



## **Purchasing Card (*LaCarte*) Policies and Procedures**

### **INTRODUCTION**

Southeastern Louisiana University has entered into an agreement with the State of Louisiana and Bank of America that provides qualified employees with a Visa Purchasing Card to purchase low cost materials. Using the Purchasing Card benefits the University and its vendors through:

- Prompt payments to vendors
- Reduced processing costs and paper flow
- Controlled decentralization of Purchasing

The Purchasing Card will provide the University with a system that is efficient, flexible, and convenient for departments purchasing goods directly from vendors for transactions up to \$5,000 within the current small purchase executive order. The Purchasing Card simplifies the way departments may order small dollar goods from vendors that accept the Visa credit card.

The Purchasing Card program is designed to delegate the authority and capability to purchase small dollar items directly to the end user or department. Use of the Card will enable cardholders to purchase non-restricted items directly from vendors without the issuance of a requisition or a purchase order.

As a State agency, Southeastern Louisiana University is bound by certain State and Federal regulations and laws. To ensure compliance with these requirements, cardholders must adhere to the guidelines outlined in the cardholder enrollment form and cardholder agreement (See Attachments A and B). The policies in the application and agreement, as well as any revisions by the Purchasing Department pertaining to the program, must be followed when using the Purchasing Card.

## PURCHASING CARD CARDHOLDER'S GUIDE

### I. Overview

#### A. Louisiana "LaCarte" Purchasing Card

Louisiana "LaCarte" Purchasing Card is a Visa Card used by Southeastern Louisiana University employees to purchase materials up to \$5,000 per transaction (including shipping and handling) within the current small purchase executive order. It is the preferred purchasing tool used to purchase low cost materials.

#### B. How your card may be used

1. Your card may be used for any purchase of materials provided that
  - a) The transaction does not exceed \$5000 (where applicable), including shipping and handling charges;
  - b) The transaction does not cause the monthly spending limit to be exceeded;
  - c) The transaction does not fall within one of the excluded merchant groups/spending categories;
  - d) The transaction does not involve a purchase of one of the types listed in Exhibit I.
  - e) The transaction is supported by the appropriate informal quotes, when applicable.

#### C. Purpose and Benefits of Using the Purchasing Card

1. To simplify and reduce costs of the purchasing and payment process for material orders up to \$5,000 where applicable. The cardholder uses the card to make the purchase from suppliers without completing purchase orders or requisitions. All State of Louisiana and Southeastern Louisiana Purchasing rules and regulations must be followed; only the method of payment has changed.

2. To simplify and reduce the number of Process Forms for Payment processed by Purchasing and Accounts Payable. To reduce the number of requisitions entered in PeopleSoft. One monthly invoice is paid to Bank of America versus handling large volumes of low dollar invoices.
3. The Purchasing Card process pays the suppliers within two business days of requesting payment for merchandise provided.

D. Purchasing Card Cycle

1. Cardholder presents Purchasing Card to supplier at time of purchase.
2. Suppliers receive remuneration from Visa within two business days of requesting payment for merchandise provided.
3. Approximately **2 days** after using the Procurement Card for a purchase, the cardholder will receive an email notice from Bank of America's Works System that a transaction is waiting for coding to the correct Budget Unit/Account and the cardholder's signoff.
4. Within **2 business days** after receiving the above notification from Works, the Cardholder must complete the coding and signoff. The cardholder's immediate supervisor will then receive an email notice that their approval is required for the transaction. (See the "Works Cardholder Transaction Signoff" document for step-by-step instructions.)
5. Within **2 business days** after receiving notification from Works, the supervisor must access Works and complete the approval process for the transaction. (See the "Approving a P-Card Transaction" document for step-by-step instructions.)
6. At the end of the Works billing cycle for the month (the **6<sup>th</sup>** of the month), the cardholder will receive an email with the monthly Procurement Card Transactions Statement attached.

7. Within **5 business days** after receiving the statement, the cardholder must:
  - a) scan the documentation for the purchases shown on the statement into a single pdf file (MUST be pdf or jpg—no other formats can be accepted),
  - b) attach this scanned file to the monthly statement email, and,
  - c) forward the original email with the statement and the additional file attached to **pcard@selu.edu**.

Original documentation and Memo Statement should be retained in the department for a period of six years.

***NOTE: If the statement documentation is not submitted within this 5-day time frame, a notice will be sent to the cardholder and supervisor. If documentation is not received within an additional 5 days of the reminder email, the procurement card will be suspended. Multiple suspensions may result in loss of card privileges.***

6. Southeastern Louisiana University remits payment to Bank of America within 25 days of statement date.
7. Transactions that have been signed off by Cardholder and Approver/Manager are posted to budgets weekly.

#### E. Card Misuse

1. Fraud Purchase - 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.

An employee suspected of having misused the procurement card 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.

**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 procurement card with no intent to deceive the agency for personal gain or for the personal gain of others.

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

When a non-approved purchase occurs, the cardholder should be counseled to use more care in handling the procurement card. 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 procurement card.

## II. Cardholder's Responsibilities

### A. General Responsibilities

1. The card is used for payment of materials up to \$5,000 (including shipping and handling charges) within the current small purchase executive order. The transaction and credit limits on the card have been approved by the University Purchasing Department. The Purchasing Card delegates the expenditure and purchasing authority, up to \$5,000, to the authorized cardholder.
  - a. It is the responsibility of the budget unit cardholder to verify sufficient funding exists in the specified budget

and expenditure code **PRIOR** to initiating the Purchasing Card transaction.

2. The cardholder will sign off of each transaction within TWO days of email notification from the WORKS system. Cardholder will submit monthly billing statement and supporting documentation (sales receipts, invoices, credit card slips, etc.) of each transaction. Scans will be emailed to **pcard@selu.edu** within FIVE business days after the 6<sup>th</sup> of the month.
3. The Purchasing Card remains the property of Bank of America. It may not be transferred, assigned to, or used by anyone other than the designated cardholder. The cardholder will surrender the Purchasing Card upon request to Southeastern Louisiana University or any authorized agent of Bank of America.
4. Southeastern Louisiana University retains the right to cancel a cardholder's privileges. Cards may be revoked for misuse or non-compliance with procedures and/or the Cardholder's Agreement (Attachment B). First Offense is a written notification from the P-Card Administrator who will also notify the Department Head prior to sending the notice. Second Offense (of the same nature) will result in a committee comprised of the next-level supervisor, a peer, and the P-Card Administrator to review the offense. The committee will make a decision on how to handle the offense which could include revoking the card. If the cardholder disagrees with the committee's decision, then the cardholder has TEN DAYS to appeal the committee's decision. Cardholder submits the appeal, in writing, to his/her next-level supervisor's next-level supervisor. In instances of card misuse, the cardholder will have TWO pay periods to resolve the matter or the amount can be deducted from cardholder's paycheck.
5. State sales tax should not be charged on card purchases. Cardholders should make every effort at the time of purchase to prevent being charged state sales tax. The tax exempt number is printed on the front of the P-Card. Cardholder will notify the vendor **BEFORE** the purchase is rung up that the purchase is tax exempt. In the event state sales tax is charged, the cardholder will be responsible to have the vendor/merchant issue a credit to the cardholder's account by the next statement period.

## B. Ordering and Receiving of Materials

The cardholder is responsible for ensuring receipt of materials and resolving any receiving discrepancies or damaged goods issues. (For disputes or questions, see item F.)

1. Ask the supplier if they will accept Visa.
2. The card is used for payments up to \$5,000. Ask the supplier to calculate the total value of the order, including shipping, handling charges and freight costs. Advise vendor that Southeastern Louisiana University is tax exempt. If the total charge is over \$5,000 the card cannot be used.
  - a. Do not split a transaction into two or more transactions to get below the single transaction limit.
  - b. Violation of this policy may result in cancellation of your card.
3. Obtain from the supplier a sales receipt or invoice which itemizes the order. Retain this documentation for matching with your monthly statement.

## C. Telephone Orders

1. Provide the supplier with your complete shipping instructions. Vendor should address all merchandise for shipment as follows:

Southeastern Louisiana University  
Receiving Station for (your name, street address,  
department, building and room number)  
2400 N Oak Street / BLDG M4  
Hammond, LA 70402

2. Instruct the supplier to include in the delivery package a sales receipt, invoice, or the Purchasing Card charge slip itemizing the order.
3. Instruct the supplier to send any sales receipt or invoice directly to you rather than the Purchasing Department. This will avoid the possibility of having the same invoice paid twice.

D. If Approval is Denied

1. If a supplier advises that card approval has been denied, it is most likely a violation of one of the established levels of authority checks.
  - a. Example – the purchase exceeds the single transaction limit.
  - b. Example – the account is over the spending limit.
  - c. Example – the purchase is a violation of a Merchant Group/Spending Category code or a Merchant Category Code to which access is prohibited.
2. The supplier will not have information related to the reason for denial, nor does the cardholder have the authority to obtain this information. If a transaction is denied, the cardholder should contact the Purchasing Card Administrator for assistance.

The Purchasing Card Administrator will contact the proper persons, obtain information on the denial and coordinate resolution of the issue.

E. Reconciliation and Approval Process

1. Primary responsibility for the reconciliation and approval process rests with the cardholder and next-level supervisor of each department.
2. Statements are accessed by each cardholder in the WORKS system.
3. Compare the transactions on the statement(s) with the actual sales receipts, invoices, credit card slips, etc. (supporting documentation). If a credit card charge slip or a receipt does not itemize the purchase, it will have to be itemized on a separate sheet of paper.
4. Verify each transaction as to date, vendor and amount by matching to the supporting documentation.
5. Scan supporting documentation for all transactions listed on the Memo Statement along with the Memo Statement and email to Program Administrator.

6. The cardholder should retain a copy of the statement(s) and the original supporting documentation for SEVEN years.
7. It is the responsibility of the cardholder to verify that sufficient funding exists in the specified budget unit and expenditure code(s) for all Purchasing Card transactions **PRIOR** to making the purchase.
8. Submit (email) scanned copies of Memo Statement and supporting documentation, Disputed Item Report (where applicable) to the Purchasing Department WITHIN FIVE DAYS of the 6<sup>th</sup> of the month.

MEMO STATEMENTS AND SUPPORTING DOCUMENTATION NOT RECEIVED WITHIN 10 BUSINESS DAYS COULD RESULT IN CANCELLATION OF CARD.

9. For disputed or questioned items – See item F.
10. Personal expenses charged on card.
  - a. Personal usage of card is NOT ALLOWED.
  - b. Violations may result in cancellation of your card.

F. Disputed and Questioned Items

1. The cardholder is responsible for ensuring receipt of materials and resolving any receiving discrepancies or damaged goods issues.
2. Cardholder is responsible for settling any disputes, clearing erroneous charges and requesting credit for returned merchandise directly with the supplier.
3. Cardholder should contact supplier to resolve any outstanding issues. Most billing problems can be resolved expeditiously in this manner.
4. If cardholder is unable to reach agreement with supplier, the cardholder should contact the P-Card Administrator. Bank of America must be notified in writing of any unresolved

disputed item within sixty (60) days of the date of the statement on which the questioned item appears.

5. Cardholder should indicate in WORKS that an item is in dispute.
6. Tax is NOT a disputable item with Bank of America.
7. Contact P-Card Administrator if an acceptable resolution is not obtained.

G. Missing Receipts

1. In the event a receipt cannot be located and a duplicate receipt cannot be obtained, the cardholder can fill out a Missing Receipt Form (Attachment E). This form should be included in the monthly reconciliation paperwork. The use of this form should be the exception and not the rule. After the second instance within a fiscal year (July 1 - June 30), any additional instances will be considered card misuse and will be subject to the card misuse procedures set forth in this policy.

H. Lost or Stolen Cards

1. Report any lost or stolen cards immediately to the Bank first and then the Purchasing Card Administrator. The bank will immediately cancel the card and forward a replacement card to the Purchasing Card Administrator within three to five business days.
2. To report lost or stolen cards:

**888-449-2273**

I. Termination of Employment

1. Cardholder must notify the Purchasing Card Administrator upon termination of employment from the University. Please give the Purchasing Card Administrator ample notice so that your card may be cancelled. Please deliver the card to the Purchasing Card Administrator. **DO NOT SEND THE CARD IN THE CAMPUS MAIL.**

- J. Change of Department or Budget Unit
1. Cardholder must notify the Purchasing Card Administrator of his/her change in department/budget unit.
- K. FMLA, Sabbatical, and Other Extended Periods of Leave
1. Cardholder must notify the Purchasing Card Administrator of his/her instances of extended leave (FMLA, Sabbatical, etc.)

## EXHIBIT I

### SOUTHEASTERN LOUISIANA UNIVERSITY RESTRICTIONS ON CARD USE

The Purchasing Card **SHALL NOT BE USED** for the following purchases:

- Alcoholic beverages
- Cash advances, cash instruments, cash refunds
- Christmas cards and other similar communications
- Christmas trees (live)
- Controlled substances (prescription drugs, narcotics, etc.)
- Entertainment costs – ski tickets, tours, etc.
- Food, beverages & meals
- Gifts (includes Gift Cards and Gift Certificates), Prizes
- Honorariums
- Personal, Professional, Consulting, & Social Services Contracts
- Services and/or 1099 Reporting Vendors
- Personal purchases
- Professional Certification Fees (AIA, CPA, CPM, CPPB, CPPO, LLP, PE, etc.)
- Memberships in Civic and Community organizations (i.e. Chamber of Commerce)
- Postage stamps
- Travel (gas stations, lodging, restaurants, airline tickets, etc.)

The Cardholder shall:

- Assure that Purchasing Card transactions are not artificially split in order to circumvent the single purchase limit.
- Assure that the items purchased are required for bona fide University purposes (no personal expenses).
- Assure that the prices paid are fair and reasonable.
- Notify the merchant that the purchase is being made in the name of the University and is exempt from state and local taxes.
- Obtain transaction receipts from the merchant or vendor each time the Purchasing Card is used.
- Assure that all items are received at time of purchase
  - a. No back orders are allowed on telephone and internet orders.
- Assume personal responsibility for all purchases made with the card.
- Assure that the information provided is correct in all respects.
- Assure that sufficient funding exists in the specified budget and expenditure code **PRIOR** to making any purchases.

## **STEPS IN OBTAINING A PURCHASING VISA CARD**

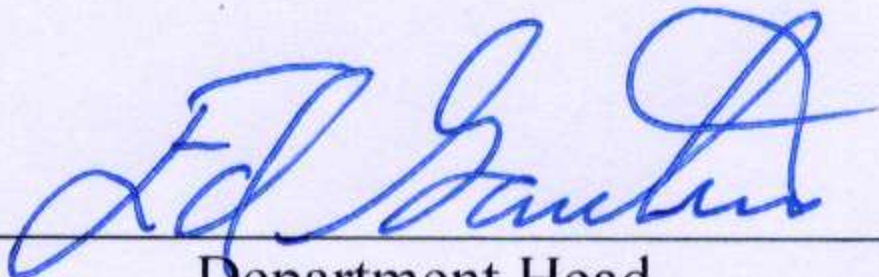
- Enrollment forms can be found online at the Procurement Card website or picked up in the Purchasing Department.
- Complete form and return to Purchasing Card Administrator.
- Once Enrollment form is received, card will be requested.
- Visa card will be sent directly to the Purchasing Card Administrator in approximately 2-3 days (if the card is sent directly to the department, please inform the Purchasing Card Administrator immediately).
- The cardholder will be required to attend a training session and sign a Purchasing Cardholder's Agreement (Attachment B). Once this is done the cardholder will receive the Purchasing Card.
- Cardholder should sign the Purchasing Card immediately upon receipt.

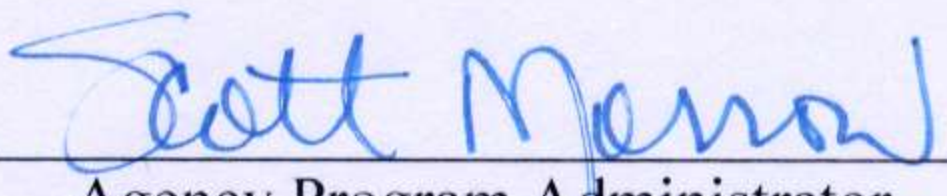
P-CARD QUICK REFERENCE TIMELINE			
	When	Who	Event
1)	Approximately 2 Days after Purchase	Cardholder	Coding & sign-off request arrives from Works
2)	Within 2 Days of Works Notice	Cardholder	Codes and signs off on the transaction, triggering approval notice to Supervisor
3)	Within 2 Days of Approval Notice from Works	Supervisor	Completes approval process
4)	End of billing cycle (on the 6 <sup>th</sup> )	Cardholder	Receives email containing statement
5)	Within 5 Days of statement (see NOTE below)	Cardholder	Forwards documentation to PCard@selu.edu

- 1) **Cardholder:** Approximately 2 days after using the Procurement Card for a purchase, the cardholder will receive an email notice from Bank of America’s Works System that a transaction is waiting for coding to the correct Budget Unit/Account and the cardholder’s signoff.
- 2) **Cardholder:** Within **2 business days** after receiving the above notification from Works, the Cardholder must complete the coding and signoff. The cardholder’s immediate supervisor will then receive an email notice that their approval is required for the transaction. (See the “Works Cardholder Transaction Signoff” document for step-by-step instructions.)
- 3) **Supervisor:** Within **2 business days** after receiving notification from Works, the supervisor must access Works and complete the approval process for the transaction. (See the “Approving a PCard Transaction” document for step-by-step instructions.)
- 4) **Cardholder:** At the end of the Works billing cycle for the month (the **6<sup>th</sup>** of the month), the cardholder will receive an email with the monthly Procurement Card Transactions Statement attached.
- 5) **Cardholder:** Within 5 business days after receiving the statement, the cardholder must:
  - a) scan the documentation for the purchases shown on the statement into a single pdf file (MUST be pdf or jpg—no other formats can be accepted),
  - b) attach this scanned file to the monthly statement email, and,
  - c) forward the original email with the statement and the additional file attached to [pcard@selu.edu](mailto:pcard@selu.edu).

**NOTE:** *If the statement documentation is not submitted within this 5-day time frame, a notice will be sent to the cardholder and supervisor. If documentation is not received within an additional 5 days of the reminder email, the procurement card will be suspended. Multiple suspensions may result in loss of card privileges.*

The Department Head and Agency Program Administrator, by signing this Policy, acknowledges and accepts his/her responsibilities in the administration of this program as outlined herein.

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

  
\_\_\_\_\_  
Agency Program Administrator

Southeastern Louisiana University

Agency

05-06-11

Date