NICHOLLS STATE UNIVERSITY

Corporate Liability

State of Louisiana "LaCARTE"

Purchasing Card Policy

PROGRAM ADMINISTRATOR CONTACT INFORMATION

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DATE: REVISED DECEMBER 2024

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I. INTRODUCTION

POLICY STATEMENT

This policy of the Nicholls State University Purchasing Department is adopted from the Office of State Travel Card Policies and Minimum Guidelines. Specific University Requirements are detailed in this policy, in addition to the minimum requirements of the Office of State Travel Policy.

This policy and related procedures cover the State of Louisiana's LaCarte Purchasing Card (P-Card) Program only. The University has a separate policy that governs the State's Travel Card and CBA Card.

The P-Card Program is the State of Louisiana's Corporate Liability Card and this policy establishes minimum standards to ensure compliance. The use of the State of Louisiana's Liability Card for purchases must comply with Nicholls State University procurement card procedures, the State of Louisiana purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, Statewide Card Policy, internal agency policies and procedures, and/or PPM49, as applicable.

The State of Louisiana credit card is issued with corporate liability, under which, the State of Louisiana is liable for the cost of the purchases. Due to the university and state liability, these cards are to be issued to NICHOLLS STATE UNIVERSITY EMPLOYEES ONLY.

PURPOSE

The University's participation in the State of Louisiana Card Program will provide eligible University employees with an efficient, cost-effective method for procuring small dollar purchases of goods and services as required during the normal course of their job duties. The use of these cards improves efficiency and reduces costs by:

- Providing a convenient way to pay for goods and services
- Employees having to use personal funds and request reimbursement.
- Reducing the need to request purchase orders and check requests.

LACARTE PURCHASING CARD (P-CARD)

The P-Card is a tool used to assist in the management of procurement, payment, and accounting. The P-Card will be identified with the State of Louisiana seal and marked Louisiana "LaCarte". The card is white and embossed with the employee's name, department name, account number, and tax-exempt number.

The P-Card enables employees to purchase items with the convenience of a credit card while providing management with a means of maintaining control over those purchases. Payments for valid business purchases for low-dollar goods, supplies, operating services, at or under the value of $1,000 should be made with the P-Card in lieu of purchase orders, when possible. Processing through the University's Ellucian ERP system is not required when this payment method is used. The P-Card can be used with any merchant that accepts Visa as a form of payment, and is not assigned a restricted MCC code blocked by the Office of State Travel.

Only MCC allowances outlined with the State Liability Travel Card will be allowed. Special MCC Code requests may be forwarded to the Office of State Travel for approval if the MCC code needed is in the best interest of the University. Only the Office of State Travel may approve the exception requests for MCC Codes.

II. DEFINITIONS

Accountholder/ Cardholder –refers to an employee who has received a State of Louisiana- Card

Agency Program Administrator – The University employee(s) responsible for administering and managing the State of Louisiana's liability cards at the agency level and acts as the main contact between the agency, the State, and the issuing bank.

Agreement Form – A form signed by the Agency Program Administrator(s), cardholder, and cardholder approver annually that acknowledges they have received required training from the agency, completed the State's online certification training (In the University's Canvas System) and received a passing score of at least 90, understand all policies, both state and University, and accept responsibility for compliance with all policies and procedures related to the procurement card program.

Approver – The cardholder's supervisor or the most logical supervisor at least one level higher, is responsible for approving transactions online and signing both the cardholder's billing cycle log and monthly statement.

Billing Cycle – The period of time between billings. The State of Louisiana P-Card closing period ends at midnight on the 5th of each month. The State of Louisiana Travel Card closing period ends at midnight on the 8th of each month.

Billing Cycle Purchase Log –Used in the reconciliation process for purchases/services charged during the billing cycle. A PDF Billing Cycle Purchase Log is available electronically in Works®. WORKS®

Card Abuse – refers to the use of the card for non-approved State business purchases, including personal purchases. See the definitions of "card misuse" and "fraud" and Section VIII, "Fraud Misuse".

Card Misuse – Use of the card for legitimate purchases but for goods or services that are prohibited by the State or University policy. See the definitions of "card abuse" and "fraud" and Section VIII, "Fraud and Misuse".

Cardholder – A University employee whose name appears on the card or the person who has been assigned by the agency as the accountholder/authorizer for the p-card and is given authority to make purchases within preset limits on behalf of the University.

Cardholder Enrollment Form – initiates the card issuance process for the cardholder.

Cycle Limit – refers to the maximum spending (dollar) limit that a card can charge within a billing cycle. The standard University Cycle Limit is $5,000.00. This is a preventative control.

Department Head – An elected officer, an appointed officer, the executive head of a State agency, or the President of a college or university.

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

Dormant Card – an account with no transactions within a twelve-month period.

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

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

Fraud – refers to any intentional transaction that does not have the cardholder's authorization or is not for official University/State Business. See the definitions of “card misuse” and “card abuse” and Section VIII, “Fraud and Misuse”.

INTELLILINK – a web-based auditing tool, to monitor and manage the agency's card program usage, ensuring that it adheres to all policies and procedures.

LaCarte Purchasing Card (P-Card) – a credit account issued in a University employee’s name. This account is the direct liability of the University and is paid by the University. Also referred to as the LaCarte Card and Purchasing Card

Merchant – A business or other organization that may provide goods or services to a customer. This term is often used interchangeably with the terms "supplier" or "vendor".

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

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

Participating entity – Any State agency, board, commission, university, or college participating in the State’s credit card program

Personal Purchases – Non-work-related goods or services purchased solely for the benefit of the cardholder, the cardholder’s family, or another individual.

Receipt – A merchant-produced original document, either paper or electronic, that records the relevant details for each item purchased, including quantities, amounts, a description of what was purchased, the total charge amount, and the merchant’s name and address (e.g. sales receipt, invoice, packing slip, credit receipt, etc.) This must match the online transaction amount and any other relevant documentation regarding the transaction.

Single Transaction Limit (STL) – refers to the maximum spending (dollar) limit that a card can charge for a single transaction. The University’s STL limit is $1,000.00; however, this limit may be increased in the event a single purchase will exceed $1,000.00 only on the approval of the Purchasing Department. The single transaction limit cannot exceed $5,000.00 without the approval of the Office of State Travel..

Spend Control Profile – a unique profile associated with a cardholder, sets the card credit limit, single transaction limit, and MCCs on the cardholder's ability to make purchases on behalf of the University/State. This profile is developed by the Purchasing Department, with the assistance and approval of the Office of State Travel, based on the procurement needs of the card holders department.

Split Purchase – A practice whereby one or more cardholders or suppliers split a purchase into two or more transactions and/or purchase orders to circumvent either single transaction limits or bid requirements. This is prohibited by the University and the State’s Corporate Liability Card and Procurement Policies.

University/State Program Administrator – serves as the central point of contact in the Office of State Travel, responsible for managing and overseeing the University’s/State's Card Programs.

Transaction – refers to a single purchase of goods or services. A credit also constitutes a transaction.

Transaction Documentation – All documents pertaining to a transaction. Examples of transaction documentation include, but are not limited to: itemized purchase receipts/invoices (with complete item descriptions, not generic such as "general merchandise), receiving documents, credits, disputes, and written approvals.

Works® – a web-based system, for program maintenance of cards, including issuance, suspension, cancellation, and reporting.

III. GENERAL CONDITIONS

The Office of State Travel Policy requires all public/post-secondary agencies, boards, and commissions to use Works®, which is the online banking system through Bank of America. Works® captures all transactions with the ability to maintain receipts and backup supporting documentation electronically.

The University program administrators will provide each cardholder a copy of a works guide to assist in managing their receipts and accounts.

The workflow is set up to require the cardholder and approver to process the transactions before a cardholder's credit limit refreshes to the full monthly credit limit, which will help ensure cardholders comply with state policies and procedures.

All program participants must sign the most current State of Louisiana Program Agreement Form (Available in the University Canvas System) for the applicable program role on an annual basis. Agreements acknowledge and outline the program's key responsibilities. Forms must be given to the University Program Administrator(s) and copies must be provided to the approver.

This program does not allow cash withdrawals/transactions or any attempts for cash transactions, as cash is prohibited and blocked from this program. The cardholder will be disciplined in accordance with this policy and card privileges will be revoked should an attempt be made to obtain cash with the card.

The University does not allow gift cards to be purchased with a p-card.

Cardholders must be approved by appropriate University authority, and cards should only be distributed to department staff members who are required to a University employee who's job duties require the employee to handle procurement matters for the department based on the request of a supervisor, manager, or department head, not as an automatic process upon hiring.

Per the Office of State Travel Policy, a p-card shall not be issued to Agency Program Administrators, department heads, auditors of the program, or any person with roles associated with administering and monitoring the program, including the person responsible for monthly audits/reports and second level review of the University's program

The only exception to an employee possessing a card with a role in the program is an approver. Approvers are allowed to be a cardholder, however, approvers cannot review and approve their own transactions.

TRAINING

Per the Office of State Travel Policy, the University must provide continuous training that promotes overall program use and compliance. All annul training and forms are available in the University's Canvas system.

All program participants are required to complete the Office of State Travel's online certification course for their role prior to participation and repeat the course annually. Participants must receive a passing grade of at least 90 in order to remain as a program participant.

Agencies are required to develop training on their internal policies and procedures. Training must be completed annually for all program participants.

Agency Program Administrators must document the date training was conducted and maintain a roster of attendees.

All program participants must be educated on:

- Louisiana Sales Tax Requirements
- Process of reporting a card lost, stolen, and/or any fraudulent activity

Training must be conducted when a new card is issued and/or a new approver is assigned, and it must be repeated annually. This is to ensure that all program participants are aware of all duties and responsibilities associated with the possession/use of the State Corporate Liability Cards.

IV. LEGAL

All University and state guidelines identified herein, including purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures that apply to the use of Louisiana Card Programs. Program participants who knowingly, or through willful neglect, fail to comply may be subject to suspension or termination of account privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.

The Office of State Travel reserves the right to withdraw any authority or delegated approval due to non-compliance with Louisiana's Corporate Liability Card Policy, purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures.

V. ROLES AND RESPONSIBILITIES

OFFICE OF STATE TRAVEL: The Office of State Travel (OST) is responsible for the statewide contract administration of the State of Louisiana Corporate Liability Card Programs. The Office of State Travel serves as the central point of contact for all issues and changes necessary to the programs, as well as coordinating such changes with the issuing bank.

The State Program Administrators, within OST, serve as liaisons between the University Program Administrators and the issuing bank to address all issues and changes necessary to the overall card programs.

OST conducts periodic reviews of participating State entities to determine the level of compliance with Louisiana's Corporate Liability Card Policy, purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures, and/or PPM49.

OST issues written assessments of the agency's program, makes recommendations for improvement when warranted, and Works® with program personnel to implement corrective actions when warranted.

In cases where internal controls, policies, or card programs are not adequately managed, OST has the authority to require improvements and/or impose other restrictions on an agency's card program until adequate controls and policies are implemented.

DEPARTMENT HEAD: The department head, or President for higher education, is responsible for all card activity of the University, ensuring that the program is in compliance with all requirements, and designating the University Program Administrators for the State of Louisiana Purchasing Card. Changes to the Agency Program Administrators, department head, or President for higher education shall be submitted to the State Program Administrator in writing immediately. The Program Administrator Change Form for the applicable card program must be used to update University Program Administrators. The form can be found on the Office of State Travel website and must be signed by the agency's department head or President for higher education. The completed form should be emailed to the State Program Administrator. The State Program Administrator will forward the changes to the issuing bank.

AGENCY REQUIREMENTS: Failure to comply with the Office of State Travel requirements may result in the card program being suspended. Each agency is responsible for developing and implementing a P-Card, Policy documenting all internal procedures, and ensuring that they are in compliance with the guidelines of the Statewide Card Policy. Policies should be updated as necessary with changes that may occur in the agency's internal procedures and/or the State's card policy provided by the Office of State Travel. Agency policies and procedures may contain terms, conditions, and limits that are more restrictive but not more permissive than those in the Statewide Card Policy. Whenever an agency's policy is more restrictive than the State's policy, then the agency's policy takes precedence.

Agencies are responsible for administering their card programs and ensuring compliance with all state guidelines, purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures, and PPM49, as applicable.

Agencies are responsible for ensuring that the cardholders are using the card program properly. Participants in the program are expected to know the general policies and procedures governing the agency's card program, specifically the Agency Program Administrators. Agencies are encouraged to add card compliance requirements as part of their employee's evaluations.

Agencies are responsible for creating Spend Control Profiles to establish controls on each card. The Spend Control Profile contains the card limits and allowable/restricted merchant category code groups (MCCGs).

Agencies are responsible for determining the appropriate cardholders and setting individual single transaction limits and monthly cycle limits. An agency may allow a single transaction limit (STL) up to $5,000 without prior approval from the Office of State Travel. Limits set by the agency should reflect the individual's purchasing pattern. Exceptions to the single transaction limit may be requested from the Office of State Travel by submitting a Request for Exception Form. The University STL is $1,000.00. This limit may be increase to all ow a charge to go through depending on the circumstances regarding a transaction. In no event can the STL be greater than $5,000.00 without the Approval of the Office of State Travel.

Agencies must request approval from the Office of State Travel to use any restricted merchant category codes (MCCs) using the Request for Exemption Form. The request must contain justification and will be considered for approval only if the agency is in good standing with compliance of the card program guidelines.

1. There must be a separation of duties between the person responsible for conducting the monthly audit reports and/or the second-level review; they should not be an approver or cardholder for transactions they will audit.

2. To allow for proper and complete program audits, all participating agencies must use Works®. Works® captures all transactions made on the card and has the ability to maintain receipts and backup supporting documentation electronically. The system provides a second level of approval, in addition to the cardholder and approver. Agencies

are encouraged to utilize this function as an additional internal control for the detection and deterrence of fraud, cardholder misuse, or cardholder abuse.

Participating agencies with internal auditors should include the activities of the State of Louisiana Corporate Liability Cards in the annual risk assessments that are conducted on the agencies. If the activities of the card programs are considered high risk, the internal auditors should address this area when developing their annual audit plans and work schedules. Conducting an audit of the agency's card program no less than once every 3 years is encouraged.

Upon initiating an audit of the card activities and program, internal auditors should notify the Office of State Travel via email. In addition, copies of all completed audits should be provided to the Office of State Travel.

INTERNAL CONTROLS

It is required to establish controls for pre and post-approval of purchases made on the State's card programs. Internal controls are essential for the detection and deterrence of fraud, cardholder misuse, or cardholder abuse of the card program. Internal controls include policies, procedures, training, and monitoring.

1. Identify job titles or positions that require a card, and then determine the appropriate spending limits based on budget restrictions, job requirements, historical spending patterns, and procurement practices.

2. Maintain budgetary controls.

3. The University will issue one card per cardholder.

4. The University has established internal controls sufficient to regulate card activities. The University internal controls nclude practices that, at a minimum, address the following areas:

- Allowable merchant category codes
- Agency policy requirements, procedures, and allowances

5. The University has developed an internal policy, as well as procedures for handling transaction approvals during extended absences of the cardholder and/or approver.

6. The University has established procedures for reducing cardholders to $1 limits, after a transaction posts and/or suspending the card during an extended absence and/or until the cardholder returns. This protects the University and the cardholder during their absence.

7. The University has developed written procedures for ordering and canceling cards when lost or stolen or when a cardholder separates from an agency.

8. A Card Program exit interview must be conducted and should include a review by the cardholder and approving official and/or Agency Program Administrator of all current charges on the account, verifying that all necessary supporting documents, receipts, and required signatures have been obtained. Each transaction in Works® must have a receipt attached, and both the cardholder and the approver must sign off on all transactions. Agency Program Administrators must ensure cards are cancelled and destroyed.

9. The University Program Administrators monitors the Works system for Dormant Cards. Dormant cards may only remain active for more than twelve months with justification and approval from the Office of State Travel. If approved, the card must be suspended, and the spend control profile must be changed to a $1 limit until there is a future need for activation. Cards inactive for 24 consecutive months must be cancelled.

10. The University has established and will enforce personnel policies to discipline employees in the event of abuse, misuse, or failure to comply with established guidelines. Written procedures are developed for reporting and documenting actual and/or potential cardholder abuse or misuse. The University Purchasing Department will ensure that the consequences outlined below in this policy are executed and that all program participants are aware that failure to properly fulfill their responsibilities as a program participant could result, at a minimum, in the following:

- Written counseling which would be placed in employee file for a minimum of 12 months.
- Consultation with the University's Program Administrator(s), and possibly the head of the agency and internal audit section.
- Disciplinary actions, up to and including termination of employment.
- Legal actions, as allowed by the fullest extent of the law.

11. Per this policy, the University Purchasing Department will recover unauthorized or overage allowances on the P-Card. If abuse occurs with the card more than twice (for example, personal purchases, unauthorized purchases, paying sales tax), cancellation of the cardholder's participation in the program may occur.

12. Cardholders who pay taxes on the purchase, and do not follow the requirements of this policy to advise merchants that the procurement transaction is tax exempt, will have to obtain a credit for the taxes. If a credit is unable to be secured, then the cardholder will be required to reimburse the University for the sales taxes paid.

13.The Purchasing Department maintains a list of all agency cardholders' names and their approvers including job titles.

14. The Purchasing Department ensures that every cardholder's business email address matches the cardholder's name in Works®. Another cardholder's email address or a personal email cannot be used per this policy.

15. The University has established an Amazon Business Prime Account that is tax exempt. Cardholders may be invited to participate in this account upon receipt of a request. The account can only be used for Official Nicholls State University Business. Upon the cardholders may be used These types of accounts, if necessary and allowed for use by an employee, must have a standalone business account or registration and must not be combined with an individual's personal account. This allows the agency to view the accounts online, verifying that all purchases are business-related, email receipts remain unaltered, and direct delivery of all purchases to the agency.

17. Ensure that transactions are audited monthly in accordance with the requirements outlined in this policy.

18. Agency Program Administrators and approvers will annually review spending limits and MCCs against actual usage and terminate cards that show consistently low usage for one year and adjust the limits to reflect their spending patterns.

AGENCY PROGRAM ADMINISTRATOR

The Agency Program Administrator serves as the main point of contact for all card program personnel and serves as a liaison between their agency, the Office of State Travel, and the issuing bank. The Agency Program Administrators are responsible for coordinating, monitoring, and overseeing the Agency's card program. They must ensure that key controls are in place and are operating as designed. It is mandated that the agency have at least a primary and secondary Administrator.

Expiring cards will automatically be replaced or renewed prior to the expiration date by the issuing bank and sent to the Agency Program Administrator for distribution to cardholders who have completed the annual requirements of re-certification from the Office of State Travel's online training, the agency's internal training, and signed the most current Cardholder Agreement Form.

The University Program Administrators must fulfill responsibilities in the following areas in accordance with State P-Card Policy.

PROGRAM MANAGEMENT

1. Keep informed of program updates/changes distributed by the Office of State Travel. Agency Program Administrators are responsible for communicating notifications and announcements and disseminating all information to the department head, cardholders, approvers, and any other agency personnel, as deemed appropriate.

2. Maintain the annual, signed agreement form for the State of Louisiana Corporate Liability Cards for all participants in the card program. A copy of the signed agreement along with the State and agency policies, or a link to all policies, current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, University policies and procedures, shall be provided to the program participant.

3. Maintain files of the annual OST online certification course for all program participants.

4. Provide the State Program Administrator written notice immediately of any changes in status to the University Program Administrator.

5. Collaborate with the University President to develop and maintain the University's card policy and procedures to address areas specific to the University or areas that are not covered by the statewide policy.

6. Annually, the University Program Administrator(s), along with all cardholder approvers, shall review cardholders, set cardholder limits, and ensure appropriate utilization. Documentation shall be maintained showing compliance with this requirement to include a list of all cardholders, including a statement all were reviewed, signed, and dated. Note: The approver's agreement form cannot be substituted for this review unless the agreement form is modified to add cardholder limits.

7. Annually review the University's card procedures to ensure compliance with all current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, and University policies and procedures.

8. University Program Administrators and approvers must annually review spending limits and MCCs against actual usage and terminate cards that show consistently low usage or have been dormant for one year.

9. Issue secure user ID's for all program participants in Works®.

10. Ensure that all cardholders' job titles are listed in the Nickname field in Works®.

11. Terminate a cardholder and cancel cards through Works®.

12. Immediately inform the State Program Administrator of any potential misuse, abuse, or fraud.

13. The University Program Administrator(s) must respond to monthly reviews and inquiries from the Office of State Travel within the timeframe provided in the request.

APPROVER

The approver exercises critical control by ensuring authorized and appropriate card use and correct allocation of expenses in accordance with all current State/University purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures, as applicable. No cardholder may approve his or her own expense transactions. Approvers are limited to twenty cardholders and must be the immediate supervisor or the person most familiar with the cardholder's business needs who is at least one level higher than the cardholder. The cardholder shall never be the final approver of his or her own monthly billing cycle log or online transactions.

The approver has the following responsibilities:

1. Obtain, review, and understand the State and University internal card and procurement policies.

2. Annually complete both the State and University required trainings on policies and procedures and sign the Approver Agreement Form, and University Policy Review Form with documentation given to the University Program Administrator(s) and a copy kept on file with the approver.

3. Immediately report any fraud or misuse, whether actual, suspected or personal charges to the Office of State Travel, University Program Administrator(s), as well as the agency head and other personnel/agencies as required. An approver who knowingly or willfully approves a personal or fraudulent purchase is subject to the same disciplinary actions as the cardholder.

4. Notify the University Program Administrator(s) immediately upon separation, a change in department or section, or an extended leave for themselves and any cardholders they are responsible for.

5. Conduct a card program exit interview with the University Program Administrator(s) and the cardholder, process the cardholder's transactions, and ensure receipts/supporting documentation are obtained and uploaded into Works® with all approvals and sign-offs on each transaction prior to separation date.

6. Ensure that the card is collected from the employee upon separation or change in department/ section, and return the card to the University Program Administrator(s).

7. If the card becomes lost, stolen, or incurs fraudulent charges, ensure the approver or the cardholder promptly informs the University Program Administrator(s). Ensure the cardholder or Agency Program Administrator immediately notifies the bank.

8. Ensure each transaction, to the best of Approver's knowledge:

- Has an appropriate business purpose, is not for personal use, and fits the cardholder's business needs.
- Is in compliance with all current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures, and/or PPM49, as applicable.
- Includes an itemized receipt, as well as any supporting documentation required to support the transaction. Receipts must not include a general description, such as "general merchandise".
- Verify that the receipt date, supporting documentation, and documentation dates correspond with known business needs or trip allowances and dates.
- All receipts and supporting documentation are scanned into Works® tied to the appropriate transaction and reviewed against the receipt and supporting documentation.
- Does not include Louisiana State sales tax.

- All documentation corresponds with the program billing cycle dates. The P-Card begins on the 6th of the month and ends on the 5th of the following month. Statements are to reviewed and signed by the Cardholder and the Approver and delivered to the purchasing Department by the 20th of the month. NOTE: The Purchasing Department maintains the original receipts as they are turned in when the transaction is made or the next business morning after the transaction is made. Receipt copies are not required to be provided with the statement.

9. The approver must review the information and documentation entered and uploaded into Works® by the cardholder prior to signing off on the transaction. If the information is not correct, the approver should flag the transaction and electronically return it to the cardholder for additional information and/or correction. Please contact the Purchasing Department should the approver require assistance with this process.

10. All transactions must be approved in Works® by the approver rather than auto-signed off. An approver in Works® must be at least one level higher, have thorough knowledge of the cardholder's job responsibilities, and be familiar with the business case and appropriate business needs. The approver's electronic approval certifies that the goods and/or services purchased are essential and necessary, appropriately budgeted, and in compliance.

CARDHOLDERS/ACCOUNTHOLDERS

All cardholders are purchasing agents for the University/State of Louisiana. Cardholders are required to stay informed of all updates or changes to the program, as communicated by the University Program Administrators or other program-related personnel. Cardholders must have an understanding of current University purchasing and p-card policies and procedures, rules and regulations, mandates, Louisiana Statutes, Executive Orders, as applicable.

Procurement transactions using a p-card can never be artificially divided. Regardless of the amount of the Single Transaction Limit (STL) on the card. Cardholders cannot circumvent the STL by splitting a transaction into two or more transactions.

CARD USAGE

1. Card usage is for official University/State business only. No personal use. The card is limited to the person whose name is embossed on the card.

2. Annually complete all required State and University training on policies and procedures and sign the Cardholder Agreement Form, with documentation given to the University Program Administrator(s). This process is handled in the University's Canvas System.

3. Notify the University Program Administrator if fraudulent charges are noticed, as the card may need to be cancelled and another card issued.

4. Report any declining transactions to your University Program Administrator(s). After a decline, do not attempt the transaction again until the issue is resolved.

5. Immediately report a lost or stolen card by calling Bank of America at 1-888-449-2273 and the University Program Administrator(s).

6. Notify the University Program Administrator(s) prior to an extended leave of absence. Ensure that all transactions have been reconciled and signed-off by both the cardholder and the cardholder's approver. The University Cardholder's account should be suspended by the University Program Administrator(s) until the cardholder returns to work.

7. Complete an exit interview with the approver and return the card immediately upon request or upon separation from the agency. Cardholders should discontinue use of the card immediately upon notification of separation. This will allow for enough time for receipts to be submitted and outstanding charges to be processed before leaving employment. Failure to do so may result in the charges not being reconciled.

8. Cardholders shall:

- Never loan the card to another person.
- Never give account number or pin number to any individual other than the merchant to whom a purchase is being made.
- Never include the full card account number in emails, faxes, reports, memos, etc. If necessary, the use of the last four or eight digits is allowed. In the event that using the full account number is necessary to make a procurement purchase, caution should be exercised by the agency to ensure that the full account number is used in a secure environment with a valid vendor or website and never stored with the entire account number. Account numbers must be blacked out or removed before storing the documentation.
- Never send a copy of the card if requested by a merchant. If this is required for payment, then the cardholder must use another form of payment.
- Never pay State of Louisiana sales taxes on exempted procurement purchases with the P-Card.
- Never pay State of Louisiana sales taxes for in-state travel purchases (lodging/vehicle rentals).
- Never use the card to access or attempt to access cash.
- Never accept cash, gift cards, or store credit in lieu of crediting the card account.
- Never purchase gift cards/gift certificates.
- Never purchase food or entertainment services without obtaining prior written permission from the Office of State Travel.
- Never purchase alcohol. (NOTE: THE CULINARY DEPARTMENT HAS A SPECIAL MCC CODE GROUP THAT ALOWS CEWRTAIN ITEMS DUE TO THEIR NEEDS FOR CULINARY INSTRUCTION)
- Never use the travel card for travel incidentals. A traveler must present a personal credit card when checking into a hotel to cover any incidental expenses.
- Never purchase fuel for vehicles. The University has a fuel tank on campus and fuel purchases for vehicles while traveling is handled under the travel policy of the University.

Failure to comply with the above requirements may result in card privileges being revoked and/or disciplinary action.

WORKS® WORKFLOW

1. Cardholders must reconcile all transactions in Works®.

2. Cardholders must enter a line item description for each transaction. Comments should include the purpose of the purchase, for whom it was made, and other relevant information to allow outside parties to determine whether the expense was business-related.

3. Cardholders must upload and attach a copy of the invoice or receipt, along with any supporting documentation, to the applicable single transaction in Works®. Attachments must meet the following requirements:

- Be a PDF document
- Be legible (e.g. not too dark, not too light)
- Contain copies of all pages of invoices or other documents.

4. The cardholder must write the fund number on the receipt that the procurement transaction will be charged. The Purchasing Department will write the appropriate account codes on the receipt. Purchasing will maintain the original receipt and a copy will be sent to the Controller's Office to perform a journal entry from the fund the transaction is to be charged to the Bank of America Clearing account.

Cardholder’s must sign off on all transactions timely. Only after both the cardholder and the approver sign off on the transactions will the monthly credit limits refresh.

VI. DECLARED EMERGENCY

In the event the Governor declares a State of Emergency, cards may be changed to allow higher limits and allow the opening of certain MCC codes for essential employees that would be active during the emergency situation. This will not apply to all cardholders. An emergency profile for the University has been created in Works® and shall not exceed the following limits without prior approval from the Office of State Travel: a STL (single transaction limit) $25,000 and a monthly credit limit of $100,000.

Restricted MCC Groups may be removed if determined to be necessary for group accommodations; however, the Cash MCC Prohibit Group must remain attached to the profile at all times, as the use of cash is never allowed, even during emergency situations.

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

University Program Administrators are responsible for ensuring that all cards are returned to their original profiles once the emergency declaration has expired and/or when higher emergency limits are no longer necessary.

VII. DOCUMENTATION

All transactions must have a detailed, itemized receipt. It should not contain a generic description such as “general merchandise” or should be fully documented in Works®. Documentation must be adequate and sufficient to comply with purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures, and/or PPM49 and for recording of expenditures in the state/agency accounting system. It is the cardholder’s responsibility to obtain itemized receipts and any other documentation. Documentation is required for all purchases and credits, regardless of the order method. For items purchased in-store, the cardholder should obtain the customer receipt. When ordering by phone, 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.

Documentation must include a full description and line item pricing for the purchase. Electronic receipts must not be edited and must be maintained in compliance with the agency retention policy. If a receipt is not furnished by the merchant (such as for online purchases), the order confirmation showing the order details or the shipping document that shows what was purchased, the quantity, and the price paid will suffice for itemized receipts.

Cardholders must maintain documentation for all transactions, including an invoice or receipt. Invoices/receipts must meet the following minimum requirements:

1. Complete Supplier Information (name, location)
2. Date of Purchase
3. Description (a receipt description which only states “Miscellaneous”, “Merchandise”, or only includes a vendor’s stock or item number, is not acceptable).
4. Unit price and quantity
5. Transaction total

If a cardholder does not obtain a receipt and a duplicate cannot be obtained, the cardholder should follow their agency’s internal procedures related to the use of the Missing Receipt Form. Multiple uses of the form in a fiscal year should result in the suspension of card privileges for a period of time determined by the agency.

The approver must verify and ensure that the attached documentation is complete, appropriate, and accurate. Failure to comply with the above requirements may result in card privileges being revoked and/or disciplinary action.

MINIMUM DOCUMENTATION REQUIREMENTS

PURCHASES FOR GOODS AND SERVICES

- Legible itemized receipt

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

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

RECORD RETENTION

Works® electronically maintains all system entries and scanned supporting documentation for a minimum of 3 years, and is available upon request for up to 7 years. If an agency requires documentation retention for more than 7 years, it is the responsibility of the agency to obtain the transaction data.
Transaction documents and documents related to the issuance of accounts to employees must be maintained according to the requirements of the agency's record retention policy.

VIII. FRAUD AND MISUSE

All program participants or anyone associated with the program who knowingly, or through willful neglect, fails to comply with the requirements may be subject to suspension or termination of account privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.

FRAUDULENT PURCHASES

Any use of the card that is determined to be an intentional attempt to defraud the University/State of Louisiana for personal gain is prohibited. A cardholder suspected of having misused the card with the intent to defraud the University/State will be subjected to an investigation. Should the investigation result in findings that show that the actions of the employee have caused impairment of state service, and should those findings be sufficient to support such action, the cardholder will be subject to disciplinary action. The nature of the disciplinary action will be at the discretion of the University's appointing authority and will be based on the investigation findings and the record of the employee. Any such investigation and ensuing action shall be reported to the University Internal Auditor, the University's Assistant Vice President for Business Affairs and Ethics, Legislative Auditor, the Office of Inspector General, and the Director of the Office of State Travel. The cardholder will be held responsible for repayment of the fraudulent purchase.

Any recognized or suspected misuse of the State's credit card(s) should be immediately reported to the Agency Program Administrator and reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549. For additional information, visit:

http://oig.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&nid=3&pnid=0&pid=4&catid=0. (This may be done anonymously)

Cardholders and other program personnel are prohibited from using the State credit cards to purchase any goods or services that are not directly or indirectly related to official University business. Intentional use of the card for personal purchases will result in disciplinary action, up to and including termination from University employment and criminal prosecution.

Approvers who knowingly, or through willful neglect, approve personal or fraudulent purchases are subject to the same disciplinary actions as those making the purchase.

NON-APPROVED PURCHASES

A purchase made by a cardholder for which payment by the University/State is unapproved. A non-approved purchase differs from a fraud purchase in that it is an unintentional misuse of the card with no intent to deceive the agency for personal gain or for the personal gain of others.

When a non-approved purchase occurs, the cardholder will be counseled to use more care in handling the card. The counseling will be in writing and maintained in the cardholder's file for no longer than one year, unless another incident occurs. The employee will be made to pay for the non-approved purchase. Should another incident of a non-approved purchase occur within a twelve-month period, the Purchasing Department will remove the cardholder from the program.

IX. SECURITY

Each cardholder, University Program Administrator, auditor, cardholder approver, or any other employee participating in the program is responsible for the security of their card, Works® user ID(s) and password(s), and therefore should:

1. Recognize that the P-Card and Travel Card are the property of the State of Louisiana, and the cardholder is responsible for the physical security and control of the card and its appropriate use.

2. Keep cards in a secure location that only the cardholder can access when not in use. Cardholders are responsible for the card's security and any transactions made against it, as well as ensuring that purchasing guidelines and internal controls are followed. The cardholder is also responsible for maintaining the security of card data such as the account number, pin number, expiration date, and card verification value (CVV), the 3-digit security code located on the back of the card. Note: CBA's are issued in the agency's name only, with each account assigned to a single individual.

3. Never display the card account number, Works® user ID, or passwords around their work area.

4. Never give the card account number, user IDs or passwords to someone else.

5. Never email the full account numbers, user ID numbers, or passwords, or store the full account numbers in supporting documentation. Caution should be exercised by the agency to ensure that the full account number is used in a secure environment with a valid vendor or website and never filed with the entire account number. Account numbers must be blacked out or removed before storing the documentation.

6. Secure the assigned Works® application user IDs. Never leave the work area while logged into the system or leave log-in information lying in an unsecured area.

X. DISPUTES

If the cardholder discovers items on the monthly billing statement that do not match retained receipts and supporting documentation, transactions they did not make, incorrect transaction amounts, or if there is a problem with service or quality, their first course of action should be to contact the merchant to attempt to resolve the issue.

If the merchant acknowledges that an error has been made, they will credit the cardholder's account. The credit should appear on the next monthly billing statement. Cardholders should check their next statement for credit.
If the issue is not resolved, the Statement of Disputed Item Form can be obtained on the Office of State Travel's website. The form must be completed, mailed, or faxed with the required enclosure within 60 days from the billing close date (5th of each month) to:

Bank of America – Commercial Card Services Operation P O Box 53142
Phoenix, AZ 85072-3142
Phone: (800) 410-6465 Fax: (888) 678-6046

A copy of the dispute form should also be sent to the Agency Program Administrator.
The transaction must be paid; therefore, it is important for the cardholder to mark purchasing documentation as "DISPUTED". The cardholder should retain a copy of the disputed documentation and verify receipt of the credit on future statements.

All disputes must be identified in writing within 60 days of the billing statement. Bank of America will then resolve disputes within 180 days.
Sales tax is not a disputable item. The cardholder must inform merchants that the purchase is exempt from Louisiana sales tax and provide the tax exemption number.

XI. LOUISIANA STATE SALES TAX

Cardholders are responsible for ensuring that merchants do not charge Louisiana sales tax or provide a credit for inadvertent charges.

1. All card charges are a direct liability of the University/State; therefore, as a rule, Louisiana State sales tax should never be charged on card purchases. The State of Louisiana tax exemption number is embossed on the front of the card. The University will provide each card holder with a tax-exempt certificate at the beginning of each fiscal year. Additionally, the Purchasing Department will provide the University specific tax-exempt numbers for University specific vendors such as Wal-Mart, Lowes, etc.

2. It is the cardholder's responsibility to ensure that state sales tax is not charged. Cardholders must make every effort at the time of purchase to avoid being charged Louisiana State sales tax. If Louisiana sales taxes are charged, it is the cardholder's responsibility to have a credit issued to their card. If a credit is unable to be obtained, the cardholder will be required to reimburse the University for the total amount of the taxes. Documentation of attempts to obtain credit for any Louisiana State sales tax charged in error must be maintained with the documentation for the transaction where the tax was charged.

3. In the event Louisiana 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.

4. Credits cannot be obtained by any other method, including but not limited to cash, gift cards, or store credit.

II. SURCHARGES, PROCESSING, AND CONVENIENCE FEES

Payment of Surcharges, processing fees, and convenience fees should be avoided. They may be paid at the discretion of the University. It is the responsibility of the cardholder and the Purchasing Department to determine if these charges are acceptable. Suppliers cannot charge both a surcharge and a convenience fee.

XIII. AUDIT REQUIREMENTS

A random selection of transactions and supporting documentation must be audited monthly by a second party; either the University's fiscal section, the University Internal Auditor, or a University Program Administrator. To maintain segregation of duties, the University Program Administrator(s) or second reviewer(s) cannot be an approver and cannot have the responsibility of auditing the mandatory monthly reports.

The University Purchasing Department is responsible for performing post-audits of transactions to monitor appropriate use while verifying that purchases are made in accordance with the University and Statewide Statewide Card Policy, all current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, and University policies and procedures. This is completed on a daily basis as receipts are turned it to the Purchasing Department on a daily basis and are reviewed and coded appropriately.

All transactions must have a receipt. The receipt and any supporting documentation must be uploaded electronically to Works® and attached to the applicable transaction. Receipts must be delivered to the Purchasing Department the day of the transaction or the next Business morning. Receipts must not be edited, and they must be readily available to auditors when requested. The University is responsible for securing and archiving transaction data as required by the business operations of the University. In Works®, data is available in real-time for up to 3 years or by request for up to 7 years. VISA IntelliLink data is only available for a 27-month rotating period. The University requires that all p-card statements and receipts are retained for three years by a cardholder.

The University Purchasing Department reviews all transactions to ensure they are for a business purpose and have a legitimate business need for the cardholder. In the event that a transaction is being investigated, the cardholder must explain and justify the transaction being questioned. Based on the cardholder's explanation, the University Purchasing Department will address the situation accordingly.

The University Program Administrators are required to run and review mandatory monthly reports, and other recommended reports, through Works® and Visa IntelliLink.   These reports are considered additional tools to assist in policy compliance. The University Purchasing Department maintains all documentation, findings, and replies, including screen prints of reports generating no data, from the mandatory monthly reports making them readily available for any potential internal or external audits.

The Office of State Travel requires the University Program Administrators to perform Monthly certification that the above procedures have been conducted must be certified in LEO by the 14th of the current month for the billing cycle ending 30 days prior. The certification will indicate that University personnel administering the card program have generated the required reports, all requirements listed in the policy have been completed, and necessary findings have been investigated, documented, and handled appropriately.

The University Purchasing Department uses these reports as a tool to identify cardholders who might require a refresher training course, re-certification of the State's online training, University Policy training, counseling, card cancellation, and potential changes to their limits, profiles, and MCC groups.

A PDF Billing Cycle Purchase Log is available electronically. The Works® data is generated at the time of the report request with the most current signoff information, including the date and time stamp of the approval captured in the audit tracking. The Cardholder should always ensure that the correct cycle period/dates are entered when printing the log report. Cycle dates for the program begin on the 6th of the month and end on the 5th of the following month for the P-card.

XIV. RECONCILIATION AND PAYMENT

The University Purchasing Department has developed internal reconciliation procedures to timely reconcile the University Corporate Statement, and Cardholder Monthly Statements and to address any issues with Bank of America before the payment due date. Reconciliation procedures ensure timely payment and/or allocation of transactions to the appropriate funding source.

All charges made to the corporate account must be reviewed, approved, and reconciled by the University Purchasing Department. The Cardholder is responsible for writing the fund number the transactions shall be funded by. The receipts are coded by Purchasing with the correct account codes. Copies of the receipts are transferred to the Controllers Office so that a journal entry can be made from the funding source identified to the Bank of America Clearing Account. All original receipts are maintained by Purchasing with the Original Statements received from the card holder monthly .

XV. WAIVERS

EXCEPTIONS

The Director of State Travel, or designee, may waive in writing any provisions of these regulations when in the best interest of the State.

Exception requests made by a University program administrator must be submitted using the Exception Request Form that can be found on the Office of State Travel's website.

UNIVERSITY SPECIFIC CARD PROCEDURES:

1. The cardholder must contact the Purchasing Department to advise they are making a purchase, from what company, the items, and the maximum purchase amount. This may be done via e-mail to pattie.breaux@nicholls.edu , terry.dupre@nicholls.edu, carmen.hamilton@nicholls.edu
   Department budget is verified by Purchasing- if budget is available, and the items being purchased are allowable items, then the card will be opened in works as cards are suspended to $1 when not required to be used. This assists with the prevention of fraud charges.

   DO NOT ATTEMPT TO USE THE CARD WITHOUT CONTACTING PURCHASING TO RECEIVE APPROVAL. THE CARD MAY NOT BE OPEN AND A DECLINE WILL OCCUR.

   The Single Transaction limit is set by the University is $1,000. No purchase shall be ARTIFICIALLY DIVIDED where each transaction is less $1,000 to avoid the Single Transaction Limit.

   NOTE: The cardholder may request that a card remain open. The Purchasing Department will review the cardholder procurement requirements and make a determination if that is allowable.

2. After the purchase is made, the cardholder must sign the receipt, date the receipt, and write the fund number the expense it so be charged on the receipt.

3. The cardholder must maintain a file for their transactions, and may maintain an internal log to record the purchase to assist with reconciliation when the statement is received.

4. Original receipt must scanned to be available to attach to the transaction in works when the charge posts to the system. The card holder will receive a notification by e-mail from the Works system when the transaction posts. The original must be brought to the Purchasing Department the day the charge is made or by the morning of the next business day. Original receipts are retained in the card holder file until statement is received.

   Refer to University BOA Works Manual provided by Purchasing for instructions on how to attach receipt to the transaction and to sign off on receipts so that it may be transmitted to the approver for review and approval.

5. All statements received must be reconciled and signed by the cardholder and approver. All original statements are due to be delivered to the Purchasing Department no later than the 20th of the month.

6. Upon transfer from one University Department to another, the Purchasing Department must be contacted to review if the card is needed for the new position.

7. Upon Separation from the University, the cardholder must contact the Purchasing Department prior to separation of service so that the cardholder's account may be reviewed and reconciled prior to departure from University service.