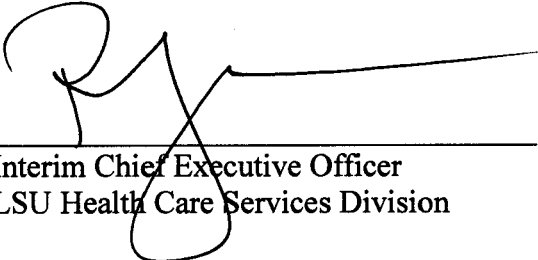


**LSU HEALTH CARE SERVICES DIVISION
BATON ROUGE, LOUISIANA**

POLICY NUMBER: 0520-12
CATEGORY: Administrative Services
CONTENT: La Carte Procurement Card
EFFECTIVE DATE: October 27, 2009
REVIEWED: September 29, 2010
REVIEWED: September 7, 2011
REVIEWED/REVISED: March 29, 2012

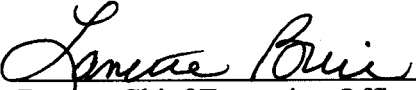
INQUIRIES TO: Lanette Buie, Deputy CEO
LSU Health Care Services Division, Suite 1109B
Post Office Box 91308
Baton Rouge, Louisiana 70821-1308
Telephone (225) 922-0867 Facsimile (225) 922-2259



Interim Chief Executive Officer
LSU Health Care Services Division

3-30-12

Date



Deputy Chief Executive Officer
LSU Health Care Services Division

3/30/12

Date

Issued: October 27, 2009
Reviewed: September 29, 2010
Reviewed: September 7, 2011
Reviewed: March 29, 2012

LSU Health Care Services Division
LaCarte Procurement Card Policy

I. PURPOSE:

To provide guidelines for the use of the LaCarte Purchasing Card and to insure the card is administered, maintained, used, reconciled and paid in accordance with Louisiana Executive Order 6,
<http://www.doa.louisiana.gov/osp/legalinfo/docs/bj2010-16.pdf>
Division of Administration Policy (PPM 49),
<http://www.doa.louisiana.gov/osp/travel/lacartepcard.htm>
State purchasing rules, regulations, guidelines and subsequent addendum, revisions to same.

II. APPLICABILITY:

This policy is applicable to all LSU HCSD Hospitals and Headquarters office.

III. IMPLEMENTATION

This policy and subsequent revisions to this policy shall become effective upon approval signature and date of the Chief Executive Officer of LSU HCSD.

IV. STATEMENT OF POLICY:

The Louisiana Purchasing Card, LaCarte, is a tool used by agency approved employees to purchase items with the convenience of a credit card. Each LSU HCSD Hospital and the Headquarters office will establish guidelines and procedures to insure compliance with Louisiana Executive Order 6,
<http://www.doa.louisiana.gov/osp/legalinfo/docs/bj2010-16.pdf>
Louisiana Division of Administration LaCarte Card Program policy (PPM49),
<http://www.doa.louisiana.gov/osp/travel/lacartepcard.htm>
State Purchasing rules and regulations, guidelines and subsequent addendum, revisions to same.

LSU HCSD employees shall not use the LaCarte Purchasing Card to purchase items from the State Contract or the GPO except in emergency situations. All purchases from State Contract or GPO charged to the Card will require documented prior approval of the Hospital Administrator, HCSD CEO or designee.

Issued: October 27, 2009
Reviewed: September 29, 2010
Reviewed: September 7, 2011
Reviewed: March 29, 2012

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V. HOSPITAL AND HEADQUARTERS OFFICE RESPONSIBILITIES:

Establish agency specific guidelines and procedures to insure compliance with LSU HCSD Policy (0520), Louisiana Executive Order 6,
<http://www.doa.louisiana.gov/osp/legalinfo/docs/bj2010-16.pdf>
Division of Administration Purchasing Card Policy (PPM49),
<http://www.doa.louisiana.gov/osp/travel/lacartepcard.htm>
State Purchasing Rules and regulations, guidelines and subsequent addendum, revisions to same as well as State, LSU <http://www.fas.lsu.edu/purchasing/>
<http://www.fas.lsu.edu/purchasing/pdrange.htm>,
<http://www.fas.lsu.edu/purchasing/purchclasses.htm>
and HCSD financial policy, rules, regulations and processes/procedures.
<http://www.lsuhsospitals.org/finance/>

Appointing Authority shall designate a LaCarte Program Administrator and alternate.

Determine which employees within their organization will be issued a procurement card and establish training, monitoring, and reporting requirements.

VI. EXCEPTIONS

Any exception to this policy must be approved by the Chief Executive Officer of the HCSD.

References:

RS 38:2211-2296 Public Contracts
RS 39:1481-1526 Professional Services (Office of Contractual Review)
RS 39:196-200 Data Processing
RS 39:1527-1546 Insurance
RS 39:1695 Late Payments
RS 39:1761 Lease/Purchase
RS 42:1101-1170 Code of Ethics
RS 43:1-34 Printing
RS 43:111-211 Advertisements
RS 44:1-41 Public Records

Louisiana Administrative Code (LAC) 34, Part I, Promulgated by the Office of the Governor, Division of Administration, State Purchasing.

<http://doa.louisiana.gov/osp/services/purch101booklet.pdf>
http://www.fas.lsu.edu/acctservices/forms/ap/Current_LaCarte_Users_Guide.pdf

Issued: October 27, 2009
Reviewed: September 29, 2010
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Reviewed: March 29, 2012

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State of Louisiana

EXECUTIVE DEPARTMENT Executive Order No. BJ 2010 - 16

SMALL PURCHASE PROCEDURES

- WHEREAS,** the Louisiana Procurement Code, in R.S. 39:1596, authorizes the governor to establish procedures for the procurement of small purchases with the caveat that "procurement requirements shall not be artificially divided so as to constitute a small purchase under this Section";
- WHEREAS,** the Louisiana Procurement Code exempts small purchases from the competitive sealed bidding requirements of the Code;
- WHEREAS,** Louisiana businesses are a driving force in the Louisiana economy;
- WHEREAS,** Executive Order No. BJ 08-67 signed on August 22, 2008, established the procedure for the procurement of small purchases in accordance with the statutory guidelines of the Louisiana Procurement Code; and
- WHEREAS,** it is necessary to update Executive Order No. BJ 08-67 through the issuance of a replacement executive order;

NOW THEREFORE, I, BOBBY JINDAL, Governor of the State of Louisiana, by virtue of the authority vested by the Constitution and the laws of the State of Louisiana, do hereby order and direct as follows:

- SECTION 1:** All departments, institutions, boards, commissions, budget units, and agencies of the executive branch of state government, and the officers and employees thereof, (hereafter "agency") shall observe, be guided by, and implement the specific directives on small purchase procedures set forth in this Order. This Order in no way affects or changes the purchasing authority delegated to an agency by the chief procurement officer as defined in R.S. 39:1556(3). No provision of this Order shall be construed as a limitation on the number of quotations to be solicited prior to making a purchase or procurement. Louisiana businesses, especially small and emerging businesses, small entrepreneurships, and veterans or service-connected disabled veteran-owned small entrepreneurships should be utilized to the greatest extent possible when soliciting prices.
- SECTION 2:** Unless the context clearly indicates otherwise, the words and terms used in this Order shall be defined as follows:
- A. "Small purchases" means (1) any procurement not exceeding twenty-five thousand dollars (\$25,000), or (2) any procurement of those items listed in Section 5 of this Order, regardless of price, except as noted in Paragraphs 5(A)(14), 5(A)(24), 5(A)(26), and 5(A)(30) which are exempt from the competitive sealed bidding requirements of the Louisiana Procurement Code;
 - B. "Certified small and emerging business" means a business certified as a small and emerging business by the Division of Small and Emerging Business Development, Department of Economic Development, in accordance with the Provisions of the Small and Emerging Business Development Program, R.S. 51:941, *et seq.*, and included on the most

recent list of certified small and emerging businesses issued by the Division of Certified Small and Emerging Business Development;

- C. "Small Entrepreneurship" means a business certified as a small entrepreneurship by the Department of Economic Development, in accordance with the provisions of the Louisiana Initiative for Small Entrepreneurships (Hudson Initiative), R.S. 39:2006;
- D. "Veteran and Service-Connected disabled Veteran-Owned Small Entrepreneurship" means a business certified as a veteran and service-connected disabled veteran-owned small entrepreneurship by the Department of Economic Development, in accordance with the provisions of the Louisiana Initiative for Veteran and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (The Veteran Initiative), R.S. 39:2176; and
- E. "Louisiana authorized dealer" means a company that satisfies the requirements of a resident business as defined in R.S. 39:1591(6), and is authorized by the manufacturer to sell and/or provide service for their products.

SECTION 3: The following items are not subject to the procedures set forth in this Order:

- A. Those items covered by an existing state contract; and
- B. Public works contracts which exceed five thousand dollars (\$5,000) and are governed by the provisions of R.S. 38:2241.

SECTION 4: Except as otherwise provided in this Order, all small purchases shall be made in accordance with the following minimum procedures:

- A. No competitive process is required for purchases not exceeding five thousand dollars (\$5,000) per single purchase transaction.
- B. Price quotations shall be solicited from three (3) or more bona fide, qualified vendors for purchases exceeding five thousand dollars (\$5,000) but not exceeding fifteen thousand dollars (\$15,000).
 - 1. Quotations may be made by telephone, facsimile, or other means and shall be awarded on the basis of the lowest responsive quotation. Whenever possible, at least one (1) of the bona fide, qualified vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship. Agency files shall document and list all solicited vendors and each vendor's contact person, summarize quotations received, indicate the successful vendor and state the reason why any lower quotation was rejected. Agency files should also contain written confirmation of the quotation from the successful vendor.
 - 2. When the price is determined to be reasonable, the requirement to solicit three (3) quotations may be waived when making purchases from a small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship that is currently certified by the Louisiana Department of Economic Development. Reasonable is a best value determination based on price, delivery, service, and/or any other related factors. This determination is to be maintained in the file.
 - 3. Soliciting three (3) quotations may be waived when purchasing from a business registered with the Secretary of State as domiciled in Louisiana. A business analysis must determine

that in-state prices are equal or better than two other current price comparisons. Comparisons may include, but are not limited to, state contract prices, General Services Administration (GSA) prices, or similar resources. Comparison documents are to be maintained in the file.

- C. Price quotations shall be solicited from five (5) or more bona fide, qualified vendors for purchases exceeding fifteen thousand (\$15,000) but not exceeding twenty-five thousand dollars (\$25,000).
1. Quotations may be made by facsimile or written means and shall be awarded on the basis of the lowest responsive price quotation received. Whenever possible, at least two (2) of the bona fide, qualified vendors shall be certified small and emerging businesses, small entrepreneurships, or veteran or service-connected disabled veteran-owned small entrepreneurships. Agency files shall document and list all solicited vendors and each vendor's response, summarize quotations received, indicate the awarded quotation, and state the reason why any lower quotation was rejected.
 2. The requirement to solicit certified small and emerging businesses, small entrepreneurships, or veteran or service-connected disabled veteran-owned small entrepreneurships is waived for those agencies that post on LaPAC, Louisiana's internet based system for posting vendor opportunities and award information.
 3. A minimum of three (3) working days shall be allowed for receipt of quotations.
 4. All written or facsimile solicitations shall include the closing date, time, and all pertinent competitive specifications, including quantities, units of measure, packaging, delivery requirements, ship-to location, terms and conditions, and other information sufficient for a supplier to make an acceptable quotation. Precautionary measures shall be taken to safeguard the confidentiality of vendor responses prior to the closing time for receipt of quotations. No quotation shall be evaluated using criteria not disclosed in the solicitation.

SECTION 5:

Except as provided in subsection A(14), A(24), A(26), or A(30) of this section, the following items are considered small purchases regardless of price and may be procured in the following manner:

- A. No competitive process is required for the following items:
1. Repair parts for equipment obtained from a Louisiana authorized dealer shall be used if available. This provision does not apply to the stocking of parts;
 2. Equipment repairs obtained from a Louisiana authorized dealer shall be used if available;
 3. Vehicle repairs not covered by a competitive state contract or the state fleet maintenance repair contract obtained from a Louisiana authorized dealer shall be used if available;
 4. Vehicle body repairs covered by insurance recovery and in accordance with insurance requirements;
 5. Livestock purchased at public auction;

6. Purchasing or selling transactions between state budget units and other governmental agencies;
7. Publications and/or copyrighted materials purchased directly from the publisher or copyright holder;
8. Publications and/or copyrighted materials purchased by libraries or text rental stores from either subscription services or wholesale dealers which distribute for publishers and/or copyright holders;
9. Public utilities and services provided by local governments;
10. Prosthetic devices, implantable devices, and devices for physical restoration which are not covered by a competitive state contract;
11. Educational training and related resources (except equipment) used to enhance the performance of state employees and good standing of state agencies, including memberships in and accreditations by professional societies and organizations, except for customized training which is covered under R.S. 39:1481, *et seq.*;
12. Purchases for clients of blind and vocational rehabilitation programs not covered by competitive state contract which are federally funded at a rate of at least 78.7%, regulated by Title 34, Parts 361, 365, 370, and 395 of the Code of Federal Regulations, and in accordance with OMB Circular A-102;
13. Materials, supplies, exhibitor fees, and exhibit booths for conferences, seminars, and workshops, or similar events (business, educational, promotional, cultural, etc.) for participation in promotional activities which enhance economic development or further the department's mission, duties and/or functions, with the approval of the department secretary, or agency equivalent, if not covered by competitive state contract;
14. Wire, related equipment, time and material charges to accomplish repairs, adds, moves, and/or changes to telecommunications systems not exceeding two thousand five hundred dollars (\$2,500);
15. Working class animals trained to perform special tasks, including, but not limited to, narcotics detection, bomb detection, arson investigation, and rescue techniques;
16. Food, materials, and supplies for teaching and training where the purchasing, preparing, and serving of food are part of the regularly prescribed course;
17. Shipping charges and associated overseas screening and broker fees between international and domestic origins and destinations;
18. Parcel services, including but not limited to Federal Express, United Parcel Service, Airborne Express, and Express Mail;
19. Renewal of termite service contracts;
20. Purchase of supplies, operating services, or equipment for Louisiana Rehabilitation Services, Traumatic Head and Spinal Cord Injury Trust Fund Program. Although competitive bidding is not required under this paragraph, whenever

practicable, three (3) quotations from bona fide, qualified vendors should be obtained. Whenever possible, at least one (1) of the bona fide, qualified vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship;

21. Purchasing of clothing at retail necessary to individualize clients at state developmental centers in compliance with Federal Regulations for ICF/MR facilities;
22. Health insurance for the managers of Randolph-Sheppard programs, as defined by 20 U.S.C. § 107, *et seq.*, and paid from income generated by unmanned vending locations;
23. Purchases made to resell as part of a merchandising program with the written approval on file from the secretary of the department, or agency equivalent, when it is not practical or feasible to obtain competitive price quotations;
24. Commercial Internet service not exceeding one thousand five hundred dollars (\$1,500) per subscription per year;
25. Advertising, where permitted by law and after the head of an agency or designee certifies that specific media is required to reach targeted audiences;
26. Scientific and laboratory supplies and equipment when procured by colleges and universities for laboratory or scientific research not to exceed twenty-five thousand dollars (\$25,000) per transaction;
27. Publication of articles, manuscripts, etc. in professional scientific, research, or educational journals/media, and/or the purchase of reprints;
28. Livestock sperm and ova;
29. Royalties and license fees for use rights to intellectual property, such as, but not limited to: patents, trademarks, service marks, copyrights, music, artistic works, trade secrets, industrial designs, domain names, etc.;
30. Equipment moves by the original equipment manufacturer or authorized dealer to ensure equipment operation to original equipment manufacturer specifications, calibration, warranty, etc. not to exceed twenty-five thousand dollars (\$25,000) per transaction;
31. Mailing list rentals or purchases; and
32. Art Exhibition rentals and/or loan agreements and associated costs of curatorial fees, transportation, and installation.

- B. For the following items, telephone or facsimile price quotations shall be solicited, where feasible, to at least three (3) bona fide, qualified vendors. Whenever possible, at least one (1) of the bona fide, qualified vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship.
1. Farm products including, but not limited to, fresh vegetables, milk, eggs, fish, or other perishable foods, when it is determined that market conditions are unstable and the competitive sealed bidding process is not conducive for obtaining the lowest prices.
 2. Food, materials, and supplies needed for:
 - a. Operation of boats and/or facilities in isolated localities where only limited outlets of such supplies are available; and/or
 - b. Juvenile detention homes and rehabilitation facilities/homes where the number of inmates, students, or clients is unstable and unpredictable.
 3. Convention and meeting facilities, provided that any associated food or lodging must be in accordance with Policy & Procedure Memorandum No. 49 – General Travel Regulations.
 4. Gasoline and fuel purchases not covered by competitive state contract.
 5. Equipment for blind operated facilities not covered by competitive state contract.
 6. Feed commodities, including but not limited to soybean meal, cottonseed meal, and oats.
 7. FAA PMA approved aircraft parts and/or repairs, inspections, and modifications performed by an FAA-certified mechanic and/or at an FAA certified repair station in accordance with FAA requirements with approval by the head of the agency or head of the Office of Aircraft Services, Division of Administration.
 8. Air and bus charters in accordance with PPM 49, including group travel that does not qualify for commercial rates available to individual travelers.

SECTION 6: In the 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 .

SECTION 7: All departments, commissions, boards, offices, entities, agencies, and officers of the state of Louisiana, or any political subdivision thereof, are authorized and directed to cooperate in the implementation of this Order .

SECTION 8: Executive Order No. BJ 08-67 is superceded by this Order .

SECTION 9: This Order is effective upon signature and shall continue in effect until amended, modified, terminated, or rescinded by the governor, or terminated by operation of law .



IN WITNESS WHEREOF, I have set my hand
officially and caused to be affixed the Great Seal of
Louisiana, at the Capitol, in the City of Baton
Rouge, on this 27th day of August, 2010.

/S/Bobby Jindal
GOVERNOR OF LOUISIANA

ATTEST BY
THE GOVERNOR

/S/Jay Dardenne
SECRETARY OF STATE

BOBBY JINDAL
GOVERNOR



PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of State Purchasing

TO: LaCarte Purchasing Card Program Administrators
FROM: Denise Lea
Assistant Commissioner
DATE: December 8, 2011
RE: Updated LaCarte Purchasing Card Policy

As a result of the newly developed State Liability Travel Card Program the Office of State Purchasing and Travel has revised the LaCarte Purchasing Card Policy. Changes are as listed below:

- Multiple purchases may be made with the LaCarte purchasing card for contract purchases, each day, up to but not exceeding \$5,000 per contract.
- Definition section added.
- New CBA allowances
- Defined audit requirements
- Security updates

The last page of this revised policy must be signed by both Administrators and the Department Head and submitted to this office by fax at 225-342-5019. In the event these changes/additions cause your agency to revise your agency policy, a signed copy must be sent to this office for review as we are to keep the agency's current policy on file at all times. If you have any questions, you may contact Tammy Toups at 225-342-8053 or email at tammy.toups@la.gov.

DL:tt

STATE OF LOUISIANA



CORPORATE LIABILITY "LaCARTE" PURCHASING CARD POLICY



January 1, 2012

STATE OF LOUISIANA CORPORATE
LIABILITY "LaCARTE" PURCHASING CARD AND CBA POLICY

1. PROGRAM

A. POLICY STATEMENT

This policy covers "LaCarte, the Purchasing Card Program and establishes minimum standards for possession and use. LaCarte is a tool used to assist in the management of purchasing, payment and accounting. LaCarte is a Visa card issued by Bank of America 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 SPL (single purchase limit), agency-wide or on an individual card basis, up to \$5,000 without prior approval from the Office of State Purchasing and Travel. Using the LaCarte card for purchases of supplies, equipment, operating services and/or major repairs must comply with proper purchasing procedures.

It will be 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. The request could be for transactions such as purchasing contract items, authorized dealer repairs and/or purchases handled in accordance with the current Small Purchases Executive Order. Requests will be considered if the agency program is in compliance 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 LaCarte purchasing 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 those items approved for their contract.

Small Purchase Executive Order, Section 6, 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".

Also, purchases should never be artificially divided to avoid the LaCarte policy limits.

The policy and procedures along with the use of this program does not negate any current Purchasing Policies, Rules and Regulations, Louisiana Statutes, Executive Orders and/or

PPM49, if approved, as all must be followed during the use of the LaCarte Purchasing Card and this policy.

B. CONDITIONS OF PARTICIPATION

All agencies/colleges/universities, 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 cardholders must sign the State of Louisiana Corporate Liability P-Card Program Cardholder Agreement Form, dated 1/2012 acknowledging and outlining the cardholder's responsibility under the program. See Section 4.C

Agency/College/University's failure to comply with all conditions of participation may result in removal from the P-Card/CBA.

2. DEFINITIONS

CBA (Controlled Billed Account) –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 approver(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 needs to ensure that the actual "plastic" is not necessary, as there is no plastic issued for a CBA account.

Cycle - the period of time between billings. For example, the State of Louisiana P-Card closing period ends at midnight the 5th 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.

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.

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.

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

PPM49 (Policy and Procedure Memorandum 49) –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/2011-12travelguide.pdf>

SPL (Single Purchase Limit) - 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 cardholder.

P-Card - a credit account issued in an employee’s name. This account is direct liability of the State and is paid by each agency. P-Card accounts are an alternate means of payment for purchases of goods and services.

P-Card Log – used in reconciliation process for purchases/services charged during the billing cycle. Log is used by matching the paper memo statement received from the bank to the log and the documentation obtained from the vendor(s).

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

Transaction Documentation –all documents pertaining to a transaction. 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, 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.

3. STATE CORPORATE LIABILITY P-CARD ADMINISTRATION RESPONSIBILITIES

A. OFFICE OF STATE PURCHASING AND TRAVEL AND TRAVEL RESPONSIBILITIES

The State of Louisiana, Office of State Purchasing and Travel is responsible for the statewide contract administration of the Corporate Liability P-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 blocked 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 given by the Office of State Purchasing and Travel is required prior to allowance of any travel expense on the purchasing 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 in your agency policy regarding travel purchases. Please realize that although other travel related charges are now allowed on the CBA account, the traveler needs to ensure that the actual "plastic" is not necessary, as there is no plastic issued for a CBA account.

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 LaCarte 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).

Agency exceptions granted on a case-by-case basis will be in writing on the exemption request form and forwarded to the Office of State Travel.

Cash will be blocked from use in this program.

B. AGENCY/COLLEGE/UNIVERSITY RESPONSIBILITIES

Agency responsibilities include administration of their Corporate Liability P-Card/CBA program, and compliance with state guidelines identified here, in the State Accounting and Purchasing Card Manual, 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 notifying the State Program Administrator at the Office of State Purchasing and Travel of any changes in the department head or program administrator(s).

Agency is responsible for developing a policy 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. Also, policy should be reviewed and updated when necessary with changes/additions which may occur in the Agency's internal procedures and/or State's 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 abreast of program updates as they are sent as email updates and are posted on the Office of State Purchasing and Travel Website (www.state.la.us/osp/travel) along with dissemination of this information to the Department Head, Cardholders, and any other agency personnel as deemed appropriate.

Agency is 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 purchasing rules and regulations and with PPM49, if applicable. Remember all transactions MUST have a receipt. The bank will provide reporting capabilities at no cost to each agency.

Agencies are also responsible for establishing proper controls and developing internal policies and procedures, as well as:

1. Determining appropriate cardholders and setting individual cardholder limits for single transactions, daily and/or cycle transaction limits. We recognize certain business transactions require higher limits exceeding \$5,000 and may be granted with approval of the "Request for Exception Form" from Office of State Purchasing and Travel. However, when requesting approval for a higher SPL be aware that it is best practice to limit the SPL to the lowest necessary SPL that is needed for the duties of that individual. It is also best practice to issue only one card per cardholder.
2. Develop procedures for travel allowances in accordance with State Liability Travel Card and CBA Policy, if requested by your agency and approved by Office of State Purchasing and Travel.
3. Determining allowable merchant category codes based on individual needs and the State's allowances.
4. Educating cardholders on use of the card, sales tax requirements, 1099 reportable vendors.
5. Maintaining budgetary controls.
6. Monitoring for inactive cardholder accounts and adjusting SPL's and/or monthly cycle limits accordingly based on possible change in needs and/or cancellation of card, especially when not utilized in a twelve month period.
7. Establishing procedures, as part of exit paperwork, to collect and cancel cards upon termination of the employee.
8. Educating cardholders on process of reporting a card lost, stolen and/or any fraudulent activity.
9. Requesting cards, and performing any maintenance necessary for agency cardholders.
10. Monitoring the issuance of cards, ensuring prompt reconciliation of periodic statements.
11. Establish procedures for reducing P-Card cardholders to \$1 limits during an extended absence and/or until cardholder returns. This will be done to protect the cardholder and the agency during their absence.
12. Establishing and enforcing personnel policies to discipline employees in the event of abuse or failure to comply with established guidelines.
13. Develop procedures to cover both p-card and t-card, if approved, for recovering of 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.

14. Develop 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.
15. Maintaining list of all agency cardholder's names.
16. Establishing agency Corporate Business Accounts (CBA's) and determining proper authorizers. The contract travel agency and Bank of America must be notified of authorizers for each CBA account.
17. ISIS Accounting Interface Agencies:
Establish and assign default accounting codes for cardholders. There will be a default accounting code for each appropriated program that will consist of the fund/agency/organization/object combination. The fund/agency will be the ISIS Agency number, the organization code will be the clearing organization number established by OSRAP (P plus the appropriation number) and the clearing object will be 3185. The clearing organizations will be set up by OSRAP at the time of enrollment in the program.

The Agency will be responsible for notifying OSRAP of all instances that will require a change in the agency's structure.

A clearing organization code (PPPP) will also be set up for each corporate account (ISIS Agency) for miscellaneous charges and for cardholder transactions that have an incorrect default code.

Reconciling cardholder statement to electronic payment (P3 P-Card Vendor Payment Voucher Input Form) and distributing costs from the default accounting codes to the proper accounting codes. ISIS Agencies must notify OSRAP immediately of any discrepancies.

18. NON-ISIS Accounting Interface:
Agencies will assign codes specific to their accounting system. These assigned account numbers will track purchases as deemed necessary.
19. Non-Interface Agencies:
For any agency not receiving an interface into their accounting system, it will be the agency's responsibility to ensure that reconciliation is completed and payments are made timely.

C. Supervisor/Reviewer Responsibilities

1. Always submit approvals with all necessary documentation in a timely manner and in accordance with your agency's policy
2. Ensure each transaction:
 - Has an appropriate business purpose
 - Is in compliance with all purchasing rules and regulations and PPM49, if applicable, and/or any applicable purchasing rules and regulations
 - Is in compliance with the agency and the State's Corporate Liability P-Card/CBA policy
 - Has all required documentation supporting the transaction
 - Is not a duplication of personal request and/or reimbursements, if for travel related expenses.

D. Audit Reports

The following reports, at a minimum, should be run on at least a monthly basis:

- Card Decline Report - shows all transactions which declined during a specified time period, including the reason for the decline. Example of card declines include card may not have been activated, mcc group excluded, not enough money available, type of vendor not allowed, etc.
- Card Status Report - shows the status of each card by listing the cardholders name, profile, single transaction limit. You should be able to verify that each cardholder has been assigned the correct profile and all limits are correct.
- Same Day/Same Vendor Purchase - transactions which have occurred on the same day with the same vendor, by cardholder, which amount totals more than the cardholders single transaction limit. All transactions listed in the report should be justified for auditing purposes, and addressed accordingly up to and including cancellation of card.

All reports are be used as a tool to assist the program administrator with determining which cardholders may need a refresher training course, counseling, cancellation of card, as well as, to determine possible changes to cardholders limits, profiles, and MCC groups.

4. POLICY REQUIREMENTS

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

1. All P-Card transactions must have a receipt and must be in accordance with Purchasing Policies, Rules and Regulations, Louisiana Statutes and/or Executive Orders <http://www.doa.louisiana.gov/osp/osp.htm> and PPM49 guidelines, if applicable, <http://www.doa.louisiana.gov/osp/travel/travelpolicy/2011-12travelguide.pdf>.
2. Conducting necessary training to ensure that the cardholder is aware of all duties and responsibilities associated with possession/use of a State Corporate Liability P-Card. Administrator shall maintain the original employee signed copy of the State of Louisiana Corporate Liability P-Card Program Cardholder Agreement Form, for all participants of the P-Card Program. A copy of the signed agreement along with the state and agency policy shall be provided to the participating employee.
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. Cardholders must attend training class and sign a State Liability Cardholder Agreement Form, acknowledging cardholder's responsibilities prior to issuing card.

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 purchasing card exemption request form.
8. Default accounting codes must be assigned if your agency has created an interface with your accounting system.
9. State Corporate Liability P-Card is a VISA card and will be identified with the State of Louisiana seal and marked State Corporate P-Card. The cards will be 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 agency's program administrator.

B. DECLARED EMERGENCY USE

In the event of a declared emergency, the LaCarte card may be used with higher limits by essential cardholders that would be active during an emergency situation, not 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, however, the Cash MCC Group must remain attached to the profile at all times, as 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 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 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 training class and sign a State Corporate Liability Cardholder Agreement Form, acknowledging cardholder's responsibilities prior to receiving card.
3. Never put the full P-Card account number in emails, fax, reports, memo, etc. If designation of an account is necessary, only use of the last four or eight digits of the account is to be allowed

4. 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 code (CVC), the 3-digit security code located on the back of the card.
5. The cardholder shall 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.
6. Never use an individual P-Card for personal, non-business expenses for any reason. 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.
7. Not pay taxes on purchases with this card, since it is a state liability. See Section 6.
8. Never, under any circumstances, use the P-Card to access cash.
9. Never accept cash in lieu of a credit to the P-Card account.
10. 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.
11. Never use P-Cards to avoid procurement or payment procedures.
12. Never use for purchase of alcohol, food, travel expenses or entertainment services without prior written permission granted by 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
13. Never use for fuel and maintenance if agency is part of the Fuel Card and Maintenance Program. However, in the event that the program is not covered in a certain area then the purchasing card may be used and files must be completely documented.
14. Submit all required transaction documentation, special approvals, etc timely and in accordance with their agency's internal policy. Remember, every transaction must have a receipt. Failure to do so should result in cancellation of P-Card.
15. **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. If the payment is made directly to the bank, it will cause the monthly statement billing file to be out of balance and agency will have to determine the cause. Ultimately, it will be determined that a personal payment was made, therefore, report any unauthorized charges to your program administrator immediately.
16. Notify the agency's program administrator if fraudulent charges are noticed, as the card may need to be cancelled and another card issued
17. Notify program administrator if use of a card has changed and lower or higher limits are necessary
18. Immediately report a lost or stolen card to Bank of America, 1-888-449-2273.

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

1. All CBA transactions must be in accordance with all PPM49 guidelines, <http://www.doa.louisiana.gov/osp/travel/travelpolicy/2011-12travelguide.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 contract and non-contract airfare and assist with payment of 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 needs to ensure that the actual "plastic" is not necessary, as there is no plastic issued for a CBA account.
3. In accordance with airline contracts and PPM49, it is mandatory that all state contracted airfare be purchased with a State Corporate Liability P-Card or an agency's CBA account.
Note: While not mandatory, the P-Card and Agency CBA account may be used for all other non-contracted airfares.
4. The account(s) are issued in the name of the agency and the program administrator is the primary point of contact for those accounts. The agency may designate multiple authorizers per account. The contract travel agency and Bank of America must be notified of authorizers for each CBA account.
5. CBA account(s) shall have an overall card cycle limit determined by the agency. These limits should reflect the agency's travel patterns. These are preventative controls and, as such, should be used judiciously.
6. If the agency is currently set as a company with Bank of America, the Program Administrator may establish a new or additional CBA account through Bank of America's on-line system, WORKS. If an agency is not established as a company then you must contact the State Travel Office to complete all necessary documentation.
7. The CBA accounts are also the direct liability of the state. Each agency will be responsible for ensuring all payments are made timely to the bank.
8. No plastic card is issued. 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.
9. The full CBA account number shall never be put in emails, fax, reports, memo, etc. If designation of an account is necessary, only use of the last four or eight digits of the account is to be allowed.
10. All CBA accounts must be paid in full monthly and must be made by electronic payment.

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 an impairment to the 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 the prerogative of the 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 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 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. 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 appointing authority should consider revocation of the P-Card/CBA.

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. Processing transactions are administered as follows:

Merchants processing transactions is typically a two step process:

1. Merchant authorizes transactions against card controls (MCC, limits, exp date, etc.) and if approved receives an authorization number.
2. Merchant submits 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 authorize the transaction against the card controls and therefore did not receive an authorization number.
 - If this does happen, 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 SECURITY

Each cardholder is responsible for the security of their card, and therefore should:

- Never display their Card Account Number around their work area
- Never give his or her Card Account Number to someone else without his or her Program Administrators permission
- Never **email** full account numbers under any circumstances

6. SALES TAX

- A. 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, the 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 travel exemptions.

7. 1099 REPORTABLE VENDORS

- A. Purchases from 1099 reportable vendors are not recommended at this time due to system tracking limitations. If an agency chooses to make 1099 reportable vendor purchases utilizing the purchasing card, the agency is responsible for manually tracking these types of payments and for the appropriate processing of form 1099. Penalties of up to \$250,000 can be assessed by the IRS for not properly reporting.

All 1099 reporting must be in accordance with OSRAP's Control Agencies Policies and Procedures Manual 1099 Reporting, Chapter 15 and IRS requirements outlined in the IRS publication, Instructions for Forms 1099, 1098, 5498 and W2G and the Internal Revenue Code.

In order for a vendor to be considered 1099 reportable, both the vendor and the type of payment being made to the vendor must be 1099 reportable.

- B. Generally, 1099 reportable vendors are:
 1. sole proprietorships, individuals or a group of individuals, partnerships, trusts, or independent contractors that receive payments for rents, prizes and awards, health care, non-employees compensation, medical, legal and other services. This includes supplies if the supply is incidental to the service;
 2. corporations that provide medical, health care or legal services;
 3. any vendor subject to backup withholding tax.
- C. More information can be found on 1099 reportable vendors in the IRS 1099 Instruction Booklet or by calling the OSRAP help desk.

8. DOCUMENTATION

A. COMPLETE DOCUMENTATION

1. Ensure that documentation is adequate and sufficient to adhere to State Purchasing guidelines, PPM49 and Accounting guidelines for recording of expenditures in the State/Agency accounting system. Agency should ensure that immediate supervisors or designated reviewers are verifying and signing receipts and/or P-Card logs certifying 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 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 and line item pricing for the purchase.
3. The Agency will maintain a file of all supporting documentation in accordance with record retention laws. This file will be subject to periodic review by the Office of the Legislative Auditors and any other duly authorized auditor.

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, 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)

Authorizers for the CBA accounts will maintain records / approvals sufficient to reconcile the CBA statement to ensure it is paid timely by the State. Each Program Administrator is responsible for ensuring that documentation is adequate and sufficient to adhere to State Purchasing guidelines, PPM49 guidelines and Accounting guidelines for recording of expenditures.

9. PAYMENT PROCEDURES FOR INDIVIDUAL P-CARD AND CBA 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 cardholders and other personnel responsible for P-Card and CBA Accounts.

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, if 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 will be 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 the default accounting codes assigned to the cardholder at the time of issuance and a default accounting code assigned to the corporate account for miscellaneous charges. The interface will automatically create the P3 document each month. No action is required by ISIS Agencies for payment.

2. The P3 document will override budget checks and cash checks in AFS to 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 or use paper statements to produce ONE electronic funds transfer (EFT) to Bank of America.

10. RECONCILIATION AND COST DISTRIBUTION

- A. Documentation must be obtained indicating the date of purchase/service, the vendor name, description of the item (subclass), amount, receipt date and accounting distribution information such as organization number, object, reporting category, location, etc. This may be accomplished by maintaining a "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.
- B. Cardholders will receive paper memo 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 his program administrator immediately so that a statement can be obtained for reconciliation purposes.
- C. The cardholder must reconcile purchases/services charged during the billing cycle by matching the bank memo statement to his P-Card log/record and the documentation obtained from the vendors. The documentation will be reviewed and certified by the cardholder as received or reported as a disputed item. The cardholder will then forward this to his/her immediate supervisor or designated reviewer.
- D. The immediate supervisor or designated reviewer must review the information and documentation submitted by the cardholder. The reviewer must verify that acceptable documentation exists to support each purchase, service and/or credit, verify that purchases are for official state business, and that purchases/services comply with PPM49 and appropriate rules and regulations. The immediate supervisor or designated reviewer must sign the P-Card log or memo statement certifying his review and approval. **Cardholder shall not approve his own monthly P-Card log.** Agency policy will then determine what information is to be forwarded to the agency's accounting department.

- E. 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)
- F. Upon notification by the immediate supervisor or designated reviewer that the cardholder reconciliation has been approved, the accounting section will ensure that the charges are distributed to the appropriate accounting codes. The agency P-Card policy will outline what documentation is to be submitted to the accounting department.

G. ISIS INTERFACE AGENCY

1. ISIS Accounting sections must review the P3's immediately upon their posting and determine if any discrepancies exist between paper statement and the P3's. If a discrepancy does exist, you should contact your 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 and fax a copy of the billing statement to OSRAP (225) 342-1053. OSRAP will then determine if manual P3's have to be built. This must take place prior to the 25th of each month.
2. Miscellaneous charges made to the corporate account must be reviewed, approved and reconciled. Miscellaneous charges will default to PPPP instead of an appropriated ORGN for ISIS agencies. Agency accounting departments must move these charges to the proper ORGN.
3. If a cardholder's spending defaults to PPPP rather than their correct ORGN an error has occurred. The purchasing card exceptions report and the 1G08 report of detailed transactions can be used to determine the reason for a cardholder's spending defaulting to PPPP. 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 errors reoccurring.
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 25th of each month regardless of the status of the reconciliation process.
5. ISIS Agencies must reconcile the paper 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.

H. NON-ISIS AGENCIES:

1. Miscellaneous charges made to the corporate account must be reviewed, approved and reconciled. Agency will reconcile and distribute costs to their accounting system in a timely manner and according to agency policy and procedure. Note: reconciliation may take place before or after payment for Non-ISIS Agencies but payment shall be made to Bank of America within 25 days of the statement date.

- I. It is the responsibility of each agency to contact the Bank if your paper statement is not received timely. Agencies should complete the reconciliation and distribution processes each month and prior to receiving the next billing cycle.

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 Administrator, by signing this Policy, acknowledge and accept his/her responsibilities in the administration of this program as outlined herein.

Department Head

LaCarte Primary Agency Program Administrator

LaCarte Secondary Agency Program Administrator

Agency

Date