OBTAINING A CARD

1. Cardholder completes a Cardholder Enrollment Form (Form 3300/010) and submits form to Supervisor/Budget Head for approval. Name on card must match employee’s name on record in the Office of Human Resources. Any subsequent name change requires a new form to be submitted.

2. Supervisor/Budget Head reviews employee’s purchasing duties for the department or division, and if warranted, approves Cardholder’s Enrollment Form. If supervisor is not also the budget head then budget head must also approve. Approval on the form requires the Supervisor/Budget Head to:
   - Set single transaction limit (must be less than $5,000.00 including shipping and handling charges, excluding taxes)
   - assign default budget and object code to be used

3. Supervisor/Budget Head forwards to the appropriate Vice Chancellor for approval.

4. Vice Chancellor:
   - reviews for accuracy and approves form
   - forwards to the Controller’s Office for processing

5. Controller’s Office:
   - reviews requests for signature approval by the Controller
   - forwards approved requests to Program Administrator
   - submits approved requests to card issuer and receives cards.

6. Cardholder:
   - is notified of approval and training is scheduled by Controller’s Office.
   - receives copies of all relevant policies, procedures and guidelines.
   - signs Cardholder Agreement Form (Form 3300/011) verifying agreement to abide by all relevant policies, procedures and guidelines.
   - is provided with P-Card and is authorized to use card immediately.

7. All Cardholders, Supervisors/Budget Heads serving as approvers, and the P-Card Administrator must sign the most current State of Louisiana Corporate Liability P-Card Program Agreement Form (Cardholder Agreement Form, Form 3300/011) for their applicable program roles on an annual basis.

Effective March 4, 2016
“WORKS” PROGRAM PURCHASE REQUEST

1. The card issuer, Bank of America, utilizes the “Works” program, a web-based program for Cardholders and Supervisors/Budget Heads to manage, review and approve P-Card transactions.

2. An open, approved Purchase Request in the Works program is required before a card can be used to make purchases. See “Instructions on Entering Purchase Requests in Works Program.”

3. Works Purchase Requests can either be entered quarterly or as needed for specific, individual purchases, depending on the preferences or policies set by each Supervisor/Budget Head.

4. Amounts requested for quarterly requests must be based on:
   - expected quarterly spend or specific purchase; and
   - available budget.

5. Expiration dates must be based on time of fiscal year:
   - 1st Quarter (July through September): Expires September 30th
   - 2nd Quarter (October through December): Expires December 31st
   - 3rd Quarter (January through March): Expires March 31st
   - 4th Quarter (April through June): Expires June 30th

6. Requests entered for specific, individual purchases must have an expiration date of no later than June 30th of current fiscal year.

7. Requests will be reviewed and approved (or adjusted or disallowed) by the department’s Supervisor/Budget Head and the Assistant Vice Chancellor for Financial Services.
P-Card Procedures - continued
(For use in accordance with Purchasing Card (P-Card) Program Policy)

CARD USAGE GUIDELINES

1. Cardholder is responsible for making purchases in accordance with Card Usage Guidelines as outlined in the College’s policy on the Purchasing Card (P-Card) Program, which is summarized below:

   **The P-Card is limited to use:**
   - By individual state employees authorized by the Chancellor’s designee, the P-Card Administrator.
   - By Cardholder only.
   - For official state use only.
   - On State/College-approved Merchant Category Codes.
   - For only those purchases deemed necessary and required for continued daily operations of the College. (See “Questionable Purchases” section for process used to address questionable purchases.)

   **Prohibited Purchases:**

   **The P-Card must not be used (regardless of amount):**
   - For purchases valued at $5,000.00 and over (including shipping and handling charges), excluding taxes. (Exceptions apply based on State of Louisiana Office of State Purchasing Policy.)
   - To purchase items to be paid for with grant/restricted funds.
   - To pay for professional services and/or services provided by a 1099 Reportable Vendor, which must be purchased in accordance with the College’s policy on Contracts for Professional, Personal, Consulting and Social Services.

   **Restricted Purchases:**

   **The P-Card must not be used (regardless of amount) without College and/or State approval, as applicable:**
   - For food and/or drink, grocery, restaurant, -or personal items (items not generally provided to state employees, including but not limited to coffee, paper products, toiletries, medications, or any other such items for the office.)
   - For ink or toner cartridges.
   - For computers and computer-related equipment/supplies such as printers, monitors, external hard drives, scanners, etc.
   - For software, licences, or maintenance agreements.
   - For office/classroom furniture.
   - For fuel or vehicle maintenance.
   - For travel or entertainment services, except for state vehicle rentals, which are allowed as per State of Louisiana Office of State Purchasing Policy.

(continued)
Restricted Purchases (continued):

- For organizational memberships, licensure and certifications, publication subscriptions, maintenance renewals, pest control services, and any other purchases that are of a renewal nature.
- For alcohol.
- For any other purchases deemed restricted by the College’s Budget and Financial Services Office or by the State of Louisiana Purchasing Card Policy.

2. Cardholder is encouraged to utilize existing state contracts and local vendors, when possible. Depending on the frequency and nature of a department’s purchases, the College’s Purchasing Department may determine it more prudent for department to use state contract vendors through the established purchase requisition process rather than the P-Card.

3. Quantity purchases or purchases for a large sum must be done through competitive bid procedure. When a request for purchase of an item is questionable, contact the College’s Purchasing Office for clarification.

4. Split purchasing, which is the practice of artificially dividing a single purchase to avoid the Single Purchase Limit of $5,000.00 is not allowed and is considered card misuse. See “Card Misuse” section of these procedures for disciplinary actions and/or sanctions regarding card misuse.

5. Cardholder is responsible for ensuring receipt of materials and/or services, and resolving any receiving discrepancies or damaged goods issues.

6. An ORIGINAL receipt, packing slip, or invoice is required for every card purchase. If an original receipt, packing slip, or invoice or packing slip is lost, Missing Document Affidavit (Form 3300/012) must be submitted.

USING THE CARD

In-Store Purchases

1. Ask the vendor if the P-Card will be accepted.

2. Ask vendor to calculate total value of order, including shipping/freight and handling charges if any, excluding taxes. If the total charge is $5,000.00 or over, the card cannot be used.

3. Inform the vendor that purchase is exempt from Louisiana sales tax. Provide the vendor with the exemption number assigned by the Louisiana Department of Revenue for all P-Card purchases, which is embossed on the purchasing card itself.

Effective March 4, 2016
4. If vendor requires a copy of the [Louisiana sales tax exemption certificate](https://www.dor.la.gov/services/Qtax/), inform vendor to fax the request to the State of Louisiana Purchasing Card Section at 225-771-5793. Merchants are not required to honor the exemption from State sales tax, but Cardholders should make every effort at the time of purchase to avoid being charged the tax.

5. In the event state sales tax is charged and a credit is warranted, it will be the Cardholder’s responsibility to request the vendor/merchant to issue a credit to the Cardholder’s account. Cardholder must document these efforts. However, on occasion the College is authorized to exempt Cardholders from obtaining a credit from the vendor-merchant for state sales tax charges of $25 or less. However, if a Cardholder repeatedly allows taxes on purchases of $25 or less to be charged to the card, the College must take corrective measures. The College monitors sales tax transactions to ensure corrective action is taken to address repeat violations.

6. Cardholder must never allow a merchant to continue to swipe a card if it does not work the first swipe.

7. Cardholder obtains from vendor a sales receipt or invoice that itemizes the order. Retain this documentation for matching transactions in the Bank of America Works program.

---

**Orders by Telephone, Online, or Mail Order, Etc.**

1. Cardholder provides vendor with Cardholder name, College’s name, department name, credit card number, [tax exemption status](https://www.dor.la.gov/services/Qtax/), and complete shipping instructions (street address with internal location such as building and room number). Cardholder should verify appropriate shipping address with respective office receiving packages for his/her specific campus or site. Cardholder’s business email address that is used for the P-Card program must match the cardholder’s name. Another cardholder’s email address may not be used without prior approval from the Commissioner of Administration.

2. Cardholder instructs vendor to include in the delivery package a sales receipt, invoice or the P-Card charge slip itemizing the order.

3. Cardholder instructs vendor that sales receipt, invoice or P-Card charge slip itemizing the order must identify purchase as a purchase made with the P-Card.

4. Shipments to the Cardholder’s home are prohibited.

5. Instruct vendor to send any sales receipt or invoice directly to Cardholder, not to the [Accounts Payable Office](https://www.dor.la.gov/services/Qtax/), to avoid the possibility of duplicate payments.
Denial of Card Approval

1. If a vendor advises that card approval has been denied, it is most likely a violation of one of the established limits:
   - purchase exceeds the single transaction limit of $5,000.00 (or lower according to the cardholder’s profile)
   - purchase is a violation of the Cardholder’s Merchant Category Code access
   - purchase exceeds available credit as established by a current Works Purchase Request for that cardholder less any previous purchases

2. The vendor will NOT have information related to the reason for denial. If a transaction is denied, the Cardholder is to contact the Controller’s Office. The Controller’s Office will contact the proper person(s), obtain the information on the denial, coordinate resolution of the issue, and advise the Cardholder accordingly.

PURCHASE RECONCILIATION AND APPROVAL PROCESS

Cardholder:

1. The primary responsibility for the reconciliation and approval process rests with the Cardholder.

2. The Cardholder will have electronic access to the P-Card account’s information provided by the card issuer and will be required to reconcile transactions in the Works program on a weekly basis.

3. Some departments may choose to use “Proxy” reconcilers, which usually are the department’s Business Office Liaisons. In this case, the cardholder is required to submit receipts or other documentation to the department’s Proxy by the end of each week.

4. Cardholder is required to make arrangements with Supervisor/Budget Head regarding how the weekly account reconciliation will be completed in case of the Cardholder’s absence.

5. Cardholder must obtain an ORIGINAL receipt or packing slip for every card purchase. All receipts and supporting documentation must be scanned and tied to the applicable transaction in the Works program and not as one image for all transactions. They must be forwarded with signed log and signed memo statement to the Supervisor/Budget Head for approval and signatures and ultimately to the P-Card Administrator for review and maintenance of centralized files.

6. If an original receipt or packing slip is lost, the card issuer’s Missing Document Affidavit (Form 3300/012) must be submitted to the Controller’s Office.

7. Receipts totaling $250 or more must be scanned and e-mailed to the P-Card Administrator or their designee.
P-Card Procedures - continued
(For use in accordance with Purchasing Card (P-Card) Program Policy)

8. The Cardholder/Proxy is to review and verify purchase information in the Works program weekly.
   - Transactions must be “signed off” in the Works program by the Friday of the week following the week that the transaction posted.
   - At the end of a statement period (the 5th of every month) all transactions posted as of the 5th must be “signed off on” by the 10th of the month.

9. Cardholder/Proxy is to compare the transaction in the Works program with the actual sales receipts, invoices, credit card slips, etc. (supporting documentation information referenced in the Works program).

10. Cardholder/Proxy must certify agreement ("sign off") with the legitimacy and accuracy of the listed transactions in the Works program. This approval serves as certification by the Cardholder that all charges are accurate and valid College expenditures.

11. “Sign off” in the Works program requires the Cardholder/Proxy to complete the following steps (see "Instructions on Signing-Off on Transactions in Works Program"):  
   - Verify each transaction as to date, vendor, and amount by matching to the supporting documentation referenced in the Works program.
   - Add a comment describing items purchased on General Tab.
   - Complete Account, Object Code, State Contract and Spend Monitor information as applicable on the Allocation Tab.
   - Attach purchase request.
   - Sign off on transaction.

12. Cardholder/Proxy is responsible for resolving any “flags” raised in the Works program within two weeks of the flag being raised.

13. Cardholder is responsible for ensuring receipt of materials and services, and resolving any receiving discrepancies or damaged goods issued.

14. Cardholder is responsible for settling any disputes, clearing erroneous charges, and requesting charges and requesting credit for returned merchandise directly with the vendor.

15. Cardholder is to contact the vendor to resolve any outstanding issues. Most billing problems can be resolved expeditiously in this manner.
16. If Cardholder is unable to reach an agreement with the vendor, the card issuer’s Statement of Disputed Item must be submitted to the Controller’s Office. The card issuer must be notified in writing of any unresolved disputed item within sixty (60) days of the date of the transaction noted in the Works program.

17. Cardholder/Proxy is to forward all original supporting documentation for all transactions signed off to his/her Supervisor/Budget Head.

18. Cardholder is to reconcile transactions in the Works program and submit all original supporting documentation to the Supervisor/Budget Head on a weekly basis.

19. Discrepancies, policy violations, or card misuse must be reported immediately to the Controller’s Office on the Notification of P-Card Discrepancy/Violation Form, Form 3300/015.

Supervisor/Budget Head:

1. Supervisor/Budget Head is to verify that the transactions in the Works program match the actual sales receipts, invoices, credit card slips, etc. (supporting documentation referenced in the Works program) and to ensure proper documentation as described in the College’s policy on the Purchasing Card (P-Card) Program.

2. Supervisor/Budget Head must certify agreement with the legitimacy and accuracy of the listed transactions in the Works program. This approval serves as certification by the Supervisor/Budget Head that all charges are accurate and valid College expenditures.

3. For disputed purchases or purchases without proper receipts or documentation, Supervisor/Budget Head must ensure the card issuer’s Statement of Disputed Item Form and/or a Missing Document Affidavit, Form 3300/012, if applicable, are submitted to the Controller’s Office on a biweekly basis.

4. Discrepancies, policy violations, or card misuse must be reported immediately to the Controller’s Office on the Notification of P-Card Discrepancy/Violation Form, Form 3300/015.

5. Supervisor/Budget Head must (1) complete and immediately submit a P-Card Action Form, Form 3300/013 and (2) complete an exit review with Cardholder regarding the Cardholder’s transactions, supporting documentation and receipts, as well as obtaining necessary signatures prior to departure, for the following situations in which the Cardholder:

   - changes departments
   - has change in job responsibilities and is no longer required to have card privileges
   - is no longer employed with College
   - is on extended leave for more than 30 days including summer break

Effective March 4, 2016
Effective March 4, 2016

P-Card Procedures - continued
(For use in accordance with Purchasing Card (P-Card) Program Policy)

7. After ensuring all receipts and supporting documentation are scanned and tied to the applicable transaction in the Works program, the Supervisor/Budget Head must forward all original supporting documentation along with invoices, receipts, approved logs signed by both the Cardholder and the Supervisor/Budget Head, memo statements signed by both the Cardholder and the Supervisor/Budget Head, along with any findings and justifications to the Controller’s Office for maintenance in accordance with the College’s record retention requirements and subject to periodic review by the P-Card Administrator, Office of the Legislative Auditors, and any other duly authorized auditor.

8. The following forms must be submitted within the timeframe described above for each:
   - Card Issuer’s Statement of Disputed Item
   - Missing Document Affidavit (Form 3300/012)
   - P-Card Action Form (Form 3300/013)
   - Unauthorized Purchase Form (Form 3300/014)
   - Notification of P-Card Discrepancy/Violation Form (Form 3300/015)

QUESTIONABLE PURCHASES

In accordance with Card Usage Guidelines, purchases must be deemed necessary and required for continued daily operations of the College. The P-Card Administrator reserves the right to request justification for questionable purchases. Questionable purchases include any P-Card transaction that meets the following criteria:

   - There is no clear business use for items or services purchased or use not congruent with department’s mission;
   - The cost seems excessive for the item;
   - The quantity of items purchased seems excessive; and/or
   - The timing of the purchase seems inappropriate.

The process used to address questionable purchases is as follows:

1. Details of purchase will be logged as possible violation.

2. Cardholder and Budget Head/Supervisor will be notified.

3. Budget Head/Supervisor will be asked to provide justification for purchase.
4. A committee, consisting of the Assistant Vice Chancellor/Controller, Assistant Vice Chancellor/Financial Services, and Purchasing Card Administrator, will review purchase and justification and determine if purchase is valid or should be considered an unauthorized purchase.

5. If purchase is determined to be unauthorized, the appropriate procedures for an unauthorized purchase are to be followed.

**IMPROPER USE OF CARD**

Improper use of the P-Card is divided into two categories depending on severity, (1) violations of policy/procedures and (2) card misuse, and must be reported to the Controller’s Office on the Notification of P-Card Discrepancy/ Violation Form, Form 3300/015.

**Violations of Policy/Procedures**

1. A policy/procedure violation consists of any action taken (or not taken), which violates College or State policy/procedure with the exception of actions specifically considered card misuse in accordance with the State of Louisiana P-Card Policy.

2. Some examples of policy/procedure violations include late submittal of documents, incomplete submittal of documents, failure to maintain original receipts/documentation on file, failure to assign a backup in an absence, and allowing state sales taxes to be charged on purchases. (Note: Evidence documenting that the Cardholder attempted to get state sales tax exempted and/or credited alleviates the Cardholder from a Louisiana sales tax charge violation.)

3. Policy/procedure violations will be tracked by the P-Card Administrator. Properly justified occurrences will be taken into consideration if the Cardholder has to go before a committee for too many instances of policy/procedure violations thus constituting card misuse.

4. After three (3) violations in a 12-month period, the Cardholder and their Supervisor/Budget Head will be notified, in writing, of the nature and dates of the violations.

5. Any additional violations occurring in a 12-month period will be considered misuse of card and procedures for card misuse will be applied.

**Card Misuse**

*Excessive Policy and Procedure Violations/ Non-Approved Purchases*

1. Cardholders must comply with the requirements regarding Card Misuse in accordance with the State of Louisiana Purchasing Card Policy. Card misuse includes but is not limited to the following:
P-Card Procedures - continued
(For use in accordance with Purchasing Card (P-Card) Program Policy)

- excessive policy/procedure violations
- split purchasing (the artificial dividing of a single purchase to avoid the single purchase limit) as per State of Louisiana Office of State Purchasing regulations and Executive Order “Small Purchases Procedures.”
- intentionally or non-intentionally making personal and/or non-approved purchases
- making non-approved purchases due to a miscommunication between Supervisor/Budget Head and Cardholder, and other instances of improper use
- a non-approved purchase could occur when the Cardholder mistakenly uses the P-Card rather than a personal card

2. Cardholders are personally responsible for unauthorized purchases. In the event an unauthorized charge is placed on the individual’s P-Card account, the Cardholder must never make a payment directly to the bank. Instead the Cardholder must report any unauthorized charges to the P-Card immediately. The Cardholder may immediately return the merchandise and pay applicable re-stocking and related fees, or reimburse the College for the purchase as follows:

    By check or money order submitted to the Controller’s Office prior to the second payday after the violation was noted, OR

    By payroll deduction set up the College’s Payroll Office, with a formal reimbursement plan submitted to the Controller’s Office prior to the second payday after the violation was noted.

    If no election is made, the total amount due will be deducted from the Cardholder’s paycheck on the second payday after the violation was noted.

3. In accordance with the State of Louisiana Purchasing Card Policy, “a non-approved purchase differs from a fraud purchase in that it is a non-intentional misuse of the P-Card with NO intent to deceive that agency for personal gain or for the personal gain of others.” For any non-approved purchases, the Cardholder must submit an Unauthorized Purchase Form (Form 3300/014) to document the circumstances surrounding the purchase. If the Cardholder does not submit the form, then the Supervisor/Budget Head must submit the form. Properly justified occurrences will be taken into consideration if the Cardholder has to go before a committee for too many instances of misuse.

4. After one instance of card misuse, the Cardholder and their Supervisor/Budget Head will be notified, in writing, of the nature and dates of the violations. When a non-approved purchase occurs, the Cardholder will be counseled to use more care in handling of the P-Card. The counseling will be documented in writing and will be maintained in the P-Card Administrator’s file.
5. After two instances of card misuse in a 12-month period:
   - the card will be immediately suspended
   - Cardholder and Supervisor/Budget Head will be notified in writing
   - the facts will be presented to an internal committee that will determine if the card will
     be reinstated, suspended for a set period, or revoked.

6. The committee will consist of the P-Card Administrator, a member of the Purchasing Office,
   a member of the Controller’s Office, a Cardholder from a different department, and the
   Cardholder’s immediate supervisor.

7. If the committee determines that the incident may constitute fraud purchase, the case will be
   handled in accordance with the procedures outlined in “Fraud Purchase.”

8. A committee meeting will be conducted, with the Cardholder notified in writing of the
   decision within two weeks following when the violation was noted.

9. A Cardholder may appeal the action taken by the committee, in writing, within two weeks of
   being notified, to the Vice Chancellor for Business and Administrative Affairs.

10. Upon appeal, the Vice Chancellor for Business and Administrative Affairs will meet with the
    P-Card Administrator, a member of the Human Resource Office, and the Cardholder’s
    Supervisor/Budget Head to determine what action should be taken.

Fraud Purchase

1. In accordance with the State of Louisiana Purchasing Card Policy, a fraud purchase is “any
   use of the procurement card which is determined to be an intentional attempt to defraud the
   state for personal gain or for the personal gain of others.” Fraud purchases include but are
   not limited to the following:
   - intentionally violating policies and procedures for personal gain or gain of others
   - theft of identity or card information
   - use of the card to make fraud purchases by the Cardholder for personal gain or the
     gain of others
   - any other action regarding the card for personal gain or the gain of others

2. A suspected fraud purchase will result in immediate suspension of card privileges.

3. Cardholder and Supervisor/Budget Head will be notified in writing.

4. The facts will be presented to a committee, consisting of the P-Card Administrator, the
   Cardholder’s immediate supervisor, a member of the Purchasing Office, and a member of
   the Controller’s Office.
5. The committee will determine if enough evidence of a fraud purchase exists to submit the case to the Human Resource Office for referral to internal audit and/or Campus Police for further investigation, if deemed appropriate.

6. If an investigation is conducted, the card will remain suspended until investigation is complete.

7. The Cardholder will be notified of the results of the investigation in writing.

8. If no fraud purchase is found, but a non-approved purchase is suspected, card will remain suspended until facts can be brought before the committee and the procedures for addressing non-approved purchases will be followed.

9. In accordance with the State of Louisiana Purchasing Card Policy should the investigation result in findings that show that the actions of the employee has 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 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.

Attachments:

- P-Card Cardholder Enrollment Form (Form 3300/010)
- Cardholder Agreement Form (Form 3300/011)
- Missing Document Affidavit (Form 3300/012)
- Card Issuer’s Statement of Disputed Item
- P-Card Action Form (Form 3300/013)
- Unauthorized Purchase Form (Form 3300/014)
- Notification of P-Card Discrepancy/Violation Form (Form 3300/015)
- Louisiana Sales Tax Exemption Certificate