

# YOUTH SERVICES POLICY

<b>Title:</b> LaCarte Purchasing Card Program	<b>Type:</b> A. Administrative <b>Sub Type:</b> 3. Fiscal <b>Number:</b> A.3.10
<b>Page 1 of 21</b>	
<b>References:</b> La. R.S. 39:1551-1771 "Louisiana Procurement Code"; Office of State Purchasing Rules and Regulations; Executive Orders: BJ 08-67; BJ 08-77; PPM 51 "Contracts for Maintenance, Equipment and Services"; PPM Part V, Ch. 13 "Equipment Purchase Approval"; State of Louisiana's Division of Administration's Louisiana "LaCarte" Purchasing Card Policy"; PPM 49; ACA Standard 2-CO-1B-09 Standards for Administration of Correctional Agencies), 4-JCF-6B-05 (Performance-Based Standards for Juvenile Correctional Facilities); YS Policy Nos. A.1.9 "Public Records Management", A.2.1 "Employee Manual", A.3.2 "Travel", A.3.11 "Financial and Property Loss Prevention Program"; and A.3.16 "State Corporate Travel Card"	
<b>STATUS: Approved</b>	
<b>Approved By:</b> <i>Mary L. Livers, Deputy Secretary</i>	<b>Date of Approval:</b> 12/02/2015

**I. AUTHORITY:**

Deputy Secretary of Youth Services (YS) as contained in La. R.S. 36:405. Deviation from this policy must be approved by the Deputy Secretary.

**II. PURPOSE:**

To establish guidelines for the use and administration of the Corporate Liability "LaCarte" Purchasing Card Policy dated July 2, 2014, issued under the Division of Administration (DOA), Office of State Purchasing.

**III. APPLICABILITY:**

Deputy Secretary, Assistant Secretary, Undersecretary, Deputy Undersecretary, Chief of Operations, Assistant Secretary, Regional Directors, Facility Directors, Regional Managers, and all YS employees designated as authorized users and/or administrators of the "LaCarte" Purchasing Card, and their supervisors.

**IV. DEFINITIONS:**

**Approver** – An individual within YS who is responsible for verifying that all charges against the cardholder's account are authorized and supported by adequate documentation. This may or may not be the cardholder's direct supervisor.

**Billing Cycle Purchase Log** – Printed from WORKS to document the online reconciliation process for purchases/services charged during the billing cycle. This Log is printed and filed with the billing statement and the transaction documentation obtained from the merchant.

**Billing Statement of Account** – A listing of all transactions charged to the cardholder's account through the end of the monthly billing cycle. This statement is sent by the bank directly to the cardholder on a monthly basis for reconciliation purposes. This is not a bill. The cardholder must reconcile this statement upon receipt and forward it to the Approver to accompany transaction documentation at the time of review and approval.

**Cardholder** – The employee whose name appears on the card and who is accountable for all charges made with the card.

**Cardholder Agreement Form** – An agreement signed by the cardholder, prior to being issued a LaCarte purchasing card, which verifies that the cardholder has read and understands the policies and procedures of the State and Department of Public Safety and Corrections, Public Safety Services, and agrees to comply with them.

**Cardholder Enrollment Form** – A form containing pertinent information on a cardholder necessary for statement and information mailing purposes, contact information, daily-monthly spending limits and budgetary controls. The form must be submitted by the cardholder to the YS "LaCarte" Card Liaison for completion and approval.

**CBA "Controlled Bill Account"** – A credit account that is issued in an agency's name (no plastic cards issued). These accounts are direct liabilities of the State and are paid by each agency. CBA accounts are controlled through an authorized Approver(s) to provide means to purchase any allowed transactions/services allowed in the current State Liability Travel Card and CBA Policy.

**Credit Card** – A Visa card issued by the Bank of America for the State of Louisiana for the purpose of making authorized purchases.

**Cycle** – The period of time between billings. For example, the State of Louisiana P-Card closing period ends at midnight on the 5<sup>th</sup> of each month.

**Cycle Limit** – Maximum spending (dollar) limit a P-Card/CBA is authorized to charge in a cycle. These limits should reflect the individual's purchasing patterns. These are preventative controls and, as such, should be used judiciously.

***Denied Item*** – A purchase that has been determined by the Supervisor/Reviewer as a non-work related purchase and therefore is not acceptable for payment; this item must be returned for a credit memo or if not returnable, the employee must make reimbursement. Continued purchases of this type shall result in disciplinary action.

***Disputed Item*** – Any transaction for an item that was double charged, an inaccurate amount was charged, or charged without corresponding good or services by the individual cardholder.

***Electronic Fund Transfer (EFT)*** – An electronic exchange or transfer of money from one account to another, either within the same financial institution or across multiple institutions.

***Electronic Signature*** – An electronic sound, symbol or process attached to or logically associated with a record, or executed or adopted by a person with the intent to sign the record.

***Fraud Purchase*** – Any transaction, intentionally made that was not authorized by the cardholder or not for official state business.

***Incidental Expense*** – If travel expenses have been approved, these are expenses incurred while traveling on official state business which are not allowed on the state liability purchasing card. Incidentals include, but are not limited to, meals, fees and tips to porters, baggage carriers, bellhops, hotel maids, transportation between places of lodging/airport; such as taxi; phone calls and any other expense not allowed in the “State Liability Travel Card and CBA Policy”.

***INTELLILINK*** – Visa’s web-based auditing tool which is used to assist with monitoring and managing the agency’s card program usage to ensure that card use conforms to all policies and procedures.

**“LaCarte” Purchasing Card (P-Card)** - A Visa card issued by Bank of America for the State of Louisiana. This card enables state employees to purchase items with the convenience of a credit card, while providing management with a means of maintaining control over those purchases.

***ISIS/LaGov*** – The State of Louisiana’s newest integrated system; the system is used for accounting, financing, logistics, human resources, travel, and data warehouse storage and reporting.

***MCC Code (Merchant Category Code)*** – A standard code the credit card industry used to categorize merchants based on the type of goods or services provided by the merchant. A merchant is assigned an MCC by the acquiring bank.

**MCCG (Merchant Category Code Group)** – A defined group of merchant category codes. MCCGs are used to control whether or not cardholders can make purchases from particular type of merchants.

**Merchant** – A business or other organization that may provide goods or services to a customer.

**Monthly Spending Limit** – A dollar limit assigned to the cardholder for the total of all charges made during the monthly billing cycle.

**Non-Approved Purchase** - A purchase made by a State cardholder for whom payment by the state is unapproved.

**P-Card** - A credit account issued by the Bank of America in an employee's name. This account is the direct liability of the State and is paid by each agency.

**PPM 49 (Policy and Procedure Memorandum 49)** – The state's general travel regulations (refer to YS Policy No. A.3.2).

**Program Administrator** – The liaison between the cardholder, YS "LaCarte" Card Liaison, State Program Administrator, and the Bank of America, who provides support and assistance to all agencies, processes new card applications and changes to cardholder information, provides training, maintains policies and procedures, user login ID and passwords for all agency users, and hierarchal structure for all agency roles.

**Public Safety Services/OMF/Purchasing** - A section within Public Safety Services responsible for the requisitions and purchases for YS.

**Public Safety Services/OMF/"LaCarte" Program Administrator** – An employee of PSS/OMF who serves as the central point of contact to address all issues/changes necessary to the overall program, and to coordinate such changes with the Office of State Purchasing.

**Single Purchase Limit (SPL)** – The maximum spending (dollar) limit a P-Card is authorized to charge in a single transaction. The SPL limit may be up to \$5,000; however, this limit should reflect the individual's purchasing patterns.

**Transaction** – A single purchase. A credit also constitutes a transaction.

**Transaction Documentation** - All documents pertaining to a transaction, both paper and electronic. The documentation is also used for reconciliation at the end of the billing cycle and is to be retained with the monthly reconciliation documentation for review and audit purposes. Examples of transaction documentation include, but are not limited to: itemized purchase receipts/invoices

(with complete item descriptions, not generic such as “general merchandise), receiving documents, credits, disputes, and written approvals. If travel has been approved, documentation should also contain airline exceptions, justifications, approvals, travel authorization, travel expense, etc.

**Unit Head** - Deputy Secretary, Facility Directors and Regional Managers.

**WORKS** – Bank of America’s web-based system used for program maintenance, card/CBA issuing/suspension/cancellation and reporting.

**WORKS Workflow** – Bank of America’s online system that includes user profiles and transaction workflow. For ISIS and LaGov interfaced agencies, transactions are coded and interfaced to the ISIS/LaGov systems for payment monthly.

**YS Central Office** - Offices of the Deputy Secretary, Assistant Secretary, Undersecretary, Deputy Undersecretary, Chief of Operations, Deputy Assistant Secretary, General Counsel, Regional Directors, and their support staff.

**YS “LaCarte” Card Liaison** – The YS Administrative Program Director located at Central Office, who is responsible for coordinating requests and cancellations, etc. for the “LaCarte Purchasing Card and Program”.

## **V. POLICY:**

It shall be the Deputy Secretary’s policy that all YS employees responsible for the use and/or administration of the “LaCarte” Purchasing Cards shall comply with all Purchasing Policies, Rules and Regulations, Louisiana Statutes, and Executive Orders to ensure proper control of state finances and maximum competition among vendors.

The attached DOA, Office of State Purchasing, Corporate Liability “LaCarte” Purchasing Card Policy” shall be followed during the use of the P- Card.

Section XIV below outlines the consequences of misuse of the “LaCarte” Purchasing Card.

## **VI. RESPONSIBILITY:**

- A. The Office of State Purchasing and Travel is responsible for the statewide contract administration of the Corporate Liability “LaCarte” Purchasing Card/CBA Program.
- B. The Public Safety Services Office of Management and Finance (PSS/OMF) “LaCarte” Program Administrator shall:

1. Serve as the central point of contact to address all issues and changes necessary to the overall program, and to coordinate such changes with the Office of State Purchasing;
  2. Issue procurement cards, cancel cards, and prepare monthly reports/reconciliations; and
  3. Be responsible for the administration of the “LaCarte Purchasing Card Program”, compliance with state guidelines in the “Division of Administration Louisiana “LaCarte” Purchasing Card Policy”, and the “State Accounting and Purchasing Card Manual”.
- C. Unit Heads shall be responsible for ensuring that designated staff comply with purchasing procedures as established by PSS/OMF/Purchasing.

**VII. DECLARED EMERGENCY USE:**

- A. In the event the Governor declares a state of emergency, the P-Card shall be changed to allow higher limits and opening of certain Merchant Category Codes (MCC) for essential employees who are cardholders that would be active during an emergency situation, not for ALL cardholders.
- B. An emergency profile must be created in WORKS which shall not exceed the following limits without prior approval from the Office of State Purchasing and Travel: SPL (single purchase limit) \$25,000, Travel and Rest MCC Groups shall be removed if determined to be necessary for group accommodations however, the Cash MCC Group must remain attached to the profile at all times, as the use of cash is never allowed, even during emergency situations.
- C. Higher limits do NOT eliminate the need to follow emergency procurement rules, policies, procedures and/or executive orders.

**VIII. NON-DECLARED EMERGENCY PURCHASES:**

Non-declared emergency purchases must affect the safety, security or quality of life of the youth served by YS/OJJ, or the safety and security of those employed by the agency, and must have prior approval by the Undersecretary or Deputy Undersecretary.

Once the purchase is complete, the State guidelines shall be followed. The payment shall be confirmed as an emergency purchase, and written justification submitted to the Office of State Purchasing. The requisition and purchase shall be entered into the ISIS/LaGov after the fact, along with supporting documentation, quotes and invoices from the vendors.

**IX. CARDHOLDER ENROLLMENT:**

- A. A attached “Cardholder Enrollment Form” shall be completed and signed by the appropriate Unit Head for each prospective cardholder. The Unit Head is responsible for assigning the cardholder’s spending limits per transaction and per monthly cycle, which limits the number of transactions allowed for the cardholder. The form shall be forwarded to the PSS/OMF “LaCarte” Program Administrator at the following address:

Box B-13  
P.O. Box 66614  
Baton Rouge, LA 70896  
Phone (225) 925-7771 or Fax (225) 925-6510

- B. When the PSS/OMF “LaCarte” Program Administrator receives the new card from the bank, the cardholder shall be contacted for training. The prospective cardholder must attend a training session and sign the attached “Cardholder Agreement Form” before receiving and using the credit card.
- C. The cardholder shall obtain annual cardholder certification through the State’s online certification training program, receiving a passing grade of at least 90, to possess or continue to possess a State of Louisiana P-Card.
- D. Credit cards are not transferable. Use by anyone other than the cardholder is prohibited. The only person authorized to use the card is the person whose name appears on the face of the card. A transaction can only be signed by the cardholder. A receipt shall be signed by someone other than the cardholder if it is being used as a delivery receipt for a phone order. In this case the receipt should be signed “Received By” followed by the employee’s name accepting the delivery.
- E. The PSS/OMF “LaCarte” Program Administrator must be notified immediately of a cardholder’s termination by the Key Supervisor/Approver. The cardholder is responsible for return of the credit card to the YS “LaCarte” Card Liaison upon termination of employment. Cardholders who transfer to a new position in the same agency and require the use of the card as part of their new duties must complete a new “Cardholder Enrollment Form” and submit the form to the YS “LaCarte” Card Liaison indicating “Change” on the form.
- F. Whenever any information contained on the “Cardholder Enrollment Form” changes, the changes must be submitted on the form to the YS “LaCarte” Card Liaison indicating “Change” on the form.

- G. The cardholder shall submit a “Cardholder Enrollment Form”, through their chain of command, indicating “Change” if use of the card has changed, and lower or higher limits are necessary.
- H. If the card is lost, stolen or damaged, the cardholder must immediately notify Bank of America at 1-888-449-2273, and the PSS/OMF “LaCarte” Program Administrator at (225) 925-7771, after reporting the incident to the bank. If the card is located after reported lost or stolen it must be destroyed.

**X. KEY CARDHOLDER RESPONSIBILITIES:**

- A. Use P-Card for official state business only.
- B. Attend required agency training annually and sign a State Corporate Liability “Cardholder Agreement Form”, acknowledging responsibilities prior to receiving the card.
- C. Never include the full P-Card account number in emails, fax, reports, memos, etc.
- D. Secure assigned WORKS application User IDs. Never share User ID and password and/or leave work area while logged into the system, or leave log-in information lying in an unsecure area.
- E. Recognize that the P-Card is the property of the State of Louisiana and the cardholder is responsible for the physical security and control of the P-Card and its appropriate use.
- F. Never send a copy of the P-Card if requested by a merchant.
- G. Never use an individual P-Card for personal, non-business expenses for any reason.
- H. Never pay taxes on purchases with this card, since it is a state liability (refer to Section XII of this policy).
- I. Never, under any circumstances, use the P-Card to access or attempt to access cash.
- J. Never accept cash in lieu of a credit to the P-Card account.
- K. Never use the P-Card for gift cards/gift certificates without prior approval from the Office of State Purchasing and Travel, as they are considered cash and taxable.
- L. Never use P-Cards to avoid procurement or payment procedures.

- M. Never use the P-Card for the purchase of alcohol, food, travel expense transactions or entertainment services. The only exceptions are vehicle rentals.

Each cardholder must utilize their own card for registrations, fees, due, etc. **No cardholder is allowed to charge another employees registrations, membership fees/dues, etc. on their "LaCarte" card.**

- N. Never use the P-Card for fuel or vehicle maintenance if agency is part of the Fuel Card and Maintenance Program.
- O. Submit all required transaction documentation (both paper and un-editable electronic format), special approvals, etc. timely. Every transaction, debit or credit that is on your Bank of America statement must have a receipt, signed by the cardholder, with an itemized description to reflect that transaction.

The "LaCarte" Purchasing Card Log" must have a total at the bottom of the log sheet in the "totals" column, along with coding for each transaction on the log sheet.

All documentation noted in Section XVI below, is due to the PSS/OMF "LaCarte" Program Administrator by the 30<sup>th</sup> of each month after the billing cycle ends.

All information mentioned above shall be sent to the supervisor/Approver for required audit and signatures, and forwarded to the PSS/OMF Fiscal Office for review and file maintenance.

All supporting paper documentation, including the signed "LaCarte" Purchasing Card Log" (see attached sample) or approved electronic log and signed memo statement, along with any findings and justifications shall be scanned into Workflow (once implemented) and tied to each applicable transaction.

- P. NEVER MAKE A PAYMENT DIRECTLY TO THE BANK in the event that an unauthorized charge is placed on the individual's state corporate liability P-Card.
- Q. Notify the YS "LaCarte" Card Liaison if use of a card has changed and lower or higher limits are necessary.
- R. Request additional training if the use of the online WORKS system proves to be difficult to master.
- S. Reimburse any unauthorized charges by personal check or payroll deduction.

- T. Make purchases for which the cardholder has been authorized to spend and does not exceed the approved single transaction limit.
- U. Ensure P-Card does not decline due to exceeding monthly or single transaction limits, as this shall result in cancellation of the card (refer to Section XV of this policy).
- V. Ensure cardholder's business email address matches the cardholder's name.

(Refer to the attached Office of Juvenile Justice Corporate Liability "LaCarte" Purchasing Card Policy for additional information.)

**XI. KEY SUPERVISOR/APPROVER RESPONSIBILITIES:**

- A. Obtain annual Approver certification through the State's online certification training program in which a passing grade of at least 90 must be obtained.
- B. Obtain agency program training annually and sign the attached "Approver Agreement Form", with originals given to the YS "LaCarte" Card Liaison, along with Approver receiving a copy.
- C. Obtain, review and understand the state and agency policies and all applicable rules, regulations, policies, procedures, guidelines, statutes, executive orders and PPM 49, if applicable.
- D. Keep well informed of program updates as sent from agency Program Administrator(s) or anyone associated with the State Liability P-Card Program.
- E. Ensure that supporting documentation, including the signed "LaCarte" Purchasing Card Log" or electronic log, is completed by each cardholder, that the log corresponds with the monthly billing statement, that every transaction, debit or credit that is on the Bank of America statement has a receipt, signed by the cardholder, with an itemized description to reflect the transaction, that the columns are totaled, that the log and statement are signed by both Approver and cardholder, and that all documentation noted in Section XVI below, is forwarded to the PSS/OMF "LaCarte" Program Administrator by the 30<sup>th</sup> of each month after the billing cycle ends. The PSS/OMF Fiscal Office shall maintained all documentation in one central location in accordance with the state's requirements and this policy.
- F. Submit approvals with all necessary documentation, including complete line item descriptions where generic description is on receipts such as "general merchandise" (both paper and electronic) in a timely manner.

- G. Immediately report any fraud or misuse, whether actual, suspected or personal charges, to the YS “LaCarte” Card Liaison, as well as the Agency Head, and other personnel/agencies as required. An Approver shall participate in any disciplinary actions which shall be deemed appropriate, if necessary.
- H. Notify the YS “LaCarte” Card Liaison immediately upon separation, change in department/section, or during extended leave (to include enforced leave during an investigation) for any cardholders in which you are the Approver.
- I. Complete an exit review with the cardholder, of the cardholder’s transactions, supporting documentation and receipts, as well as obtaining necessary signatures prior to departure.
- J. Ensure that the P-Card is obtained from the employee upon separation or change in department/section and return card to the PSS/OMF “LaCarte” Program Administrator. Ensure the PSS/OMF “LaCarte” Program Administrator makes necessary changes to cancel the card and to remove the employee’s Approver and/or employee from the list of cardholders for which Approver is responsible.
- K. Ensure that either Approver or the cardholder notifies the YS “LaCarte” Card Liaison and the PSS/OMF “LaCarte” Program Administrator if card is lost, stolen or has fraudulent charges. Ensure the cardholder immediately notifies the bank as well.
- L. Review annually, at a minimum, all cardholders which Approver is designated as an Approver, along with profile limits, to ensure appropriate utilization of the card and program intent to ensure that cardholder limits, MCC Codes, etc., are working properly for the cardholder. If limits or codes are not allowing the cardholder to perform his duties, the Approver should contact the YS “LaCarte” Card Liaison to make necessary adjustments.
- M. Ensure that cardholder is never a final Approver of his own monthly transactions.
- N. Ensure each transaction, to the best of Approver’s knowledge, meets the criteria outlined under the Supervisor/Approver Responsibilities in the attached Office of Juvenile Justice Corporate Liability “LaCarte” Purchasing Card Policy.
- O. Secure all assigned WORKS application User IDs and passwords. Never share User ID and passwords and/or leave the work area while logged into the system, or leave log-in information lying in an unsecure area.
- P. Ensure Ebay, Paypal, Amazon, etc. are tied to business accounts and are legitimate state business related purchases.

- Q. Failure to properly fulfill responsibilities as a P-Card Approver could result, at a minimum, in a written Letter of Counseling, consultation with YS "LaCarte" Card Liaison and the PSS/OMF "LaCarte" Program Administrator(s), disciplinary actions and legal actions.

(Refer to the attached Office of Juvenile Justice Corporate Liability "LaCarte" Purchasing Card Policy for additional information.)

## **XII. MAKING A PURCHASE:**

MCC's has been built into the card. These codes authorize the types of goods and/or services for which individual cards shall be used (i.e. office supplies). A list of MCC's shall be furnished to cardholders.

A. Procedures for making card purchases are as follows:

1. Obtain necessary approvals;
2. When making purchases in person, sign the charge receipt and retain the customer copy or proper documentation of the purchase;
3. **State sales tax should not be charged on card purchases;**
4. When making a purchase other than in person (e.g. via telephone, computer, mail order, etc.), give the vendor the account number and **tax exempt number** (both of which are embossed on the card);
5. For items such as subscriptions and registrations, where the vendor not normally generate a receipt or packing slip, a copy of the ordering document shall be used;
6. Maintain a file of transactions, including document purchase type (telephone, computer, mail order, etc.) to facilitate monthly reconciliation;
7. In the event the Central Office Warehouse receives a shipment on behalf of the cardholder, Central Office Warehouse personnel shall notify the cardholder of receipt.
8. Maintain a permanent file of all supporting documentation for card purchases in accordance with state laws. The file must be maintained for a period of three (3) years, pursuant to YS Policy No. A.1.9.

(If the purchase is for a grant funded project, the cardholder is responsible for ensuring the documentation is maintained for the appropriate required retention schedule, pursuant to YS Policy No. A.1.9.)

- B. Procedures for Merchandise Returns & Exchanges are as follows:
1. The cardholder is responsible for contacting the merchant when merchandise purchased with the card is not acceptable (incorrect, damaged, defective, etc.) and arranging for the return for credit or exchange.
  2. If the merchandise is to be exchanged, the cardholder is responsible for returning the merchandise to the merchant and obtaining a replacement as soon as possible. Documentation shall be retained with the support documentation of that purchase.
  3. If the merchandise is returned in person, the cardholder is responsible for obtaining a credit receipt from the merchant and retaining the receipt with the support documentation.

**XIII. STATE CORPORATE BUSINESS ACCOUNT (CBA) REQUIREMENTS:**

- A. All CBA transactions shall be in accordance with PPM 49 guidelines, Purchasing Policies, Rules and Regulations, Louisiana Statutes and/or Executive Orders.
- B. The purpose of a CBA is to provide a tool for agencies to purchase airfare, conference registrations and assist with payment of high dollar travel expenses only, as per current State Liability Travel Card and CBA Policy.
- C. The account(s) are issued in the name of the agency, and the PSS/OMF "LaCarte" Program Administrator is the primary point of contact for administering the accounts.
- D. CBA account(s) shall have an overall card cycle limit determined by the agency.
- E. The CBA accounts are the direct liability of the State.
- F. CBA accounts do not allow issuance of a plastic card.
- G. The full CBA account number shall never be included in emails, fax, reports, memos, etc. If an account number is necessary, only the use of the last four or eight digits of the account number is allowed.
- H. All persons with approval for use of travel on their P-Card shall follow the Statewide Corporate Travel Card policy and procedures, and PPM 49.

**XIV. RECONCILIATION:**

Agency procedures and controls are in place for prompt payment, reconciliation and cost distribution of charges and credits. Post audits of cardholder

transactions shall be performed to monitor the number and dollar amount of purchases made; vendor used, and detailed transaction information to properly allocate the cost.

- A. The paper billing statements from Bank of America will be mailed directly to each cardholder at the business address. The cardholder must reconcile purchases made during the billing cycle by matching the billing statement to the online transaction log in WORKS, along with the cardholder's supporting documentation (receipts).

The documentation (receipts) shall be reviewed and certified by the cardholder as received OR reported as a disputed item if the receipt does not match the transaction online information.

The cardholder shall allocate the expense to the appropriate budget categories and sign off electronically in WORKS on each transaction by the 8<sup>th</sup> of the month. This information shall be queued for supervisory review and approval.

1. If supporting documentation (receipt) is lost and a duplicate receipt cannot be obtained from the vendor, the attached "Missing Receipt Form" must be completed and filed in the cardholder's files.
2. If a charge or credit does not appear on the statement within 60 days after the original charge or credit was made, the cardholder must notify the PSS/OMF "LaCarte" Program Administrator.
3. Incorrect charges are disputed online in the WORKS system.

- B. The Approver must review the information in WORKS, along with the documentation submitted by the cardholder. Approver must verify that acceptable documentation exists (including line item description, price and coding) to support each purchase and/or credit, verify that purchases are for official state business, and that purchases comply with appropriate rules and regulations.

The Approver shall approve the log by signing off in WORKS to certify review and approval for the previous billing cycle by the 11<sup>th</sup> of the month.

Once approved and returned to the cardholder, the cardholder shall print a copy of the "Billing Cycle Purchase Log" to file with the billing statement and transaction documentation.

If the Approver determines that personal or unauthorized charges are made on the card, the transaction is "flagged" in WORKS, which returns it to the cardholder with a comment for resolution. If repeated issues occur, appropriate steps shall be taken to resolve the misuse/abuse of the card.

- C. If a cardholder's transactions are not signed off timely, the card balance will not be fully refreshed to the full monthly credit limit until all transactions are completed (signed-off on) for all previous cycles.
- D. All supporting documentation, including the signed log or approved electronic log, and signed memo statement by both cardholder and Approver, along with any findings and justifications, shall be forwarded to the PSS/OMF Fiscal Office for review and maintenance of the file.

Once all approvals and audits by cardholder Approvers have been obtained and forwarded to the PSS/OMF Fiscal Office, appropriate staff shall review receipts in the program journal vouchers to correct any necessary coding changes.

**XV. CARD MISUSE:**

- A. Fraud Purchase

An employee suspected of having misused the P-Card/CBA with the intent to defraud the state shall be subjected to an investigation, and the P-Card/CBA shall be retrieved until the completion of the investigation. Should the investigation result in findings which show that the actions of the employee have caused impairment to state service, and if those findings are sufficient to support such action, the employee shall be subject to disciplinary action, pursuant to YS Policy No. A.2.1.

The nature of the disciplinary action shall be at the discretion of the Agency's Appointing Authority, and shall be based on the investigation findings and the record of the employee. Any such investigation and ensuing action shall be reported to the Louisiana Legislative Auditor, the Office of Inspector General, and the Director of the Office of State Purchasing and Travel.

- B. Non-Approved Purchase

A non-approved purchase differs from a fraud purchase in that it is a non-intentional misuse of the P-Card/CBA with no intent to deceive that

agency for personal gain or for the personal gain of others. A non-approved purchase is generally the result of a miscommunication between a supervisor and the cardholder.

When a non-approved purchase occurs, the cardholder shall be counseled in writing on how to use more care in handling of the P-Card/CBA. The Letter of Counseling shall be maintained in the employee's file for no longer than twelve (12) months, unless another incident occurs. The employee shall pay for the non-approved purchase. Should another incident of a non-approved purchase occur within a twelve (12) month period, the appointing authority shall consider revocation of the P-Card/CBA.

**C. Same Vendor/Same Day (Split Purchasing)**

A split purchase occurs when a cardholder purchases like commodities within a limited time frame, while exceeding the single purchase limit set for cardholder. Purchases shall not be artificially divided to avoid the single purchase limit (SPL) or procurement procedures. Split purchases shall result in disciplinary action pursuant to YS Policy No. A.2.1, and revocation of the P-Card/CBA.

**D. Merchant Forced Transaction**

Commercial cards are accepted by a variety of merchants that process transactions only if approved by the issuing bank thereby abiding by the card controls in place. Merchant transactions are processed using one of the two (2) steps as follows:

1. Merchants process transactions against card controls (MCC, limits, expiration date, etc.) and, if approved receive an authorization number; or
2. Merchants submit the transactions for payment from the bank.

In rare instances, merchants will circumvent the authorization process and only perform Step 2. This means that the merchant didn't process the transaction against the card controls, and therefore did not receive an authorization number.

If this happens, the merchant has forfeited all dispute rights and the transaction can be disputed, and unless the merchant can provide a valid authorization number, the dispute will be resolved in the cardholders favor.

**E. Card and WORKS User ID/Password Security**

Each cardholder, CBA Administrator, YS "LaCarte" Card Liaison, auditor, cardholder Approver, etc. is responsible for the security of their card, User ID(s) and password(s).

F. Consequences of Card Misuse

The consequences of card misuse are as follows:

- Suspension/cancellation of card;
- Written Letter of Counseling which would be placed in employee file for a minimum of 12 months;
- Consultation with the YS “LaCarte” Card Liaison, the PSS/OMF “LaCarte” Program Administrator, and possibly the Deputy Secretary/designee;
- Disciplinary actions, up to and including termination of employment; and/or
- Legal actions, as allowed by the fullest extent of the law.

**XVI. DOCUMENTATION:**

- A. All documentation shall be adequate and sufficient to adhere to current purchasing policies, rules, regulations, statutes, executive orders, State Liability “LaCarte” Purchasing Card and CBA Policy, for recording of expenditures in the State/Agency accounting system, and the State Corporate Travel Card and CBA Policy and PPM 49, if applicable.

All supporting documentation, along with signed receipts, shall be scanned and attached to each corresponding transaction. Immediate supervisors/Approvers shall verify and ensure that these controls are being met and that transactions are appropriate, accurate, have a business case and business need for the purchase, that all receipt dates and other supporting documentation dates that are applicable with known need or business travel, if applicable, and approved (refer to YS Policy No. A.3.16).

Documentation of approval must be accomplished electronically online by signing off on the transaction. Approval by the Approver certifies that the documentation is acceptable for each transaction; that it was for official state business; that it is in compliance with appropriate rules and regulations, etc., as mentioned above, and that it has been reviewed and is approved.

- B. Acceptable documentation must include a line description, with full description not a generic “general merchandise” description, and line item pricing for the purchase. **Electronic receipts are allowed if they are un-editable, printed, include an original signature**, and are maintained in compliance with the YS record retention policy (refer to YS Policy No. A.1.9).

- C. For internet purchases, the print out of the order confirmation showing the details, or the printout of the order details, or the shipping document if it shows what was purchased, the quantity, and the price paid suffice for the itemized receipts. **The printout must be signed and dated by the cardholder.**
- D. By the 30<sup>th</sup> of each month after the billing cycle ends, the YS “LaCarte” Card Liaison shall forward the original signed Bank of America statement, original “LaCarte” Purchasing Card Log” signed by the cardholder and the Approver, original receipts/credits signed by the cardholder, and any findings and justifications to the PSS/OMF Fiscal Office for review and maintenance of the files, in accordance with record retention laws. Failure to comply with these requirements will result in the “LaCarte” Purchasing Card being suspended for a minimum of 30 days.

This file shall be centrally located in the PSS/OMF Fiscal Office, and is subject to review by the Office of State Purchasing and Travel, the Louisiana Legislative Auditors Office and any other duly authorized auditor.

## **XVII. DISPUTE RESOLUTION:**

The cardholder’s first recourse is to contact the merchant to try and resolve problems regarding disputed items, charges or quality.

- A. If the merchant agrees the error has been made, the merchant will credit the cardholder’s account. The credit will appear on the next monthly billing statement. The cardholder shall check the next statement for the credit.
- B. If the problem with the vendor is not resolved, the attached “Statement of Disputed Item” form must be completed and mailed or faxed with required enclosures within 60 days from the billing close date (5<sup>th</sup> of each month) to the following:

Bank of America-Commercial Card Service Operation  
P.O. Box 53142  
Phoenix, AZ 85072-3142  
Phone (800) 352-4027 Fax (888) 678-6046

A copy of the dispute form shall be faxed to the PSS/OMF “LaCarte” Program Administrator at (225) 925-6510.

- C. The transaction will be paid; therefore, the cardholder shall mark the online WORKS transaction as “DISPUTED.” The cardholder shall retain a copy of the disputed documentation and verify receipt of the credit on future statements.
- D. All disputes will be resolved by Bank of America within 180 days.

**XVIII. FRAUDULENT CHARGE:**

In the event of a fraudulent charge, the cardholder shall complete the following steps:

- A. Contact the Bank of America's Security Division at (877) 451-4602;
- B. Sign and return the affidavit provided by Bank of America;
- C. Notify the PSS/OMF "LaCarte" Program Administrator (225) 925-7771;
- D. Submit a copy of the fraudulent charge affidavit to the PSS/OMF "LaCarte" Program Administrator; and
- E. Indicate the fraudulent charge in the comment section of the transaction during online reconciliation in WORKS.

Any recognized or suspected misuse of the P-Card Program shall be immediately reported to the agency Program Administrator, and shall be anonymously reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549.

**XIX. PROCEDURES AND CONTROLS:**

PSS/OMF/Purchasing and Accounting shall ensure that necessary procedures and controls are in place for prompt payment, reconciliation, and cost distribution of charges and credits.

**XX. AUDIT REPORTS:**

- A. State Purchasing has created a list of reports for agencies to use for monthly audit requirements of the "LaCarte" Purchasing Card Program through WORKS and Intellilink. Some reports are required to be generated and reviewed at least once a month, while others have been created and designed as added value to assist in policy compliance. Although all of the reports are not required monthly, the reports shall be reviewed to determine which of the reports are most valuable to the agency. Those selected reports shall be rotated at a minimum of every other month.
- B. When running the reports, it is the agency's responsibility to not only review the data gathered, but to make certain that transactions are for a business purpose and have a legitimate business need for the cardholder. In the event that a transaction is being investigated, the cardholder must explain and justify the transaction being questioned.

Based on the cardholder's explanation, the agency shall address the situation accordingly.

- C. All documentation/findings/replies resulting from the monthly audit of P-Card transactions shall be centrally located and readily available for any internal or external audits that shall occur. Most reports are available through VISA Intellilink. Intellilink's data is available for a 27 month rotating period.
- D. Monthly certification that the above procedures have been conducted shall be submitted to the Office of State Travel. The certification shall indicate that agency personnel administering the P-Card Program have generated the required reports, that all requirements listed in the policy have been completed, and necessary findings have been investigated, documented and handled appropriately.

In addition, reports shall be used as a tool to assist the YS "LaCarte" Card Liaison and the PSS/OMF "LaCarte" Program Administrator with determining which cardholders need a refresher training course, re-certification of the state's online training, counseling, cancellation of card due to inaccuracies, etc., as well as to determine possible changes to cardholder's limits, profiles and MCC groups.

- E. When WORKS Workflow implementation has been completed, a "Billing Cycle Purchase Log" report will be available for print. It is an un-editable PDF formatted report. The WORKS Workflow system data is generated at the time of report request with the most current signoff information, the date and time stamp of the approval captured in the audit tracking, along with all documentation which has been scanned to support P-Card transactions and tied to the appropriate transaction. The correct cycle period/dates shall be entered when printing the log report.

Cycle dates for the program begin on the 6<sup>th</sup> of one month and ends on the 5<sup>th</sup> of the following month.

- F. Once WORKS Workflow has been implemented there will be additional reports that can be created to give cardholder Approvers, accountants, YS "LaCarte" Card Liaison and the PSS/OMF "LaCarte" Program Administrator, auditors, and management information to monitor the compliance of their cardholders and staff. Data is available electronically within WORKS Workflow for up to three (3) years.

**XXI. QUALITY ASSURANCE:**

- A. PSS/OMF Internal Audit Division assures that all procedures, in conjunction with the areas covered in the "Loss Prevention Program" (refer to YS Policy No. A.3.11) are conducted annually to ensure a system of checks and balances and compliance. Policies shall also be reviewed annually.
- B. Each Unit Head shall evaluate and respond to PSS/OMF internal audit findings and recommendations expeditiously. The response shall include a corrective action plan with estimated implementation dates to resolve findings, whether or not the availability of resources is a restraining factor. Such lack of resources shall be documented.
- C. YS Policy No. A.3.10 shall be reviewed on an annual basis to ensure continued compliance with the State of Louisiana, Division of Administration, Louisiana "LaCarte" Purchasing Card Policy.

**Previous Regulation/Policy Number:** A.3.10

**Previous Effective Date:** 11/22/2013 **Attachments/References:**

Cardholder Enrollment Form

Cardholder Agreement Form

Approver Agreement Form

DPS Missing Receipt Form

Statement of Disputed Item

LaCarte Purchasing Card Log

Division of Administration, Office of State Purchasing, Corporate Liability "LaCarte" Purchasing Card Policy

**Louisiana Department of Public Safety and Corrections**  
**Public Safety Services**  
**Corporate Liability "LaCarte" Purchasing Card Enrollment / Change Form**

New       Change       Delete/Close Cardholder Account #

**Section I: To be completed by Cardholder:**

Cardholder Name:

Employee Personnel ID#:

Budget Unit Name:

Section/Troop Name:

Home Address:

City, State, & Zip:

Business Phone #:

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**Section II: To be completed by Budget Unit Head**

Agency Name:

Agency Number:

Section/Troop Organization Number:

**Cardholder Authorization Limits (Please Select One)**

**Monthly Spending Limit with Single Transaction Limit:**

\$1,000.00 / \$500.00

\$5,000.00 / \$500.00

\$5,000.00 / \$1,000.00

\$10,000.00 / \$1,000.00

\$20,000.00 / \$1,000.00

\$ \_\_\_\_\_ / \$ \_\_\_\_\_ (Justification provided)

Cardholder Approver/Reviewer Name:

Budget Unit Head or Designee Name:

I approve the above named individual's request for a Louisiana "LaCarte" Purchase Credit Card.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Budget Unit Head

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**Administrative Use Only:**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Program Administrator

**Please return original to: Dept. of Public Safety, P. O. Box 66614, Box B-13 Baton Rouge, LA 70896**



STATE OF LOUISIANA  
STATE LIABILITY LaCARTE PURCHASING AND CBA  
PROGRAM CARDHOLDER AGREEMENT FORM

As a cardholder of the State Liability LaCarte Purchasing Card and CBA Program for \_\_\_\_\_ (agency) I am accepting responsibility for the assurance that all charges against the card were properly charged for legitimate State of Louisiana business needs as initialed and outlined in this agreement. I agree that I have read and completely understand each purchase is to be in accordance with all purchasing rules and regulations, statutes, executive orders and PPM49, if applicable, and all state and agency policies.

I further agree:

- As a cardholder, to accept responsibilities listed, obtain, understand and comply with all state and agency policy requirements, responsibilities and procedures, PPM49, all purchasing rules, regulations, statutes and executive orders in regards to the State Liability LaCarte Purchasing Card and CBA Program.
- As a cardholder, to ensure that every transaction complies, with the terms and conditions of this agreement, the State's Purchasing Card and CBA Policy, my agency policies, all purchasing rules, regulations, statutes and executive orders and State Liability Travel Card Policy and PPM49, if applicable.
- As a cardholder, to ensure that I received a copy of, or provided a link, for download, of all state and agency policies, rules, regulations and procedures applicable to the State Liability LaCarte Purchasing Card and CBA program and have read and understood all.
- As a cardholder, to sign the Cardholder Agreement Form, annually, acknowledging responsibilities associated with the State Liability P-Card Program. The original will be given to agency program administrator and I will receive a copy for myself.
- As a cardholder, to obtain annual cardholder certification through the State's online certification training program with a passing grade of at least 90.
- As a cardholder, to secure all assigned WORKS application User IDs and passwords. To never share User ID and passwords and/or leave work area while logged into the system or leave log-in information in an unsecure area.
- As a cardholder, to ensure that I will keep well informed of program updates from the agency program administrators or anyone associated with the State Liability LaCarte Purchasing Card Program.

- As a cardholder, I understand that a card will only remain active, if used in a 12 month period. I understand that if dormant for twelve months, justification and approval from the Office of State Travel would have to be given to continue to possess a card.
- As a cardholder, to ensure that all online accounts, such as Amazon, PayPal, EBay, etc, if necessary and allowed by my agency, has a standalone business account or registration and is not combined with any individual personal account. By doing this, it will allow the agency access to view the accounts online while verifying that all purchases were business related, email receipts were not altered and that all purchases are being delivered directly to the agency.
- As a cardholder, to immediately notify the agency's program administrator or approver upon separation, change in department/section or during extended leave, ensuring that proper procedures, as outlined in the agency policy, are being followed and card is returned to the program administrator to cancel and destroy.
- As a cardholder, to complete all necessary monthly requirements in accordance with my agency's internal policy if I am absent or on extended leave during a reconciliation process.
- As a cardholder, to complete exit procedures including providing and reviewing current transactions with my approver/supervisor and/or program administrator, verifying that all necessary supporting documents, receipts and required signatures has been provided.
- As a cardholder, to immediately notify the agency's program administrator if the card is lost, stolen or has fraudulent charges to immediately report to Bank of America.
- As a cardholder, to monitor abuse whether intentional or non-intentional. I understand, depending on the findings, management, law enforcement, any appropriate personnel and the Office of State Travel will be notified, if applicable.
- As a cardholder, to immediately report any fraud or misuse, whether actual, suspected, or for personal non-business related purchases to the agency's program administrator as well as the head of the agency, and other personnel/agencies as required. I agree to any disciplinary actions, as outlined in my agency policy which may be deemed appropriate.
- As a cardholder, I acknowledge that any recognized or suspected misuse of the P-Card program may be anonymously reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549 or for additional information I may visit <http://oig.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&nid=3&pnid=0&pid=4&catid=0>
- As a cardholder, to notify the agency program administrator if I have not received the monthly memo statement timely, this is normally around the 12th of the month.
- As a cardholder, to ensure transactions do not include state sales tax, as transactions are state tax exempt.
- As a cardholder, to ensure that each transaction has an appropriate business purpose and need for state business purchase, that all approvals were obtained for the purchase, that each

transaction has a receipt, appropriate supporting documentation and each transaction's supporting documentation is scanned into Workflow and tied to each applicable transaction, once agency has been implemented into Workflow. In the event that a transaction is being investigated, I fully understand that I must explain and justify any transaction being questioned.

- As a cardholder, to ensure that no transaction is a duplication of a personal request and/or reimbursements through the individual travel reimbursement process (travel expense form or travel system), and in accordance with PPM49, if applicable.
- As a cardholder, I will understand and will be responsible for state, city and parish tax reimbursements to applicable hotel, city, parish and/or State to handle hotel charges which are not allowed but were charged resulting in an unauthorized tax exemption.
- As a cardholder, to ensure that every transaction has a receipt and receipt's date is verified, ensure amount is correct and within PPM49 allowance, if applicable and the receipt date is accurate and matches a legitimate business purchase and need and/or approved business trip allowance and dates. (travel authorization form or travel system), if applicable
- As a cardholder, to ensure the P-Card log has a complete description of each purchase charged to the program if the receipt does not contain an adequate description, both on paper or electronic in Workflow, once agency has been implemented.
- As a cardholder, to ensure transactions have been coded properly, if applicable, for payments as outlined in the agency policy and procedures and as required in Workflow for ISIS and LaGov interfaced agencies, once agency has been implemented into Workflow.
- As a cardholder, to ensure that my email address is my State of Louisiana business email address and that my name and my email address match in Workflow.
- As a cardholder, to ensure that I am NEVER the final approver of my own monthly transactions.
- As a cardholder, to ensure the P-Card log, all receipts/supporting documentation and the monthly statement coincides.
- As a cardholder, to ensure that once my reconciliation/approval/accounting codes are verified and completed, all receipts, supporting documentation, cardholder log and monthly statement with both mine and my approver's signature, findings and justifications, are forwarded to the agency's fiscal office for review and maintenance of the files, in a timely manner and in accordance with all agency policy requirements.
- As a cardholder, that I may never use the State P-Card for personal or non-business purchases. P-Card is for state business use only.
- As a cardholder, that I may never loan the card to anyone for use.

- As a cardholder, to ensure that all required transaction documentation, (both paper and un-editable electronic format, (once Workflow has been implemented), special approvals, etc., is timely and in accordance with the agency's internal policy. Every transaction must have a receipt with a full description, not a generic description such as "general merchandise" or item should be fully documented/described elsewhere. (both paper and un-editable electronic format, once Workflow has been implemented)
- As a cardholder, that I may not exceed \$5,000 per contract per day.
- As a cardholder, that I may never include full P-Card account number in emails, fax, reports, memos, etc.
- As a cardholder, that I may never attempt to access cash, as cash is not allowed through this program.
- As a cardholder, that I may never accept cash in lieu of a credit to the P-Card account.
- As a cardholder, that I may never place incidentals on State P-Card without Office of State Travel/agency prior approvals, if applicable.
- As a cardholder, that I may never purchase gift cards or gift certificates on the State P-Card.
- As a cardholder, that I must never use P-Card for alcohol, food or entertainment services without prior approval from Office of State Travel/agency.
- As a cardholder, that I must present a personal credit card when checking into a hotel to cover any incidentals.
- As a cardholder, that I should never use the P-Card for fuel or vehicle maintenance if the agency is part of the Fuel Card and Maintenance Contract. If I am in a geographical location where the contract is not covered, I may use P-Card to purchase gasoline, but only for a rental or state owned vehicle, never for a personal vehicle.
- As a cardholder, that I must never use the P-Card to avoid procurement or payment procedures.
- As a cardholder, that I have obtained agency program training.
- As a cardholder, that I must never make a payment directly to the bank if unauthorized charges or accidental personal charges are placed on the card. If this should happen I must immediately contact the agency program administrator.
- As a cardholder, that I must immediately notify Bank of America and the agency program administration if fraudulent charges are noticed on the State P-Card.
- As a cardholder, I should always notify my approver or the agency program administrator if higher or lower limits are necessary to perform duties.

- As a cardholder, I understand that failure to properly fulfill my responsibilities, or in the case of willful and negligent default of my obligations, as a P-Card cardholder, could result, at a minimum, in the following:
- Written counseling which would be placed in my employee file for a minimum of 12 months.
  - Reimbursements to my agency and/or deduction for any unauthorized charges and allowance overages until all unauthorized charges are paid in full.
  - Any remedy for recovery of unpaid amounts, including referring of unpaid amounts to an attorney for collection.
  - Cancellation of P-Card. Once card is cancelled I will not be allowed to receive a new card for the state's program.
  - Consultation with agency program administrator, and possibly head of the agency and internal auditor section.
  - Disciplinary actions, up to and including termination of employment.
  - Legal actions, as allowed by the fullest extent of the law.

I have read and understand all my responsibilities as initialed above, along with all guidelines, policies and procedures, rules and regulations, PPM49, statutes and executive orders, if applicable, associated with the State Liability LaCarte Purchasing and CBA Program.

Cardholder Name (please print): \_\_\_\_\_

Cardholder Signature: \_\_\_\_\_

Cardholder Agency/Section/Department Name: \_\_\_\_\_

Cardholder Title: \_\_\_\_\_

Cardholder Email Address: \_\_\_\_\_

Cardholder Phone Number: \_\_\_\_\_

Cardholder Fax Number: \_\_\_\_\_

Date: \_\_\_\_\_



STATE OF LOUISIANA  
STATE LIABILITY LaCARTE PURCHASING AND CBA  
PROGRAM APPROVER AGREEMENT FORM

As a designated cardholder approver of the State of Louisiana LaCarte Purchasing Card and CBA Program for \_\_\_\_\_(agency) I am accepting responsibility for the assurance that all charges against the card which I am approving, to the best of my knowledge, were properly charged for legitimate State of Louisiana business needs and travel as initialed and outlined in this agreement, and are in accordance with all purchasing rules and regulations, statutes, executive orders and PPM49, if applicable, and all state and agency policies, which I have read and completely understand.

I further agree:

- In addition to the responsibilities listed, obtain, understand and comply with all state and agency policy requirements, responsibilities and procedures, PPM49, all purchasing rules, regulations, statutes and executive orders in regards to the State Liability LaCarte Purchasing Card and CBA Program.
- To ensure that cardholder's state/agency contract purchases do not exceed \$5,000 per day/per contract.
- To ensure that every transaction complies with the terms and conditions of this agreement, the State's Purchasing Card and CBA Policy, my agency policies, all purchasing rules, regulations, statutes and executive orders and State Liability Travel Card Policy and PPM49, if applicable.
- To obtain agency program training and sign an Approver Agreement Form, annually, acknowledging responsibilities associated with the State liability P-Card Program, with originals given to agency program administrator and will receive a copy for myself.
- To obtain annual approver certification through the State's online certification training program with a passing grade of at least 90.
- To ensure that any card requested be for an employee with a need for a card and not an automatic process.
- To secure all assigned WORKS application User IDs and passwords. Never sharing User ID and passwords and/or leaving work area while logged into the system or leaving log-in information in an unsecure area.

- To ensure that I will keep well informed of program updates from the agency program administrators or anyone associated with the State Liability LaCarte Purchasing Card Program.
- To ensure that all online accounts, such as Amazon, PayPal, EBay, etc, if necessary and allowed for use by an employee, have a standalone business account or registration and is not combined with an individual's personal account. By doing this, it will allow me/agency access to view the accounts online while verifying that all purchases were business related, email receipts were not altered and that all purchases are being delivered directly to the agency.
- To immediately notify the agency's program administrator upon separation, change in department/section or during extended leave for any cardholders for which I am responsible. Ensuring that proper procedures, as outlined in the agency policy, are being followed regarding how to handle approvals properly, etc.
- To complete exit procedures including collecting and returning card to program administrator, upon termination of the employee. Exit procedures include a review by the cardholder, supervisor and/or program administrator of all current charges on the account, verifying that all necessary supporting documents, receipts and required signatures have been obtained.
- To ensure that the P-Card is retrieved from the employee upon separation or change in department/section; returning card to the agency program administrator. Ensure that agency program administrator makes necessary changes to cancel the card and to remove me as the employee's approver and/or employee from my list of cardholders for which I am responsible.
- To immediately notify the agency's program administrator if the card is lost, stolen or has fraudulent charges and to direct the cardholder to immediately report to Bank of America.
- To ensure that, at a minimum, annually, I will review cardholders and cardholder's limits for all that I am an approver, to ensure appropriate utilization of the card and program intent and that a file is maintained showing compliance with this requirement. Review will also include cardholders limits, MCC Codes, etc., making certain that the card is working properly for the cardholder. If limits or codes are not allowing the cardholder to perform duties, I will contact the agency program administrator to make necessary adjustments.
- To immediately report any fraud or misuse, whether actual, suspected, or for personal non-business related purchases to the agency program administrator as well as the head of the agency, and other personnel/agencies as required. I agree to participate in any disciplinary actions which may be deemed appropriate, if necessary.
- To acknowledge that any recognized or suspected misuse of the P-Card program may be anonymously reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549 or for additional information you may visit

<http://oig.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&nid=3&pnid=0&pid=4&catid=0>

- To educate my cardholders that monthly memo statements should be received around the 10<sup>th</sup> of the month, and if it is not, they should notify me and/or the agency program administrator.
- To ensure transactions do not include State sales tax.
- To ensure, to the best of my knowledge, that each approved transaction have an appropriate business purpose and need for state business purchase, that each transaction has a receipt and appropriate supporting documentation and each transaction's supporting documentation is scanned into Workflow, once the agency has been implemented, tied to each applicable transaction and that the paper documents match what was scanned into Workflow. In the event that a transaction is being investigated, the cardholder must explain and justify the transaction being questioned.
- To ensure that every transaction is not a duplication of a personal request and/or reimbursements through the individual travel reimbursement process (travel expense form or travel system), if applicable.
- To ensure that every transaction has a receipt, receipt's date is verified to ensure the amount is correct and within PPM49 allowance, if applicable, and that the receipt date is accurate and matches a legitimate business purchase and need and/or known business trip allowance and dates. (travel authorization form or travel system), if applicable
- To ensure the P-Card log has a complete description of each purchase charged to the program if the receipt does not contain an adequate description, both on paper or electronic, once the agency has been implemented into Workflow.
- To ensure transactions have been coded properly, if applicable, for payments as outlined in the agency policy and procedures and as required in Workflow for ISIS and LaGov interfaced agencies, once Workflow implementation is completed.
- To ensure that each cardholder's email address is the State of Louisiana business email address and that the cardholder and cardholder's email address match in Workflow, once the agency has been implemented into Workflow.
- To ensure that a cardholder is NEVER the final approver of his own monthly transactions.
- Ensure the P-Card log, all receipts/supporting documentation, monthly statement and scanned documentation, once your agency has been implemented into Workflow, coincides.
- To ensure that all audits/approvals/accounting codes are verified and completed timely for proper payment and forwarded to the agency fiscal section for review and file maintenance, as outlined in the agency policies.

- To ensure that, once my audits are complete, all receipts, supporting documentation, cardholder log and monthly statement with both cardholder and my signature, findings and justifications, are forwarded to the agency's fiscal office for review and maintenance of the files, in a timely manner and in accordance with all agency policy requirements.

AS AN APPROVER, I RECOGNIZE THE RESPONSIBILITIES OF CARDHOLDERS ARE SUCH:

- Cardholder must never use the State P-Card for personal or non-business purchases. P-Card is for State business use only.
- Cardholder must never loan the card to anyone for use.
- Cardholder is to ensure that all required transaction documentation, both paper and un-editable electronic format, (once Workflow has been implemented), special approvals, etc., are timely and in accordance with their agency's internal policy. Every transaction must have a receipt with a full description, not a generic description such as "general merchandise" or item should be fully documented/described elsewhere (both paper and un-editable electronic format, (once Workflow has been implemented)). Failure to do so should result in cancellation of P-Card. All paper supporting documentation, including the signed P-Card log or approved electronic log and signed memo statement, along with any findings and justifications are to be scanned into Workflow and tied to each applicable transaction, will be sent to the supervisor/approver for required audit and signatures, and to be forwarded to the agency's fiscal office for review and file maintenance.
- Cardholders may not exceed \$5,000 per contract per day.
- Cardholder must never include full P-Card account number in emails, fax, reports, memos, etc.
- Cardholder must never attempt to access cash.
- Cardholder must never accept cash in lieu of a credit to the P-Card account.
- Cardholder must never place incidentals on State P-Card without Office of State Travel/agency prior approvals, if applicable.
- Cardholders must never purchase gift cards or gift certificates on their State P-Card.
- Cardholder must never use P-Card for alcohol, food or entertainment services without prior approval from Office of State Travel/agency.
- Cardholder must present a personal credit card when checking into a hotel to cover any incidentals, if applicable.
- Cardholder should never use P-Card for fuel or vehicle maintenance if the agency is part of the Fuel Card and Maintenance Contract. If cardholder is in a geographical location where

the contract is not covered, cardholder may use P-Card to purchase gasoline, but only for a rental or state owned vehicle, never for a personal vehicle.

- Cardholder must never use P-Card to avoid procurement or payment procedures.
- Cardholder must obtain agency program training and sign a Cardholder Agreement Form, annually, with originals given to agency program administrator along with cardholder receiving a copy.
- Cardholder must obtain annual cardholder certification through the State's online certification training program with a passing grade of at least 90.
- Cardholder must secure all assigned WORKS application User IDs and passwords. Never share a User ID and passwords and/or leave a work area while logged into the system or leave log-in information in an unsecure area.
- Cardholder must never make a payment directly to the bank if unauthorized charges or accidental personal charges are placed on the card. They should immediately contact the agency program administrator.
- Cardholder must immediately notify approver, Bank of America and the agency program administrators if fraudulent charges are noticed on the State P-Card.
- Cardholder should always notify approver or the agency program administrator if higher or lower limits are necessary to perform duties.
- Cardholder must immediately notify Bank of America, approver and the agency program administrator if the P-Card is lost or stolen.
- Cardholder is to submit signed P-Card log and monthly statement, both signed, along with all supporting documentation for audit so that approver may forward to the agency fiscal office upon approval.
- I understand that failure to properly fulfill my responsibilities as a P-Card approver could result, at a minimum, in the following:
  - Written counseling which would be placed in my employee file for a minimum of 12 months.
  - Consultation with agency program administrator, and possibly head of the agency and Internal Auditor.
  - Disciplinary actions, up to and including termination of employment.
  - Legal actions, as allowed by the fullest extent of the law.

I have read and understand all my responsibilities as initialed above, along with all guidelines, policies and procedures, rules and regulations, PPM49, statutes and executive orders, if applicable, associated with the State Liability LaCarte Purchasing and CBA Program.

Approver (please print): \_\_\_\_\_

Approver Signature: \_\_\_\_\_

Approver's Agency/Section/Department Name: \_\_\_\_\_

Approver's Title: \_\_\_\_\_

Approver's Email Address: \_\_\_\_\_

Approver's Phone Number: \_\_\_\_\_

Approver's Fax Number: \_\_\_\_\_

Date: \_\_\_\_\_

I am responsible for the following cardholders:

Cardholder Name: \_\_\_\_\_

**DPS MISSING RECEIPT FORM**

**CERTIFICATION OF UNAVAILABLE DOCUMENTATION**

This form should be completed for any LaCarte Purchasing Card transaction that does NOT have documentation from the merchant. This should be provided to Reviewer as part of your monthly reconciliation paperwork.

Cardholder Name/Telephone Number: \_\_\_\_\_

Department Name: \_\_\_\_\_

Merchant Name: \_\_\_\_\_

Transaction Date (mm/dd/yyyy): \_\_\_\_\_

Transaction Amount (Total Cost) \$ \_\_\_\_\_

Description/Quantity/Cost per Item/Total Cost per Line  
(Add an additional sheet if necessary)

REASON ORIGINAL DOCUMENTATION IS NOT AVAILABLE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CARDHOLDER CERTIFICATION SIGNATURE**

I attest the information provided is true and an accurate description of the details of the purchase. I confirm that every attempt to obtain a duplicate receipt by contacting the vendor has been made, but have been unable to do so and also hereby certify the following:

- All items purchased on this P-Card transaction were for Department of Public Safety use. No personal purchases were made.
- The Cardholder will not seek reimbursement from the Department of Public Safety in any other manner for this transaction.
- Original documentation is not in Cardholder's possession for the reasons stated above.

Cardholder acknowledges that repeated lack of documentation could result in revocation of their LaCarte Purchasing Card.

Cardholder Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

**SUPERVISOR/REVIEWER:**

I have accepted the cardholder's explanation of the loss and inability to obtain a duplicate receipt; therefore, I am authorizing payment of the receipt or invoice in light of the circumstances involved.

Supervisor/Reviewer Print & Sign \_\_\_\_\_

Date: \_\_\_\_\_

ATTACHMENT C

# COMMERCIAL CARD CLAIMS STATEMENT OF DISPUTED ITEM

Instructions: Your company should first make good-faith efforts to settle a claim for purchases directly with the merchant. If assistance from Bank of America is required, please complete this form, and mail with required enclosures within 60 days from the billing close date to:

**Bank of America – Commercial Card Services Operations**  
P. O. Box 53142  
Phoenix, AZ 85072-3142

**FAX (888) 678-6046**

Company Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Cardholder Name: \_\_\_\_\_

This Charge appeared on my statement, billing close date: \_\_\_\_\_  
Transaction Date: \_\_\_\_\_  
Reference Number: \_\_\_\_\_  
Merchant Name/Location: \_\_\_\_\_  
Posted Amount: \_\_\_\_\_ Disputed Amount: \_\_\_\_\_

\_\_\_\_\_  
(Cardholder Signature)

\_\_\_\_\_  
(Authorized Participant Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Phone Number)

## Please Check Only One

1. \_\_\_\_\_ **Unauthorized Transaction:** I did not authorize, nor did I authorize anyone else to engage in this transaction. No goods or services represented by the above charge were received by me or anyone I authorized. My Bank of America card was in my possession at the time of the transaction.
2. \_\_\_\_\_ **Charge Amount Does Not Agree With Order Authorizing the Charge:** The amount entered on the sales slip was increased from \$\_\_\_\_\_ to \$\_\_\_\_\_. I have enclosed a copy of the unaltered sales slip.
3. \_\_\_\_\_ **Merchandise or Services Not Received:** I have not received the merchandise or services represented by the above transaction. The expected date of delivery of services was \_\_\_\_\_. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response.)
4. \_\_\_\_\_ **Defective or Wrong Merchandise:** I returned the merchandise on \_\_\_\_\_ because it was (check one):  
\_\_\_\_\_ defective; \_\_\_\_\_ wrong size; \_\_\_\_\_ wrong color; \_\_\_\_\_ wrong quantity.  
(Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them, their response and proof of the return of merchandise. Please provide a detailed description of the wrong or defective nature of the merchandise.)
5. \_\_\_\_\_ **Recurring Charges After Cancellation:** On \_\_\_\_\_ (date), I notified the merchant to cancel the monthly/yearly agreement. Since then my Bank of America account has been charged \_\_\_\_\_ time(s). (Please enclose a copy of the merchant's confirmation of your cancellation request.)
6. \_\_\_\_\_ **Recurring Charges Already Paid by Other Means:** I already paid for the goods and/or services represented by the above charge by means other than my Bank of America Commercial Card. (Please provide a copy of the front and back on the cancelled check, money order, cash receipt, credit card statement, or other documentation as proof of purchase/payment. Describe your efforts to resolve this matter directly with the merchant, the date(s) you contacted them, and their response.)
7. \_\_\_\_\_ **Credit Appears as a Charge:** The enclosed Credit Voucher appeared as a charge on my Bank of America Commercial Card account.
8. \_\_\_\_\_ **Credit From Merchant Not Received:** I did not receive credit for the enclosed Credit Voucher within 30 calendar days from the date it was issued to me by the merchant shown above. (Please describe your efforts to resolve this matter with the merchant, the date(s) you contacted them and their response. Provide a detailed statement explaining your reason(s) for disputing this charge.)
9. \_\_\_\_\_ **Hotel Reservation Cancelled:** I made a reservation with the above hotel which I later cancelled on \_\_\_\_\_ (date) at \_\_\_\_\_ (time). I received a cancellation number which is \_\_\_\_\_. (Please describe how the reservation was cancelled, proof of cancellation and attempts to resolve this issue with the merchant.  
\_\_\_\_\_ I was not given a cancellation number.  
\_\_\_\_\_ I was not told at the time that I made the reservation that my account would be charged for a "No Show".  
\_\_\_\_\_ I was not informed of the cancellation policy.)
10. \_\_\_\_\_ **Double or Multiple Charges:** My Bank of America Commercial Card Account has been double charged. The valid charge appeared on \_\_\_\_\_ (date). The duplicate charge(s) appeared on \_\_\_\_\_.
11. \_\_\_\_\_ **Do Not Recall the Transaction:** The statement has an inadequate description of the charge. Please supply supporting documentation.
12. \_\_\_\_\_ **Other; Above Descriptions Do Not Apply:** Please attach a detailed letter explaining the reason for your dispute and your attempts to resolve this issue with the merchant.

**STATE OF LOUISIANA - LACARTE PURCHASING CARD LOG**

CARDHOLDER NAME: \_\_\_\_\_ AGENCY #: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_ STATEMENT ENDING DATE: \_\_\_\_\_

SECTION: \_\_\_\_\_ LAST 4 DIGITS OF ACCOUNT NUMBER: \_\_\_\_\_

NO.	DATE	VENDOR NAME	DESCRIPTION	QUANTITY	AMOUNT	ACCOUNTING INFORMATION					OTHER INFORMATION	
						AGENCY	ORG	OBJECT	SUB OBJ	RPT CAT		ACTIVITY
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
<b>TOTALS</b>												

\_\_\_\_\_  
Supervisor/Reviewer Name Printed

\_\_\_\_\_  
Supervisor/Reviewer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Cardholder Signature

\_\_\_\_\_  
Date

**Fax to Financial Services:**

**(225) 925-7458**

# ***STATE OF LOUISIANA***



## ***CORPORATE LIABILITY "LaCARTE" PURCHASING CARD POLICY***



***July 2, 2014***

# **STATE OF LOUISIANA CORPORATE LIABILITY “LaCARTE” PURCHASING CARD AND CBA POLICY**

## **1. PROGRAM**

### **A. POLICY STATEMENT**

This policy covers “LaCarte,” the State of Louisiana’s Corporate Liability P-Card Program and establishes minimum standards for possession and use. The P-Card is a tool used to assist in the management of purchasing, payment and accounting. The P-Card is a Visa card issued by Bank of America (BOA) for the State of Louisiana. This card will enable employees to purchase items with the convenience of a credit card, while providing management with a means of maintaining control over those purchases. The use of this card will improve efficiency and effectiveness by reducing costs associated with processing purchases and payments and will allow for the receipt of goods on a timely basis.

An agency may allow a single purchase limit (SPL), agency-wide or on an individual card basis, up to \$5,000 without prior approval from the Office of State Purchasing and Travel. In addition, the card cycle limit may be determined by the agency. Limits set by the agency should reflect individual’s purchasing pattern. Using the P-Card for purchases of supplies, equipment, operating services and/or major repairs must comply with proper purchasing procedures, rules and regulations, Louisiana Statutes and Executive Orders.

It is the responsibility of the agencies to set individual cardholder’s single purchase limits. The Office of State Purchasing and Travel must approve in writing any authority for a SPL or one time override to be above \$5,000. Requests will be considered if the agency is in compliance with the program, with the state guidelines, adequate staff experience and training are demonstrated with factors that promote the overall use of the program and if the approval by State Purchasing and Travel is determined to be in the best interest of the state.

Multiple purchases may be made with the P-Card for contract purchases, each day, up to but not exceeding \$5,000 per contract. Agency must have an internal policy to ensure that purchases from contract vendors are for each contract’s specific approved contract items.

Also, purchases should never be artificially divided to avoid the P-Card policy limits.

Section 6 of the current Small Purchase Executive Order reads “In absence of a good faith business basis, no purchase or procurement shall be artificially divided within a cost center or its equivalent, to avoid the competitive process or the solicitation of competitive sealed bids”.

This policy and the related procedures along with the use of the P-Card program do not negate any current Purchasing Policies, Rules and Regulations, Louisiana Statutes, Executive Orders, State Liability Travel Card and CBA Policy and/or PPM49, if approved, as all must be followed when using and administering the P-Card and this policy.

## **B. CONDITIONS OF PARTICIPATION**

All agencies/public post secondary, as a condition of participation in the State Corporate Liability P-Card/CBA Program shall, abide by the terms of this policy unless a "Request for Exception" form is submitted and approved by the Office of State Purchasing and Travel.

All program participants, i.e. program administrators, cardholder, CBA administrators and cardholder approvers are required to complete an online certification class, annually, receiving a passing grade of at least 90 in order to receive a new p-card, a renewal p-card, remain as CBA administrator or remain as a cardholder approver. These certifications will be developed and updated, as necessary, by the Office of State Purchasing and Travel and the agency will be notified as soon as they are approved. All program participants will be given ample time to obtain this certification once notified. Note: The certification class for the CBA administrator would be the same as a cardholder's certification.

A cardholder's approver must be a supervisor of the cardholder which would be at least one level higher than the cardholder. The approver must be the most logical supervisor which would be most familiar with the business case and appropriate business needs for the cardholder's transactions.

To allow for proper and complete program audits, all program participants, including public post secondary, will be mandated to implement WORKS Workflow, which is an online system through Bank of America. The system captures transactions; Workflow requires both cardholders and cardholder approver's electronic signatures, along with the ability to maintain receipts and backup supporting documentation in one central location through the scanning feature which is also being mandated, therefore, assisting with audits and reviews. The system allows for an additional level of approvals, beyond the cardholder and approver. Another function of Workflow allows accounting information to be coded by the cardholder for each transaction. The accounting function is mandated for ISIS/LaGov interfaced agencies which would ultimately be interfaced to the ISIS and LaGov systems. For all other agencies/post secondary/board/commissions, which are not ISIS/LaGov, interfaced agencies, although it is still mandated for the agency to utilize Workflow including scanning capabilities, the agency will not be required to interface with any accounting system.

Agency program participation requires annual review of the agency's program conducted by the agency's internal audit section.

All receipt and supporting documentation must be scanned and tied to the applicable transaction and not as one image for all transactions.

During implementation and continuation of users into Workflow, ensure that every cardholder's business email address matches the cardholder's name. Another cardholder's

email address may not be used without prior approval from the Commissioner of Administration. This is done for security reasons and to protect all cardholders.

Monthly reviews and inquiries, requested from the Office of State Travel, Division of Administration auditors, etc, to agency program administrators, must be answered in the time specified in the request. At this point, for monthly reviews, only justification is required for each transaction, along with program administrator and agency verification and determination that the transaction was for a business purpose and was in compliance with all state and agency card program policies, purchasing rules and regulations, statutes, executive orders and PPM49.

All cardholders, program administrators, CBA Administrators and cardholder approvers must sign the most current (See Attachment B) State of Louisiana Corporate Liability P-Card Program Agreement Form for the applicable program role on an annual basis. Agreements acknowledge and outline the applicable responsibilities under the program.

No P-card shall be issued to any agency program administrators, department head, CBA administrator or auditor or any other roles associated with administering, monitoring or reviewing the activities of the P-Card program, no employee, for travel allowances, whose state's individual liability travel card account has been revoked due to charge-offs and/or non-payment, as well as any non-state employees. If it is justifiable hardship for one of the above positions to not be allowed to possess a P-card, a written request must be submitted to the Commissioner of Administration including detailed justification as to why this is not feasible and what precautions will be taken to guarantee the security and validity of purchases. Specific approval from the Commissioner of Administration must be obtained prior to issuing a card to an individual serving in any of these roles.

The only exception regarding an employee possessing a card with a role in the program is a cardholder approver. However, in order for a cardholder approver to possess a p-card, monthly audit, sign-off in Workflow system (once implemented into Workflow), and all other responsibilities listed throughout this policy for a cardholder approver, must too be fulfilled by someone which is at least one level higher than the approver.

All transactions and supporting documentation must be, at a minimum, randomly audited, by a second party; either the agency's fiscal section or the agency program administrator.

It is strongly urged that agencies establish controls for pre and post approval of items purchased on the P-card.

Additional documentation steps, that are strongly recommended, which would strengthen controls in the review process include:

- Documenting the reason for the purchase (case number, project, etc.) on the receipt along with signature from cardholder and supervisor.
- Inventory type purchases (electronic, etc.) should have "received by" and a signature on packing slip or other shipping documentation to ensure that the purchase arrived and is accounted for at the agency.

Any recognized or suspected misuse of the p-card program should be immediately reported to the agency program administrator and may be anonymously, reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549 or for

additional information one may visit

<http://oig.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&nid=3&pnid=0&pid=4&catid=0>.

In the event that an agency/public post secondary entity fails to comply with the requirements for participation in the P-card Program, the result of noncompliance may be removal from the P-Card/CBA Program.

## 2. DEFINITIONS

**Account holder/ Cardholder** - terminology used to reference the employee that has been issued a P-Card.

**Agreement Form** – A form signed by a program administrator, cardholder and cardholder approver, annually, that acknowledges they have received required training from agency, completed the state’s certification requirement and received a passing score of at least 90, understands the P-Card Policies, both state and agency and accepts responsibility for compliance with all policies and procedures.

**Cardholder Enrollment Form** – A form that initiates the P-Card issuance process for the cardholder.

**Controlled Billed Account (CBA)** –a credit account issued in an agency’s name (no plastic cards issued). These accounts are direct liabilities of the State and are paid by each agency. CBA Accounts are controlled through an authorized administrator(s) to provide means to purchase any allowed transactions/services allowed in the current State Liability Travel Card and CBA Policy. Please realize that although other travel related charges are now allowed on the CBA account, the traveler should be aware that there is no plastic issued for a CBA to ensure that this will not impair his travel plans.

**Cycle** - the period of time between billings. For example, the State of Louisiana P-Card closing period ends at midnight the 5<sup>th</sup> of each month. Synonymous with “billing cycle”

**Cycle Limit** –maximum spending (dollar) limit a P-Card/CBA is authorized to charge in a cycle. These limits should reflect the individual’s purchasing patterns. These are preventative controls and, as such, should be used judiciously.

**Disputed Item** – Any transaction that was double charged; charged an inaccurate amount, or charged without corresponding goods or services by the individual cardholder.

**Electronic Funds Transfer (EFT)** – an electronic exchange or transfer of money from one account to another, either within the same financial institution or across multiple institutions.

**Electronic Signature** – An electronic sound, symbol or process attached to or logically associated with a record or executed or adopted by a person with the intent to sign the record.

**Fraud** – Any transaction, intentionally made that was not authorized by the cardholder or not for Official State Business.

**Incidental Expense** – if travel expenses have been approved by the Office of State Travel, these would be the expenses, incurred while traveling on official state business, which are not allowed on the state liability P-Card. Incidentals include, but are not limited to meals; fees and tips to porters, baggage carriers, bellhops, hotel maids; transportation between places of lodging/airport such as taxi; phone calls and any other expense not allowed in the State Liability Travel Card and CBA Policy.

**INTELLILINK** – Visa’s web-base auditing tool which is used to assist with monitoring and managing the agency’s card program usage to ensure that card use conforms to all policies and procedures.

**ISIS** – State of Louisiana’s integrated system used for accounting, financing, purchasing, and contracting functions.

**LaGov** – State of Louisiana’s newest integrated system used for accounting, financing, logistics, human resources, travel and data warehouse storage and reporting.

**Merchant Category Code (MCC)** – standard code the credit card industry uses to categorize merchants based on the type of goods or services provided by the merchant. A merchant is assigned a MCC Code by the acquiring bank.

**Merchant Category Code Group (MCCG)** – a defined group of merchant category codes. MCCGs are used to control whether or not cardholders can make purchases from particular types of merchants.

**Merchant** –a business or other organization that may provide goods or services to a customer. Synonymous with “supplier” or “vendor”.

**Policy and Procedure Memorandum 49 (PPM49)** –the state’s general travel regulations. These regulations apply to all state departments, boards and commissions created by the legislature or executive order and operating from funds appropriated, dedicated, or self sustaining; federal funds, or funds generated from any other source. <http://www.doa.louisiana.gov/osp/travel/travelpolicy.htm>

**Single Purchase Limit (SPL)** - the maximum spending (dollar) limit a P-Card is authorized to charge in a single transaction. The SPL limit may be up to \$5,000; however, this limit should reflect the individual’s purchasing patterns. These are preventative controls and, as such, should be used judiciously. Purchases shall not be split with the intent of and for the purpose of evading the P-Card single purchase limit set for cardholders.

**P-Card** - a credit account issued in an employee’s name. This account is the direct liability of the State and is paid by each agency. P-Card accounts are the preferred means of payment for purchases of goods and services. Also referred to as the LaCarte card and Purchasing Card.

**P-Card/ Billing Cycle Purchase Log** –Paper and electronic, once the agency has completed the implementation of Workflow, this log is used in the reconciliation process for purchases/services charged during the billing cycle. The log is used to document cardholder approval of purchases billed by matching the paper billing statement, received from the bank, to the log and the documentation obtained from the vendor(s). Approval of the log by the cardholder can either be by signature (paper log) or electronic signoff (through WORKS Workflow reconciliation). Likewise, the designated approver (supervisor of cardholder which is at least one level higher than cardholder) can either be by signature (paper) or electronic signoff (online in WORKS Workflow).

**Transaction** - a single purchase. A credit also constitutes a transaction.

**Transaction Documentation** –all documents pertaining to a transaction, both paper and electronic. The documentation is also used for reconciliation at the end of the billing cycle and is to be retained with the monthly reconciliation documentation for review and audit purposes. Examples of transaction documentation include, but are not limited to: itemized purchase receipts/invoices (with complete item descriptions, not generic such as “general merchandise), receiving documents, credits, disputes, and written approvals. If travel has been approved, documentation should also contain airline exceptions, justifications, approvals, travel authorization, travel expense, etc.

**WORKS** – Bank of America’s web-based system used for program maintenance, card/CBA issuing/suspension/cancellation and reporting.

**WORKS Workflow** – Bank of America’s online system that includes user profiles and transaction workflow. For ISIS and LaGov interfaced agencies, transactions are coded and interfaced to the ISIS/LaGov systems for payment monthly.

### **3. STATE CORPORATE LIABILITY P-CARD ADMINISTRATION RESPONSIBILITIES**

#### **A. OFFICE OF STATE PURCHASING AND TRAVEL RESPONSIBILITIES**

The State of Louisiana, Office of State Purchasing and Travel is responsible for the statewide contract administration of the Corporate Liability “LaCarte” Purchasing Card/CBA Program. The State Program Administrator will serve as a central point of contact to address all issues and changes necessary to the overall program, and coordinate such changes with the contractor, Bank of America.

The Office of State Purchasing and Travel will issue and maintain the State “LaCarte” Purchasing Card CBA Policy as contained herein. If the state’s policy or the program limits are changed statewide, a revised P-Card/CBA Policy will be issued by the Office of State Purchasing and Travel.

The Office of State Purchasing and Travel will approve agency participation in the program and identify the allowable Merchant Category Codes (MCC) and their limits, if applicable.

Travel merchants, including food merchants, are prohibited from individual employee use unless a request is made by an agency to support the use of travel and food merchants. The request, along with strict guidelines outlined in the agency policy in accordance with the current State Liability Travel Card and CBA Policy and current PPM49 guidelines, and the written approval by the Office of State Purchasing and Travel is required prior to any travel expense being allowed on the P-Card.

If travel allowances are requested for individual employee use, only MCC allowances outlined in the State Liability Travel Card and CBA Policy will be allowed. CBA accounts may now be opened to allow all MCC Codes/Groups outlined in the current State Liability Travel Card and CBA Policy. Procedures must be developed by the agency and included in policies regarding travel purchases. Please realize that although other travel related charges are now allowed on the CBA account, the traveler should be aware that there is no plastic issued for a CBA to ensure that this will not impair his travel plans.

The only travel exclusion which does not require State Purchasing and Travel approval is rental car allowances. At the agency's discretion, cardholders are allowed to use their P-Card for in-state rentals at Enterprise Rent A Car (MCC Code 3405), and for out-of-state rentals at Enterprise Rent A Car (MCC Code 3405), National Car Rental (MCC Code 3393) and Hertz Car Rental (MCC Code 3357).

Any waiver to this policy will be considered on a case-by-case basis and should be in writing on the exemption request form and forwarded to the Office of State Travel for approval.

This program does not allow cash withdrawals/transactions or any attempts for cash transactions, as cash is blocked from this program.

## **B. AGENCY/PUBLIC POST SECONDARY RESPONSIBILITIES**

Agency responsibilities include administration of its Corporate Liability P-Card/CBA programs, and compliance with state guidelines identified herein, any current Purchasing Policies, Rules and Regulations, Louisiana Statutes, Executive Orders and/or current State Liability Travel Card Policy and PPM49, if applicable.

The Department Head will be responsible for designating Agency P-Card/CBA Program Administrators and for immediately notifying the State Program Administrator at the Office of State Purchasing and Travel of any changes.

Agencies are responsible for developing policies documenting all internal procedures and ensuring that they are in accordance with the guidelines of the Corporate Liability P-Card/CBA Policy including a definition of split purchasing along with a statement that a single purchase shall not be artificially divided to avoid the SPL or procurement procedures. Policies should be updated as necessary with changes/additions which may occur in the Agency's internal procedures and/or State's Corporate "LaCarte" Purchasing Card Policy including updating of MCC Codes, as necessary, when provided by the Office of State Purchasing and Travel and Bank of America.

The Agency Program Administrator(s) will be responsible for keeping well informed of program updates, as they are sent as email updates, along with dissemination of this information to the Department Head, cardholders, CBA administrator, cardholder approver and any other agency personnel as deemed appropriate.

Agencies are responsible for performing post audits of cardholder transactions to monitor appropriate use while verifying that purchases are made in accordance with Corporate Liability “LaCarte” Purchasing and CBA Card Policy, all current purchasing policies, purchasing rules and regulations, Louisiana Statutes, Executive Orders, State Liability Travel Card and CBA Policy and PPM49, if applicable. The bank will provide reporting capabilities at no cost to each agency. Remember all transactions MUST have a receipt, both paper and electronic, once the agency has completed the implementation of Workflow. Electronic copies must be unalterable and readily available to auditors when requested. The agency is responsible for securing and archiving transaction data as required by the business operations of the agency. If using WORKS Workflow, data is available electronically for up to 3 years. If using Intellilink, data is only available for a 27 month rotating period. If an agency requires documentation retention more than stated above, it is the responsibility of the agency to obtain and archive the transaction data annually.

Monthly certifications that the procedures of audit section of this policy have been conducted must be submitted to the Office of State Travel. The certification will indicate that agency personnel administering the P-card Program has generated the required reports, all requirements listed in policy have been completed, and necessary findings have been investigated, documented and handled appropriately.

**In addition to establishing proper controls and agency’s procedures, agencies are responsible for:**

1. Determining appropriate cardholders and setting individual cardholder limits for single transactions, daily and/or cycle transaction limits. While we recognize certain business transactions require higher limits exceeding \$5,000 and may be granted by submitting a “Request for Exception Form” to the Office of State Purchasing and Travel for approval, agencies are cautioned when increasing SPL that best practice calls for the SPL to be limited to the lowest necessary SPL that is needed for the duties of that individual. The “Request for Exemption Form” would also be applicable to open any MCC Codes which are classified as either “P” for prohibited or “R” for restricted. It is also best practice to issue only one card per cardholder.
2. Monitoring for cardholder accounts which are not active and adjusting SPL’s and/or monthly cycle limits accordingly based on possible change in needs and cancellation of card, when not utilized in a twelve month period. A card may only remain active, if dormant for a 12 month period, by justification and approval from the Office of State Travel. If approval is granted, the card must be suspended and profile changed to \$1 limit until future need for activation. An example of the need for a card that may be dormant for 12-months is that the card is being maintained only for emergency situations.
3. Development of a purchasing card log used to assist in reconciliation process.

4. Developing procedures for travel allowances in accordance with State Liability Travel Card and CBA Policy, if requested by the agency and approved by the Office of State Purchasing and Travel.
5. Determining allowable merchant category codes based on individual needs and the State's allowances.
6. Educating program participants on state and agency policy requirements, procedures and allowances.
7. Educating program participants on use of the card sales tax requirements.
8. Maintaining budgetary controls.
9. Establishing procedures, as part of exit paperwork, to collect and cancel cards upon termination of the employee. Exit procedures include a review by the cardholder and supervisor and/or program administrator of all current charges on the account, verifying that all necessary supporting documents, receipts and required signatures have been obtained. Cards should be returned to the agency program administrator to cancel and destroy.
10. Educating cardholders on process of reporting a card lost, stolen and/or any fraudulent activity.
11. Requesting cards, users in WORKS and performing any maintenance necessary for agency cardholders. Issuing secure User ID's for each cardholder, approver, CBA administrator, accountant, auditors and agency program administrator in all WORKS applications if the online system is implemented.
12. Agency policy must specifically address how an employee's absence during approval process of transactions will be handled, especially once agency has implemented the WORKS Workflow system.
13. Monitoring the issuance of cards, ensuring prompt reconciliation of periodic statements.
14. Establishing procedures for reducing P-Card cardholders to \$1 limits or suspending the card during an extended absence and/or until the cardholder returns. This will be done to protect the cardholder and the agency during their absence.
15. Establishing and enforcing personnel policies to discipline employees in the event of abuse or failure to comply with established guidelines. Ensure that the consequences, outlined in the agency's policy are executed and all program participants are aware of the consequences of certain actions involving the P-card Program.
16. Developing procedures to cover both P-Card and T-Card, if approved, for recovering unauthorized charges and/or overage of allowances as defined in PPM49. If abuse, whether accidental for P-Card and T-Card such as travel incidentals, occurs more than twice, cancellation is strongly encouraged.
17. Developing procedures for state, city, parish tax reimbursement for unauthorized tax exempt purchases, including travel if approval is requested and granted. Also See State Liability Travel Card and CBA Policy.
18. Maintaining list of all agency cardholder's names.
19. Establishing agency Corporate Business Accounts (CBA's) and determining proper administrators/approvers. The contract travel agency must be notified of authorizers for each CBA account.
20. Annually, the department head, along with all cardholder approvers shall review cardholders, cardholder limits and ensure appropriate utilization. A file shall be maintained showing compliance with this requirement.

21. Develop procedures for online accounts, such as Amazon, PayPal, EBay, etc. These types of accounts, if necessary and allowed for use by an employee, must have a standalone business account or registration and must not be combined with an individual's personal account. By doing this, it allows the agency access to view the accounts online while verifying that all purchases were business related, email receipts were not altered and that all purchases are being delivered directly to the agency.

22. ISIS Accounting Interface Agencies:

Establish and assign default/override accounting codes for transactions not otherwise coded through the electronic online WORKS Workflow. There will be a default accounting code for each appropriated program that will consist of the fund/agency/organization/object combination. Coding will be assigned either through online allocation or through the application of override codes during export from BOA to ISIS. Default/override codes are assigned by Office of State Reporting and Accounting Policy (OSRAP) and are included in the export programming when no allocation coding is applied.

The Agency will be responsible for notifying OSRAP of all instances that will require a change in the agency's structure. The Agency will be responsible for updating user restrictions within its instance when using the WORKS Workflow.

Ensuring a clearing (PPPP) or override organization code is set up for each corporate account (ISIS Agency) for miscellaneous charges and for cardholder transactions that have an incorrect or missing) code.

ISIS Agencies will be responsible for reconciling cardholder statement (paper or electronic) to electronic payment (P3 P-Card Vendor Payment Voucher Input Form) and distributing costs from the default/override accounting codes to the proper accounting codes. ISIS Agencies must notify OSRAP immediately of any discrepancies.

23. NON-ISIS Accounting Interface:

Agencies will assign codes specific to their accounting system. These assigned account numbers will track purchases as deemed necessary.

24. Non-Interface Agencies:

For any agency not receiving an interface into their accounting system, it will be the agency's responsibility to ensure that the reconciliation is completed and payments are paid in full, timely each month, with ONE electronic funds transfer (EFT) to Bank of America.

25. LaGOV Agencies:

Establish and assign default accounting codes for each cardholder in WORKS. The Agency will be responsible for maintaining the Accounting Code and the cardholder defaults when there is a change in the agency's structure.

WORKS will be set to validate accounting codes. When there is a timing issue that results in a transaction being interfaced with an accounting code that is no longer valid in LaGov, the transaction will post to a default fund/cost center.

### **C. Supervisor/Approver Responsibilities**

1. Obtain annual approver certification through the State's online certification training program in which a passing grade of at least 90 must be obtained.
2. Obtain agency program training and sign an Approver Agreement Form, annually, with originals given to agency program administrator along with approver receiving a copy.
3. Obtain, review and understand the state and agency policies and all applicable rules, regulations, policies, procedures, guidelines, statutes, executive orders and PPM49, if applicable.
4. Keep well informed of program updates as sent from agency program administrators or anyone associated with the State Liability P-Card Program.
5. Ensure that a log is completed by each cardholder, that the log corresponds with the monthly billing statement and that the log and statement are signed by both approver and the cardholder.
6. Always submit approvals with all necessary documentation including complete line item descriptions where generic description is on receipts such as "general merchandise" (both paper and electronic) in a timely manner.
7. Ensure that supporting documentation, including the signed log or approved electronic log and signed statement, by both approver and the cardholder, along with any findings and justifications are sent to the agency's fiscal office for review, where the documentation will be maintained in one central location, in accordance with the state's requirements and the agency's policy.
8. Immediately report any fraud or misuse, whether actual, suspected or personal charges to the agency program administrator, as well as, agency head and other personnel/agencies as required. An approver will participate in any disciplinary actions which may be deemed appropriate, if necessary.
9. Notify an agency program administrator, immediately, upon separation, change in department/section or during extended leave for any cardholders in which you are the approver.
10. Complete an exit review, with the cardholder, of the cardholder's transactions, supporting documentation and receipts, as well as, obtaining necessary signatures prior to departure.
11. Ensure that the P-Card is obtained from the employee upon separation or change in department/section and return card to agency program administrator. Ensure that agency program administrator makes necessary changes to cancel the card and to remove approver as the employee's approver and/or employee from the list of cardholders for which approver is responsible.
12. Ensure that either approver or the cardholder notifies the agency program administrator if card is lost, stolen or has fraudulent charges. Ensure the cardholder immediately notifies the bank as well.
13. Review, at a minimum annually, all cardholders which approver is designated as an approver along with profile limits to ensure appropriate utilization of the card and program intent. This will ensure that all cardholders limits, MCC Codes, etc., are working properly for the cardholder. If limits or codes are not allowing the cardholder to perform his duties, then approver should contact the agency program administrator to make necessary adjustments.
14. Ensure that cardholder is never a final approver of his own monthly transactions.
15. Ensure each transaction, to the best of approver's knowledge:
  - Has an appropriate business purpose, fits the cardholder's business needs, and is audited including a review of all supporting documentation.

- Is in compliance with all current purchasing rules and regulations, statutes, executive orders, policies and PPM49, if applicable.
  - Is in compliance with the agency's policy and the State's Corporate Liability P-Card/CBA policy and State Liability Travel Card and CBA Policy, if applicable.
  - Does not include state tax, as this program is state tax exempt.
  - Includes all required and complete documentation, including a detailed receipt, supporting the transaction and all documentation is scanned into Workflow and tied to the appropriate transactions.
  - Is not a duplication of personal request and/or reimbursements, if for travel related expenses.
  - Has been verified to ensure that each transaction has a receipt and the receipt's date, supporting documentation and documentation dates, along with the log dates, correspond with known business needs or trip allowances and dates, if applicable and travel has been approved, along with program cycle dates (which begin the 6<sup>th</sup> of one month and ends the 5<sup>th</sup> of the following month).
  - Has been coded properly for payments as outlined in the agency policy and procedures and as required in Workflow for ISIS and LaGov interfaced agencies.
16. Secure all assigned WORKS application User IDs and passwords. Never share User ID and passwords and/or leave the work area while logged into the system or leave log-in information lying in an unsecure area.
17. Understand that failure to properly fulfill responsibilities as a P-card approver could result, at a minimum, in the following:
- Written counseling which would be placed in employee file for a minimum of 12 months.
  - Consultation with agency program administrators, and possibly head of agency and internal audit section.
  - Disciplinary actions, up to and including termination of employment.
  - Legal actions, as allowed by the fullest extent of the law.

#### **D. Audit Reports**

Attachment A contains a list of reports created for agencies to use for monthly audit requirements of this program through WORKS and Intellilink. Some reports are required to be generated and reviewed at least once a month, while others have been created and designed as added value to assist in policy compliance. Although all of the reports are not required monthly, agencies are strongly encouraged to determine which of the reports are of the most value to them and should consider rotating them, at a minimum every other month.

When running these reports, it is the agency's responsibility to not only review the data gathered, but to make certain that transactions are for a business purpose and have a legitimate business need for the cardholder. In the event that a transaction is being investigated, the cardholder must explain and justify the transaction being questioned. Based on the cardholder's explanation, the agency should address the situation accordingly.

All documentation/findings/replies, resulting from the monthly audit of P-card transactions, are to be centrally located and readily available for any internal or external audits that may occur. Most reports listed in Attachment A are available through VISA Intellilink. Intellilink's data is available for a 27 rotating month period. If an agency

requires documentation retention for more than 27 months, it is the responsibility of the agency to obtain and archive the transaction data accordingly.

Monthly certification that the above procedures have been conducted must be submitted to the Office of State Travel. The certification will indicate that agency personnel administering the P-card program have generated the required reports, all requirements listed in the policy have been completed, and necessary findings have been investigated, documented and handled appropriately.

In addition, reports shall be used as a tool to assist the agency program administrator/agency with determining which cardholders may need a refresher training course, re-certification of the state's online training, counseling, cancellation of card, due to inaccuracies, etc., as well as, to determine possible changes to cardholder's limits, profiles, and MCC groups.

When WORKS Workflow implementation has been completed, a Billing Cycle Purchase Log report will be available for print. It is an un-editable, PDF, formatted report. The WORKS Workflow system data is generated at the time of report request with the most current signoff information with the date and time stamp of the approval captured in the audit tracking along with all documentation which has been scanned to support P-card transactions and tied to the appropriate transaction. Always ensure that the correct cycle period/dates are entered when printing the log report. Cycle dates for the program begin on the 6<sup>th</sup> of one month and ends on the 5<sup>th</sup> of the following month.

Once an agency has implemented WORKS Workflow, there are additional reports that can be created to give cardholder approvers, accountants, agency program administrators, auditors, and management information to monitor the compliance of their cardholders and staff. Data is available electronically within WORKS Workflow for up to 3 years. If an agency requires documentation retention for more than 3 years, it is the responsibility of the agency to obtain and archive the transaction data annually.

#### **4. POLICY REQUIREMENTS**

##### **A. STATE CORPORATE LIABILITY P-CARD ACCOUNT REQUIREMENTS/GUIDELINES**

1. All P-Card transactions must have a detailed receipt, not a generic description such as "general merchandise" or should be fully documented elsewhere, (both paper and an un-editable electronic form, once an agency has implemented Workflow) and must be in accordance with Purchasing Policies, Rules and Regulations, Louisiana Statutes and/or Executive Orders, Corporate Liability "LaCarte" Purchasing Card Policy, as well as, State Liability Travel Card and CBA Policy and PPM49 guidelines, if applicable, <http://www.doa.louisiana.gov/osp/travel/travelpolicy.htm> .

2. Necessary training should be conducted to ensure that all program participants, such as program administrators, cardholders, CBA administrators, cardholder approvers, and any other applicable personnel that has a role in administering this program, is aware of all duties and responsibilities associated with possession/use of a State Corporate Liability P-Card. Agency program administrators shall maintain the annual, original signed agreement form for the State of Louisiana Corporate Liability P-Card Program for all participants of the P-Card Program. A copy of the signed agreement along with the state and agency policies, or a link to all policies, procedures, rules, regulations, executive orders and PPM49, if applicable, shall be provided to the program participant.
3. Cardholders must be approved by appropriate agency authority and distributed only to frequent purchasers/travelers, based on the request of a supervisor, manager or department head, not as an automatic process upon hiring.
4. All program participants must attend agency training. Participants must receive state's online certification, achieving a score of at least 90 and sign an agreement form applicable to the employee's role in the program, acknowledging responsibilities. Both of these requirements are due annually.
5. All P-Cards are issued with corporate liability, under which the state is liable for the cost of the purchases. The program is based on the strength of the State's financial resources, not the personal finances of the cardholder.
6. Due to State Liability, Corporate P-Cards are to be issued in the name of State of Louisiana employees only.
7. P-Cards will be issued with dual limits, at a minimum. The overall card cycle limit determined by the agency, and a SPL limit up to \$5,000, also determined by the agency. These limits should reflect the individual's purchasing pattern. These are preventative controls and, as such, should be used judiciously. Exceptions to the SPL may be requested from the Office of State Travel with a P-Card exemption request form.
8. Default/override accounting codes must be assigned if the agency has created an interface with the accounting system.
9. State Corporate Liability P-Card is a VISA Card and will be identified with the State of Louisiana seal and marked Louisiana "LaCarte". The cards will be white and embossed with the Employee's name, department name, account number and tax exempt number.
10. Expiring P-Cards will automatically be replaced/renewed prior to the P-Card's expiration date by the issuing bank. All replacement/renewed cards will be sent to the agency's program administrator for proper distribution and all cardholders must have re-certification from the state's online training class achieving a passing score of 90 prior to receiving the renewal p-card.

## **B. DECLARED EMERGENCY USE**

In the event the Governor declares a state of emergency, the P-Card may be changed to allow higher limits and opening of certain MCC codes for essential employees who are cardholders that would be active during an emergency situation and not for ALL cardholders. An emergency profile must be created in WORKS which shall not exceed the following limits, without prior approval from Office of State Purchasing and Travel: SPL (single purchase limit) \$25,000, Travel and Rest MCC Groups may be removed if determined to be necessary for group accommodations however, the Cash MCC Group must remain attached to the profile at all times, as the use of cash is never allowed, even during emergency situations.

Higher limits do NOT eliminate the need to follow emergency procurement rules, policies, procedures and/or executive orders.

It is the Agency Program Administrator's responsibility to ensure that all cards are returned to their original profile once the emergency declaration has expired and/or when higher emergency limits are no longer necessary.

**C. INDIVIDUAL P-CARD CARDHOLDERS SHALL:**

1. Use P-Card for official state business only. No personal use. P-Card is limited to the person whose name is embossed on the card. The P-Card shall not be used to pay for another or loaned to another person to pay for official or non-official business expenses.
2. Attend required agency training and sign a State Corporate Liability Cardholder Agreement Form, annually, acknowledging cardholder's responsibilities prior to receiving the card.
3. Obtain annual cardholder certification through the State's online certification training program receiving a passing grade of at least 90 prior to possess or continuing to possess a State of Louisiana P-Card.
4. Never include the full P-Card account number in emails, fax, reports, memos, etc. If an account number is necessary, only the use of the last four or eight digits of the account number is allowed.
5. Secure assigned WORKS application User IDs. Never share User ID and password and/or leave work area while logged into the system or leave log-in information lying in an unsecure area.
6. Recognize that the P-Card is the property of the State of Louisiana and the cardholder is responsible for the physical security and control of the P-Card and its appropriate use. The Cardholder is also responsible for maintaining the security of card data such as the account number, the expiration date, and the card verification value (CVV), the 3-digit security code located on the back of the card.
7. Never send a copy of the P-Card if requested by a merchant. If this is required for payment, then the cardholder must use another form of payment other than the State Liability P-Card.
8. Never use an individual P-Card for personal, non-business expenses for any reason.
9. Never pay taxes on purchases with this card, since it is a state liability. See Section 6.
10. Never, under any circumstances, use the P-Card to access or attempt to access cash.
11. Never accept cash in lieu of a credit to the P-Card account.
12. Never use P-Card for gift cards/gift certificates, without prior approval from the Office of State Purchasing and Travel, as they are considered cash and taxable.
13. Never use P-Cards to avoid procurement or payment procedures.
14. Never use the P-Card for the purchase of alcohol, food, travel expenses or entertainment services without obtaining prior written permission from the Office of State Purchasing and Travel. If requested and approved, all travel expense transactions must be in accordance with the current State Liability Travel Card and CBA Policy and current PPM49 guidelines. The only exceptions are vehicle rentals. See Section 3.A.

15. Never use P-Card for fuel or vehicle maintenance if agency is part of the Fuel Card and Maintenance Program. However, in the event that the fuel program is not covered in a certain geographic area, then the P-Card may be used, and documentation of the transaction should be maintained indicating the reasons why a fuel card could not be used.
16. Submit all required transaction documentation (both paper and un-editable electronic format, once Workflow has been implemented), special approvals, etc., timely and in accordance with their agency's internal policy. Remember, every transaction must have a receipt with a full description, not a generic description such as "general merchandise" or item should be fully documented/described elsewhere (both paper and un-editable electronic format, once Workflow has been implemented). Failure to do so should result in cancellation of P-Card. All paper supporting documentation, including the signed log or approved electronic log and signed memo statement, along with any findings and justifications is to be scanned into Workflow and tied to each applicable transaction. All mentioned above, will be sent to the supervisor/approver for required audit and signatures, and forwarded to the agency's fiscal office for review and file maintenance.
17. **NEVER MAKE A PAYMENT DIRECTLY TO THE BANK** in the event that an unauthorized charge is placed on the individual's state corporate liability P-Card. Making a payment directly to the bank will cause the monthly statement billing file to be out of balance, and the agency will have to determine the cause. Ultimately, it will be determined that a personal payment was made. In order to avoid this situation, report any unauthorized charges to the agency's program administrator immediately, along with decision on how the funds will be reimbursed back to the agency.
18. Notify the agency's program administrator if fraudulent charges are noticed, as the card may need to be cancelled and another card issued.
19. Notify the agency's program administrator if use of a card has changed and lower or higher limits are necessary.
20. Immediately report a lost or stolen card by calling Bank of America at 1-888-449-2273.

#### **D. STATE CORPORATE BUSINESS ACCOUNT (CBA) REQUIREMENTS/GUIDELINES**

1. All CBA transactions must be in accordance with PPM49 guidelines, <http://www.doa.louisiana.gov/osp/travel/travelpolicy.htm>, State Liability Travel Card and CBA Policy, <http://www.doa.louisiana.gov/osp/travel/corptravelcard/travcard-cbapolicy.pdf>, Purchasing Policies, Rules and Regulations, Louisiana Statutes and/or Executive Orders <http://www.doa.louisiana.gov/osp/osp.htm>.
2. The purpose of a CBA is to provide a tool for agencies to purchase airfare, conference registrations and assist with payment of high dollar travel expenses only, as per current State Liability Travel Card and CBA Policy. Please realize that although other travel related charges are now allowed on the CBA account, the traveler should be aware that there is no plastic issued for a CBA to ensure that this will not impair his travel plans.

3. The account(s) are issued in the name of the agency and the agency program administrator is the primary point of contact for administering the accounts. The agency may designate an administrator/authorizer per account. Each administrator has the same duties, obligations and responsibilities as a cardholder, as outlined throughout this policy specifically section 4.C. The contract travel agency must be notified of authorizers for each CBA account.
4. CBA account(s) shall have an overall card cycle limit determined by the agency. These limits should reflect the agency's travel patterns. Therefore, these limits must be judiciously established by the agency and adhered to accordingly. The agency Program Administrator may establish a new or additional CBA account through Bank of America's on-line system, WORKS.
5. The CBA accounts are the direct liability of the State. Each agency is responsible for ensuring all accounts are paid timely and in full each month with ONE electronic funds transfer (EFT) to Bank of America.
6. CBA accounts do not allow issuance of a plastic card. These are referred to as ghost accounts. If it is determined that personal or other unauthorized charges are occurring on the CBA account, appropriate steps, up to and including dismissal, shall be taken to resolve the misuse/abuse of the account. See Section 5, Card Misuse.
7. The full CBA account number shall never be included in emails, fax, reports, memos, etc. If an account number is necessary, only the use of the last four or eight digits of the account number is allowed.

## 5. CARD MISUSE

- A. FRAUD PURCHASES** - any use of the P-Card/CBA which is determined to be an intentional attempt to defraud the state for personal gain or for the personal gain of others.

An employee suspected of having misused the P-Card/CBA with the intent to defraud the state will be subjected to an investigation. Should the investigation result in findings which show that the actions of the employee have caused impairment to state service, and should those findings be sufficient to support such action, the employee will be subject to disciplinary action. The nature of the disciplinary action will be at the discretion of the Entity's Appointing Authority and will be based on the investigation findings and the record of the employee. Any such investigation and ensuing action shall be reported to the Legislative Auditor, the Office of Inspector General and the Director of the Office of State Purchasing and Travel.

- B. Non-Approved Purchase** – a purchase made by a State cardholder for which payment by the state is unapproved. A non-approved purchase differs from a fraud purchase in that it is an unintentional misuse of the P-Card/CBA with no intent to deceive the agency for personal gain or for the personal gain of others.

A non-approved purchase is generally the result of a miscommunication between a supervisor and the cardholder. A non-approved purchase could occur when the cardholder mistakenly uses the P-Card/CBA rather than a personal card.

When a non-approved purchase occurs, the cardholder should be counseled to use more care in handling of the P-Card/CBA. The counseling should be in writing and maintained in the employee's file for no longer than one year unless another incident occurs. The

employee should be made to pay for the item purchased inappropriately. Should another incident of a non-approved purchase occur within a 12-month period, the Entity's Appointing Authority should consider revocation of the P-Card/CBA.

Consequences for either type of purchase mentioned above must be clearly documented in the agency policy and fully executed when applicable.

### **C. MERCHANT FORCED TRANSACTIONS**

Commercial cards are accepted by a variety of merchants that process transactions only if approved by the issuing bank thereby abiding by the card controls in place. Merchant transactions are processed using one of the 2 steps as follows:

1. Merchants process transactions against card controls (MCC, limits, expiration date, etc.) and, if approved, receive an authorization number.
2. Merchants submit the transactions for payment from the bank.
  - In rare instances, merchants will circumvent the authorization process and only perform step 2. This means that the merchant didn't process the transaction against the card controls and therefore did not receive an authorization number.
  - If this happens, the merchant has forfeited all dispute rights and the transaction can be disputed and unless the merchant can provide a valid authorization number, the dispute will be resolved in the cardholders favor.

### **D. CARD AND WORKS USER ID/PASSWORD SECURITY**

Each cardholder, CBA administrator, agency program administrator, auditor, cardholder approver, etc is responsible for the security of their card, User ID(s) and password(s), and therefore should:

- Never display their Card Account Number, WORKS and WORKS Workflow User ID numbers and passwords around their work area.
- Never share User IDs and passwords and/or leave work area while logged into the system or leave log-in information lying in an unsecure area.
- Never give his or her Card Account Number, User IDs or passwords to someone else.
- Never **email** the full account numbers or User ID numbers or passwords under any circumstances

## **6. SALES TAX**

- A. P-Card/CBA charges are a direct liability of the State; therefore, Louisiana State sales tax should not be charged on card purchases.
- B. Cardholders should make every effort at the time of purchase to avoid being charged Louisiana State sales tax.
- C. In the event state sales tax is charged and a credit is warranted, it will be the cardholder's responsibility to have the vendor-merchant (not Bank of America) issue a credit to the cardholder's account.

- D. It is State Policy not to pay Louisiana State sales tax; however, agencies may exempt cardholders from obtaining a credit from the vendor-merchant for state sales tax charges of \$25 or less. If a cardholder continually allows taxes of \$25 or less to be charged to the card, corrective measures must be taken. It is the Agency's responsibility to monitor these sales tax transactions to ensure corrective action is taken against repeat offenders.
- E. See current State Liability Travel Card and CBA Policy for state related travel exemptions <http://www.doa.louisiana.gov/osp/travel/corptravcard/travcard-cbapolicy.pdf>.

## **7. 1099 REPORTABLE VENDORS**

For this program, 1099 reporting responsibility is assumed by VISA.

## **8. DOCUMENTATION**

### **A. COMPLETE DOCUMENTATION**

1. Ensure that documentation is adequate and sufficient to adhere to current purchasing policies, rules, regulations, statutes, executive orders, State Liability "LaCarte" Purchasing Card and CBA Policy, for recording of expenditures in the State/Agency accounting system and the State Liability Travel card and CBA Policy and PPM49, if applicable. Once an agency has completed implementation of WORKS Workflow, the agency must ensure that all supporting documentation along with receipts are scanned and attached to each corresponding transaction. Agencies should ensure that immediate supervisors/approvers are verifying and ensuring that these controls are being met and that transactions are appropriate, accurate, have a business case and business need for the purchase, all receipt dates and other supporting documentation dates are applicable with known need or business travel, if applicable, and approved. Documentation of approval must be accomplished by a signature on a paper P-Card log, and once agency has completed Workflow implementation, electronically online by signing off on the transaction. Approval by the approver certifies that the documentation is acceptable for each transaction, that it was for official state business, that it is in compliance with appropriate rules and regulations, etc., as mentioned above and that it has been reviewed and is approved.
2. Documentation is required for all purchases and credits. For items purchased over the counter, the cardholder should obtain the customer copy of the receipt. When ordering by telephone, fax, or computer, the cardholder must obtain a packing list or similar document. For items such as registrations, where the vendor does not normally generate a receipt or packing slip, a copy of the ordering document may be used. Acceptable documentation must include a line description, with full description not a generic "general merchandise" description, and line item pricing for the purchase. Electronic receipts are allowed if they are un-editable and are maintained in compliance with the agency retention policy.
3. For internet purchases, the print out of the order confirmation showing the details, or the printout of the order details, or the shipping document if it shows what was purchased, the quantity and the price paid suffice for the itemized receipts.

4. When the electronic Workflow in WORKS online system is implemented, the cardholder is issued a unique login User ID number, along with a password. Immediate supervisors or designated approvers are to utilize their unique User ID and password to certify and electronically signoff on each transaction. (See Section 5.D) Audit trails exist within the software with date and time stamps for sign-offs and approvals.
5. The agency cardholder approvers will forward all supporting documentation along with invoices, receipts and signed paper or approved electronic log, by both cardholder and approver, and signed statement, by both cardholder and approver, and any findings and justifications to the agency's fiscal office for review and for maintenance of the files in accordance with record retention laws. This file must be centrally located in the agency's fiscal office and will be subject to review by the Office of State Purchasing and Travel, the Louisiana Legislative Auditors Office and any other duly authorized auditor.
6. All system entries and scanned supporting documentation, when utilizing Workflow and electronic approvals are maintained electronically within the WORKS Workflow online system for up to 3 years. If an agency requires documentation retention for more than 3 years, it is the responsibility of the agency to obtain and archive the transaction data annually.

#### **B. INDIVIDUAL CORPORATE LIABILITY P-CARDS**

If a request is made and approval granted for the P-Card to be used for travel expenses, it will be each cardholder's responsibility to submit their travel expense form and all required transaction documentation (both paper and un-editable electronic, once implemented into Workflow), special approvals, etc., timely and in accordance with their agency's internal policy to help ensure it is paid timely by the State.

#### **C. CORPORATE BUSINESS ACCOUNTS (CBA)**

Administrators for the CBA accounts will maintain records / approvals sufficient to reconcile the CBA statement to ensure it is paid timely by the State. Each CBA administrator and the approver is responsible for ensuring that documentation is adequate and sufficient to adhere to all rules, regulations, laws, statutes, policies, PPM49 guidelines and Accounting guidelines for recording of expenditures. CBA administrators must have an approver who is a supervisor at least one level higher than the CBA administrators. CBA administrators are to follow all individual cardholder procedures, trainings and certifications, rules, regulations, guidelines, as outlined in this policy and the agency policy, including forwarding signed log or approved electronic log, by both administrator and approver, signed statement, by both administrator and approver, and supporting documentation to agency's fiscal office for review and file maintenance.

### **9. PAYMENT PROCEDURES FOR INDIVIDUAL P-CARD, CBA AND EVP ACCOUNTS**

#### **A. PAYMENT PROCEDURES**

The Agency will ensure that necessary procedures and controls are in place for prompt payment, reconciliation and cost distribution of charges and credits. Agency specific policies and procedures must be developed. These policies should address required approvals and authorizing procedures. Copies of this policy must be made available to all program participants and other personnel responsible for P-Card/CBA.

1. Bank of America will send paper statements and/or an electronic file containing all cardholder transactions. These files may be used for reporting and reconciliation.
2. The paper statements and the electronic Statement Billing File, when applicable, will be sent after the close of the billing cycle. Payment must be made electronically to Bank of America within 25 days of statement billing date.

#### **B. ISIS INTERFACE AGENCY**

1. The billing cycle for all ISIS Agencies end on the 5th of each month. The Statement Billing File will be used for ISIS Agencies to create a P3 (P-Card Vendor Payment Voucher Form) and interface to AFS. This document will use either the allocated general ledger coding entered or the default/override accounting codes assigned to the transaction at the time of interface between Bank of America (BOA) and ISIS. The interface will automatically create the P3 document each month. No action is required by ISIS Agencies for payment. For agencies that have implemented the WORKS Workflow system for an electronic reconciliation process, the agency will designate those employee(s) tasked with maintaining the user data, as well as those that will be responsible for maintaining the general ledger coding restrictions within WORKS Workflow.
2. The P3 document will override budget checks and cash checks in AFS and must produce an electronic funds transfer (EFT) to be sent to Bank of America. The EFT request will be processed on the 25th of each month to allow for timely payments throughout the year.

#### **C. NON-ISIS INTERFACE AGENCY**

1. Agencies can use the Statement Billing File to interface to their accounting system through WORKS Workflow or use paper statements and must produce ONE electronic funds transfer (EFT) to Bank of America.

#### **D. LaGOV AGENCY**

1. The billing cycle for all LaGov agencies will end on the 5th of each month. The Statement Billing File will be used to create summary invoices that post the liability to Bank of America's vendor account. The interface will automatically create the invoice documents each month. No action is required by LaGov agencies for payment to occur. Agencies will designate program administrators tasked with maintaining the master accounting code for each cardholder within WORKS.

2. The invoice document must produce an electronic funds transfer (EFT) to be sent to Bank of America. The EFT will be processed on the 25th of each month to allow for timely payments throughout the year.

#### **E. EVP PAYMENTS**

1. Each workday, AFS creates EFTs for the vendor payments scheduled for that day. EFTs payable to vendors that participate in EVP are sent to BOA for payment via the vendor's virtual credit card. Journal vouchers (J5) are created and processed each day to account for the deferred disbursement of cash. The billing cycle for all ISIS agencies ends on the last day of each month. On the 20<sup>th</sup> day of the month (or the immediately preceding work day, if the 20<sup>th</sup> is a non-work day), information provided by BOA/WORKS concerning EVP payments that have been drawn by vendors during the billing cycle is used to create journal vouchers (J5) that reverse the earlier J5s and payment vouchers (P5) that initiate a corresponding EFT payment to BOA that same day. The P5 documents will override budget checks and cash checks in AFS. No action is required by ISIS agencies for this payment, unless a P5 document is rejected when processed by ISIS. Timely correction of rejections will be necessary to insure payment to BOA by the payment due date on the 25<sup>th</sup> of the month.

### **10. RECONCILIATION AND COST DISTRIBUTION**

- A. Documentation must be obtained indicating the date of purchase/service, the vendor name, complete description of the item, not a generic description such as "general merchandise", purchase amount, and receipt date. For agencies that have already implemented WORKS Workflow cardholder/approver/accountant would enter accounting distribution information for fund/agency/organization number and object as these would all be required in the online Workflow system. Reporting category sub object and activity are optional. Agencies that have not implemented Workflow, may continue to use a paper log, pertinent accounting information may be recorded on the "P-Card Log" or recording information directly on the receipt from the vendor for each purchase, service and/or credit made with P-Card/CBA. Agency policy will determine who provides this information and how it is transmitted to the accounting department. All supporting documentation including receipts must be scanned into Workflow, tied to the transaction with original documentation forwarded, including signed paper log or approved electronic log, by both the cardholder and approver; the signed memo statement, by both cardholder and approver, along with any findings and justifications, to the agency's fiscal office for review and maintenance of files.
- B. Cardholders will receive paper billing statements monthly from Bank of America within approximately 5 business days of the close of the billing cycle. If the cardholder statement is not received timely, the cardholder must notify the agency program administrator immediately so that a statement can be obtained for reconciliation purposes. If the agency has completed the implementation of the WORKS Workflow online system, a paper billing statement is not required to review and approve the transactions. Transactions are available for processing online as soon as the transaction posts to the online site.

- C. The cardholder must reconcile purchases/services charged during the billing cycle by matching the bank billing statement to his P-Card log/record, until the agency has implemented Workflow, or using the WORKS Workflow online system and the documentation obtained from the vendors. The documentation (both paper and uneditable electronic, once implementation into Workflow has been completed) will be reviewed and certified by the cardholder as received or reported as a disputed item. Once Workflow has been implemented, the cardholder must scan all supporting documentation, receipts, etc., into Workflow and tie each scan to the applicable transaction. The cardholder then forwards all supporting scanned documentation to his immediate supervisor/approver. For agencies that have completed implementation of the WORKS Workflow system, when a cardholder approves a transaction online, his signoff moves the transaction to the queue of their approver.
- D. The immediate supervisor approver, who is to be at least one level higher than cardholder, must review the information and documentation entered and scanned into Workflow, and submitted by the cardholder. The approver, to be determined by each agency who should be an immediate supervisor and at least one level higher than the cardholder, must verify that acceptable complete documentation exists (both paper and uneditable electronic, once Workflow has been implemented) to support each purchase, service and/or credit, verify that purchases are for official state business, and that purchases/services complies with any current Purchasing Policies, Rules and Regulations, Louisiana Statutes, Executive Orders, State Corporate Liability "LaCarte" Purchasing Card Policy, State Liability Travel Card and CBA Policy and/or PPM49, if applicable, as all must be followed during the use of the LaCarte Purchasing Card and this policy . The immediate supervisor approver must sign the P-Card log or electronically approve, once Workflow has been implemented, along with the signing of the memo statement certifying his review and approval. While multiple transactions can be signed off at one time by selecting more than one transaction, it is the Approver's responsibility to verify the validity of each transaction. **The cardholder shall never be the final approver of his own monthly P-Card log/online transactions.** All supporting documentation, including the signed log or approved electronic log and signed memo statement, by both cardholder and approver, along with any findings and justifications, must then be forwarded to the agency's fiscal office for review and maintenance of the file.
- E. Once all approvals and audits by cardholder approvers have been obtained and forwarded to the agency's fiscal office, the agency's fiscal office must review receipts in the program journal vouchers to correct any necessary coding changes. All documentation must then be housed in the agency's fiscal office.
- F. **It is crucial that all supporting documentation, including approval document(s), etc., be sent to the agency's fiscal office and be maintained in one central location available to auditors and not scattered within different locations.**
- G. If it is determined that personal or other unauthorized charges are occurring on the card, appropriate steps, up to and including dismissal, shall be taken to resolve the misuse/abuse of the card. (See Section 5; Card Misuse)

- H. Upon notification by the immediate supervisor/approver that the cardholder reconciliation has been approved, the accounting section will ensure that the charges are distributed to the appropriate accounting codes.
- I. It is the responsibility of each agency to contact the Bank if a paper statement is not received timely. Agencies should complete the reconciliation and distribution processes each month and prior to receiving the next billing cycle.

**J. ISIS INTERFACE AGENCY**

1. ISIS Accounting sections must review the P3's immediately upon their posting and determine if any discrepancies exist between the billing statement and the P3's. If a discrepancy does exist, the agency Accounting department should contact the agency's program administrator and/or Bank of America Account Specialist to determine how the discrepancy will be corrected. Once this information is received, Accounting must contact OSRAP (225) 342-1053. OSRAP will then determine if manual P3's have to be developed. This must take place prior to the 25<sup>th</sup> of each month.
2. Miscellaneous charges made to the corporate account must be reviewed, approved and reconciled. Miscellaneous charges will either default to the PPPP code or the override code from WORKS Workflow will be applied. Agency accounting departments must move these charges to the proper ORGN.
3. If a cardholder's spending defaults to PPPP or the override code programmed in WORKS Workflow, rather than their correct ORGN, an error has occurred. The P-Card exceptions report and the 1G08 report of detailed transactions can be used to determine the reason for a cardholder's spending or coding the transaction to the default PPPP or to some other incorrect code. The agency program administrator / accounting department must take steps to resolve the items on the report by contacting the bank and OSRAP if necessary to correct the routing error. This should be done prior to receiving the next month's statement to prevent reoccurring errors. Cardholders who repeatedly have allocation errors should be counseled and retrained if necessary on the WORKS Workflow process and coding.
4. ISIS Agencies will prepare a journal voucher document (J6 or J2 or create a REJ6 record to automatically generate the J6 each month) to credit the default accounting codes (P-Card clearing organization and object) and debit the appropriate organization, object, reporting category, etc. Note: Payment for all ISIS Agencies will be made automatically on the 25<sup>th</sup> of each month regardless of the status of the reconciliation process.
5. ISIS Agencies must reconcile the billing statement at the corporate account level to the electronic payment made to Bank of America. All charges and/or credits should be cleared from the P-Card clearing organizations each month for ISIS Agencies.

**K. NON-ISIS AGENCIES:**

All charges made to the corporate account must be reviewed, approved and reconciled. Agencies will reconcile and distribute costs to their accounting system in a timely manner and according to agency policies and procedures. Note: reconciliation may take place before or after payment for Non-ISIS Agencies but payment shall be timely and in full each month, with ONE electronic funds transfer (EFT) to Bank of America.

## **L. LaGOV AGENCIES**

LaGov Accounting sections must review the Statement Billing File (SBF) invoice postings to determine if there are discrepancies between the billing statement and the SBF file invoice postings. If a discrepancy exists, the agency Accounting department should contact the agency's Program Administrator. The Program Administrator will work with their Bank of America Account Specialist to determine how the discrepancy will be corrected. The agency Accounting department will make the appropriate entry in LaGov to correct the discrepancy. This must take place prior to the 25<sup>th</sup> of each month.

Charges made to the corporate account must be reviewed, approved, and reconciled. The charges will post based on the default assigned in WORKS. The agency Accounting department must move these charges to the appropriate account assignment values (GL/Business Area/Fund/Cost Center, etc.).

If a cardholder's transaction posts to the default fund/cost center defined in LaGov, then an error has occurred. The Interface error report may be used to identify the reason the transaction posted to the default. The agency Program Administrator and/or accounting department must take steps to resolve the items on the report. This should be done prior to receiving the next month's statement to prevent reoccurring errors. Cardholders who repeatedly have allocation errors should be counseled and retrained, if necessary, on the WORKS coding.

LaGov agencies will enter a journal voucher to credit the default account codes and debit the appropriate GL/Fund/Cost Center, etc., Note: Payment for all LaGov agencies will be made automatically on the 25<sup>th</sup> of each month regardless of the status of the reconciliation process.

LaGov agencies must reconcile the billing statement at the corporate account level to the electronic payment made to Bank of America. All charges and/or credits should be cleared from the default account codes each month for LaGov agencies.

## **M. EVP PAYMENTS**

Vendors who choose the option to enroll with the EVP program are flagged on the ISIS vendor tables to receive their payments through the EVP program of the State with Bank of America (BOA). Agencies will process their payments to vendors for goods and services purchased as usual. The mechanism by which vendors get paid will be determined by a flag on the vendor table as currently done. If a vendor is flagged as an EVP vendor, payments to the vendor will be made through the EVP process without the agency directing this means of payment. The EVP program allows vendors to be paid through the vendor's virtual account with BOA. An electronic mail is generated and sent to the vendor to notify them of the availability of payments and the availability of funds placed in their account for withdrawal. State agencies will notice movement of cash from Cash Account 6000 (ISIS Disbursement Cash Account) to cash account 6PCD (Cash P-Card Tier II). The cash account 6PCD will be reduced when vendors draw down their funds from their virtual accounts with BOA for the invoices they have paid, and when the BOA bill is paid. Agencies do not need to approve any of the transactions in the system after approving the payment voucher they always prepare to make payments.

For internal control purposes, agencies must monitor their cash position, monitor their outstanding payments, and vendor draw downs through WORKS. For ISIS agencies, a 1G64 report will be generated that will provide detail of the EVP transactions daily. OSRAP will also be responsible for reconciling the cash account 6PCD with transactions from the BOA paid/billing file. BOA has also created standard reports in WORKS that will allow each agency to see their EVP payments. These reports will help agencies reconcile outstanding EVP to their 6PCD cash account and also to see what payments are still outstanding (much like the outstanding checks report). Control Agencies like Office of Statewide Reporting and Accounting Policy (OSRAP) and the State Treasurer’s Office (STO) will have access to reports in WORKS that will allow them to see EVP activity by all state agencies.

## **11. WAIVERS**

### **A. EXCEPTIONS**

1. The Director of State Purchasing and Travel, or designee, may waive in writing any provisions of these regulations when the best interest of the State will be served.

The Department Head and Agency Program Administrators, by signing this Policy, acknowledge and accept responsibilities in the administration of this program as outlined herein.

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
LaCarte Primary Agency Program Administrator

\_\_\_\_\_  
LaCarte Secondary Agency Program Administrator

\_\_\_\_\_  
Agency

\_\_\_\_\_  
Date