A's

Payment and Travel Card Procedures

Overview

On Sept. 1, 2025, the state of Texas began transitioning to a new charge card contract ([Contract Details: # 946-M4](#)).

➢ The vendor contract was awarded to U.S. Bank.

➢ U.S. Bank has new payment formatting requirements.

➢ Citibank accounts are being closed and transitioned to U.S. Bank accounts.

See *[Processing Third-Party Transactions in USAS for Payment/Travel Cards, Direct Bill Payments and Reimbursements](#)* (FPP A.043) (login required) for the required payment instructions.

Third-Party Transaction Overview

A third-party transaction occurs when the payment recipient is not the payee associated with the transaction, including:

➢ Credit card payments

➢ Direct bill of travel expenses

➢ Reimbursement of local funds

State agencies' internal accounting systems (or the method used for entry in USAS) **must** provide the original detailed third-party transactions' vendor information to the Comptroller's office. This information is used for:

➢ Open records requests

➢ Post-payment audits

➢ 1099 reporting

Current Issues

Thousands of transactions were rejected/returned by U.S. Bank due to incorrect payment processing by state agencies. Examples include:

➢ Incorrect invoice number field formatting.

➢ Payments issued to the wrong vendor ID.

➢ Incorrect T-code usage.

What will happen if these issues continue?

➢ U.S. Bank will decline transactions and/or suspend or close accounts. Transactions that are declined may:

❖ Delay agency business operations.

❖ Take weeks or months to re-establish an account if suspended or closed.

U.S. Bank Payment Requirements

Payments to U.S. Bank require different formatting than the payments to Citibank.

➢ INVOICE NUMBER field:

❖ T-code 264 lines must contain the **full 16-digit managing account number** associated with the card (*without dashes or spaces*) in the INV NO field.

❖ To include additional payment details (such as dates), a dash must be entered immediately following the 16-digit account number (*do not enter spaces before or after the dash*).

❖ This is required at the transaction level, not just the batch header!

❖ Has a 30-character limit. If you need to provide additional information, use the 80-character maximum INVOICE DESCRIPTION field.

U.S. Bank Payment Requirements (Cont.)

➤ Avoid common `INVOICE NUMBER` field errors, such as:

- ❖ Entering fewer than 16-digits
- ❖ Transposing digits/wrong account number
- ❖ Entering spaces
- ❖ Entering confidential information

➤ Update agency procedures (as necessary) to ensure appropriate use of the `INVOICE NUMBER` field.

➤ See *USAS and CAPPS Financials Invoice Number Field Requirements (FPP E.023)* for general information on `INVOICE NUMBER` field requirements.

Managing Account Number(s)

➢ The 16-digit number located on the billing statement for payment and travel card transactions is used for billing purposes only and **is not** an actual credit card number.

➢ To locate your managing account number(s):

1. Log into your online US Bank account.

2. Open the **Accounts** menu.

3. Select **Managing**.

4. Select the managing account profile.

   - The *Search and Select a Managing Account* screen displays if you have more than one managing account.

   - If you only have one account, the *Managing Account Summary* screen for that account displays.

T-Codes, TINs and Mail Codes

➢ T-codes 264/905

 ❖ **T-code 264** records the vendor's TIN (where the purchase was made) or the TIN of the employee incurring the expense.
 ❖ **T-code 905** records the TIN of the payment card company.

➢ The nonspecific payment card TIN may only be used on **non-capital asset payment card** transactions if:

 ❖ The TIN/mail code is unknown for the specific vendor **–and–**
 ❖ All efforts to obtain the vendor's TIN are unsuccessful.

➢ Vendor TINs/mail codes

 ❖ For required U.S. Bank vendor numbers and mail codes, see *Processing Third-Party Transactions in USAS for Payment/Travel Cards, Direct Bill Payments and Reimbursements* (FPP A.043) (login required).

 ❖ Mail codes 045-048 transactions:
 - 045: Payment card (PCard)
 - 046: Central Billed Account (CBA) travel card
 - 047: Corporate Liability Individual Billed Account (CLIBA) travel card
 - 048: Virtual card accounts

Note: Ensure payments are not made to U.S. Bank using Citibank's TIN and vice-versa!

Payment Distribution Type (PDT)

> The `PAYMENT DISTRIBUTION TYPE` field:

❖ Must contain a value of **D** (for direct deposit)
–or–

❖ Left **blank**

> CLIBA card payments to U.S. Bank:

❖ Do not require payment via warrant. (Citibank required a warrant)
–and–

❖ Must be issued via direct deposit.

> No payments to U.S. Bank should be issued via warrant, unless there is a special circumstance.

PCard Coding Block Example

T-code	COBJ	TIN/Mail Code	Amount	INV-NO	PDT
264 – voucher payable	Expenditure object for item	**Non-Capital Asset:** Specific vendor TIN/mail code or nonspecific payment card TIN **Capital Asset:** TIN/mail code of specific vendor	Amount charged to this object	**U.S. Bank:** Full 16-digit corporate/managing account number **Citibank:** Last 10 digits of the corporate billing account number	Must contain a value of **D** (direct deposit) **–or–** Be left **blank**.
905 – payment direct bill vendor	Not allowed	Citibank TIN + mail code **045** U.S. Bank TIN + mail code **045**	Aggregate amount for this document		

Payment and Travel Card Procedures (Cont.)

Correct Invoice Number Example

```
PYVEN3.XXXXXXXXXX.045.
                   VENDOR INVOICE LEVEL PAYMENT INFORMATION
                                                        1 THRU 4 OF 10
PAYEE NUMBER: XXXXXXXXXX                      TAXPAYER NUMBER: XXXXXXXXXX
   MAIL CODE: 045   TYPE OF PMT: DIR DEP & WARRANT    HOLD STATUS:
   PAYEE NAME: US BANK CORPORATE PAYMENT SYSTEMS       DIST TYPE: DIR DEP
                                                    PMT DATE: 01/08/2026
PMT#:   XXXXXXX DOC#: 20006924 DIST DATE  DIST: DD PMT AMT      INT PD  CI
201 SUPREME COURT                  01/09/2026          642.32       0.00   N
INV NO:   5569634555584851-F                            50.92       0.00   N
PCARD STATE BAR -  MCLE: CONSO

INV NO:   5569634555584851-E                            50.92       0.00   N
PCARD STATE BAR MCLE: REPLAY:

INV NO:   5569634555584851-D                           101.84       0.00   N
PCARD STATE BAR -MCLE: REPLAY

INV NO:   5569634555584851-C                            50.92       0.00   N
PCARD STATE BAR -MCLE: COMMERC


PF3=QUIT  PF5=PAYVEN  PF8=FRWD  PF9=BKWD SCR  PF11=BOT
```

Incorrect Invoice Number Example

Spaces entered before and after the dash caused the ACH file sent to U.S. Bank to be indecipherable (and rejected/returned).

```
PYVEN3.XXXXXXXXXX.045.
                    VENDOR INVOICE LEVEL PAYMENT INFORMATION
                                                              1 THRU 1 OF 1
PAYEE NUMBER: XXXXXXXXXX                        TAXPAYER NUMBER: XXXXXXXXXX
   MAIL CODE: 045   TYPE OF PMT: DIR DEP & WARRANT    HOLD STATUS:
   PAYEE NAME: US BANK CORPORATE PAYMENT SYSTEMS       DIST TYPE: DIR DEP
                                                       PMT DATE: 01/12/2026
PMT#:   XXXXXXX DOC#: 20006932 DIST DATE  DIST: DD PMT AMT      INT PD  CI
201 SUPREME COURT                   01/13/2026        200.94      0.00   N

INV NO:   5569634555584844 - JAN 5                    200.94      0.00   N
26-047 US BANK   201-26-186 HOME DEPOT VAN RENTAL




PF3=QUIT   PF5=PAYVEN   PF9=BKWD SCR
```

Payment and Travel Card Procedures (Cont.)

Payment and Travel Card Resources

- State of Texas Payment and Travel Card Program

- 946-M4 Charge Cards FAQ

- *Processing Third-Party Transactions in USAS for Payment/Travel Cards, Direct Bill Payments and Reimbursements* (FPP A.043) (login required)

- *USAS and CAPPS Financials Invoice Number Field Requirements* (FPP E.023)

- Texas Administrative Code, Title 34, Section 5.57 (regarding the use of payment cards by state agencies)

CAPPS Procard Voucher Processing

Step 1 – CAPPS Voucher Style

➢ Select the correct voucher style in CAPPS:

❖ Select **Procard Voucher** in the `VOUCHER STYLE` field.

❖ If paying a **travel** card, set the accounting entry template to:

- T-code 264
- Doc Type 1

❖ Do NOT use:

- Regular purchase voucher style
- Adjustment voucher style
- Multi-vendor voucher style

Add a New Value

*Business Unit:	⬛ 🔍
*Voucher ID:	NEXT
*Voucher Style:	Procard Voucher ▾
Supplier Name:	US BANK NATIONAL ASSOC 🔍
Short Supplier Name:	US BANK NA-001 🔍
Supplier ID:	XXXXXXXXXX 🔍
Supplier Location:	045 🔍
Address Sequence Number:	3 🔍
Invoice Number:	1234567890123456-ABC
Invoice Date:	01/27/2026 📅
Gross Invoice Amount:	0.00
Freight Amount:	0.00
Sales Tax Amount:	0.00
Misc Charge Amount:	0.00
Tax Exempt Flag	☐
Estimated No. of Invoice Lines:	1

Add

Step 2 – Procard Systems Codes Table

➤ Verify Procard Systems Codes table:

❖ Ensure the table is current before entering vouchers.

❖ Required setup:

- VID (vendor ID) = U.S. Bank's Vendor TIN

- $ACCT\ LEN$ = **16**

❖ Tips for efficiency:

- If your agency has **one** managing account number, code it on the Systems Codes table.

- If your agency has **multiple** managing account numbers with common leading digits, enter the shared digits followed by **xxx** to reduce keystrokes.

CAPPS Procard Voucher Processing (Cont.)

Step 3 – Voucher Line Information

➢ Enter the 16-digit **Managing Account Number** (no spaces!)
- ❖ Optional: add a hyphen immediately following the 16 digits followed by additional characters (no spaces before or after the hyphen).

➢ If a purchase order was copied into the voucher, the invoice ID will populate at the voucher line with the value assigned on the Procard systems code (*example: 1234567890123456-ABC*).

➢ Do **NOT**:
- ❖ Enter the US Bank vendor on the voucher line.
- ❖ Code the card number anywhere on the voucher.
- ❖ Include any blank characters in the invoice ID field.

Final Check Before Submission

➢ Procard voucher style used.

➢ Correct Procard Systems Codes table setup.

➢ Invoice ID on the voucher line contains a 16-digit managing account number (no spaces).

➢ No prohibited voucher styles or card data entered.

CAPPS Procard Processing Resources

➢ [CAPPS Contacts and Help](#)

➢ Contact your Level 1 (CAPPS Central agencies) or Level 2 (CAPPS Hub agencies) support staff contact.

➢ If additional assistance is needed, the **authorized agency support staff contacts** may contact the CAPPS service desk on your behalf.

Questions and Adjournment

- Meeting moderated by Lawrence Koonce.

- Lawrence and the CAPPS financials analysts are available to answer questions in the WebEx attendees' chat window.

- We welcome all questions.

- Q&A from today's webinar will be posted on this meeting's Accounting Policy Meeting page within the next two weeks.