



SOUTHERN UNIVERSITY
AND A&M COLLEGE
BATON ROUGE, LA

Finance and Administration

LaCarte Purchasing Card

Policies and Procedures

Comptroller's Office
Division of Accounting Services

Revised 6/7/2011

Southern University and A & M College

La Carte Program

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Introduction and Purpose

The Louisiana Purchasing Card, “**LaCarte**” is a VISA credit card issued by the Bank of America for the State of Louisiana. The card is a tool used to manage purchasing and accounting by enabling employees to purchase items with the convenience of a credit card while maintaining control over those purchases. The use of this card is limited to low-dollar orders of \$1,000.00 or less.

Southern University and A & M College has entered into an agreement with the State of Louisiana and the Bank of America to participate in this purchasing card program. The purchasing card will provide qualified employees of the University with a VISA purchasing card to purchase low cost materials and services. Use of this card will enable cardholders to purchase non-restricted items directly from vendors without the issuance of a requisition, letter of authorization, or purchase order.

These policies and procedures are not intended to replace current Purchasing Policies, Rules and Regulations, Louisiana Statutes or Executive Orders. The purchasing card simplifies the way in which departments may order small dollar goods and services from vendors who 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.

As a State agency, Southern University and A & M College must adhere to certain State and Federal regulations and laws. Cardholders are expected to make sound business decisions in the best interest of Southern University. To ensure compliance with these requirements, cardholders must comply with the policies outlined in the application and the cardholder agreement. The policies in the application and agreement, as well as any revisions by the University Finance and Administration Division pertaining to this program, must be followed when using the purchasing card.

Benefits

Cardholders obtain goods much faster and easier than before. The University benefits from reduced paperwork and processing time by the user’s department, Purchasing and Accounts Payable. This savings in time and money can prove to be substantial. In addition, the number of checks processed to multiple suppliers is reduced by issuing one payment each billing cycle to Bank of America, the card provider. Use of the LaCarte ensures the supplier/vendor more timely payment. It also simplifies the number of invoices processed by Accounts Payable. One monthly invoice is paid to Bank of America versus handling large volumes of low dollar invoices.

The following is language contained in the State of Louisiana LaCarte Purchasing Policy.

III. Agency Policy Requirements

A. Card Issuance

1. Cards are to be issued in the name of State of Louisiana employees only.
2. Cardholders must be approved by appropriate agency authority.
3. Cardholder must secure and control card at all times.
4. Cardholders must sign a Cardholder Agreement form and complete training prior to a card being issued.

5. Cardholder shall be given a copy of the State and agency policies and procedures for the LaCarte Program.
6. Cardholder shall notify the agency's program administrator if fraudulent charges are noticed, as the card may need to be cancelled and another card issued.
7. Cardholder shall notify program administrator if use of a card has changed and lower or higher limits are necessary.
8. Cardholder shall never accept cash in lieu of a credit to the purchasing card account.
9. Cards will be embossed with State of Louisiana, Department Name, Employee Name, Employee account number and State tax-exempt number.
10. Default accounting codes must be assigned if your agency has created an interface with your accounting system.

B. Card Use

1. LaCarte is limited to use:
 - a) By individual state employees authorized by the Agency Head.
 - b) By cardholder only.
 - c) For official state use only.
 - d) On State/agency approved Merchant Category Codes.
2. LaCarte shall not be used (regardless of dollar amount):
 - a) For personal use.
 - b) For Gift Cards and/or Gift Certificates, as they are considered cash and taxable, without prior approval by the Office of State Purchasing.
 - c) To avoid appropriate procurement or payment procedures.
 - d) To access cash.
 - e) For travel or entertainment services unless written permission has been granted by the Office of State Purchasing
 - f) For alcohol.
 - g) For fuel and maintenance if agency is part of the Fuel Card & Maintenance Program. However, in the event that the program is not covered in a certain area then the purchasing card may be used and files must be completely documented.

C. Card Misuse

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 that agency for personal gain or for the personal gain of others.

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

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

(Southern University will not use 1099 Reportable Vendors at this time)

D. 1099 Reportable Vendors

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

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

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

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

E. Sales Tax

1. State sales tax should not be charged on card purchases.
2. Cardholders should make every effort at the time of purchase to avoid being charged state sales tax.
3. In the event state sales tax is charged and a credit is warranted, it will be the cardholder's responsibility to have the vendor-merchant (not Bank of America) issue a credit to the cardholder's account.
4. It is State Policy not to pay sales tax; however, the Agencies may exempt cardholders from obtaining a credit from the vendor-merchant for state sales tax charges of \$25 or less. If a cardholder continually allows taxes of \$25 or less to be charged to the card, corrective measures must be taken. It is the Agency's responsibility to monitor these sales tax transactions to ensure corrective action is taken against repeat offenders.

F. Documentation

1. Ensure that documentation is adequate and sufficient to adhere to State Purchasing guidelines and Accounting guidelines for recording of expenditures. **Cardholder shall not approve his own monthly purchasing log.** Agency should ensure that immediate supervisors are verifying and signing receipts and/or purchase logs certifying that the documentation is acceptable for each transaction, that it was for official state business, that it is in compliance with appropriate rules and regulations and that it has been reviewed and is approved.

2. Documentation is required for all purchases and credits. For items purchased over the counter, the cardholder should obtain the customer copy of the receipt. When ordering by telephone, fax, or computer, the cardholder must obtain a packing list or similar document. For items such as subscriptions and registrations, where the vendor does not normally generate a receipt or packing slip, a copy of the ordering document may be used. Acceptable documentation must include a line description and line item pricing for the purchase.
3. The Agency will maintain a permanent file of all supporting documentation in accordance with record retention laws. This file will be subject to periodic review by the Office of the Legislative Auditors and any other duly authorized auditor.

Departmental Decisions-

Once it has been determined that the **LaCarte** would be beneficial for the department, consider further the questions:

a. Who will be the cardholder(s)?

LaCarte can be issued, with department head approval, to any full-time employee of Southern University who is authorized to make small dollar purchases. The department head/program manager submits an enrollment form that includes the following for each employee to use the card:

- 1) Name
- 2) E-mail address
- 3) Office phone number
- 4) Default account number
- 5) Department contact name, phone number, e-mail address

Applicants will be notified when the card has arrived. Training is mandatory prior to issuing the **LaCarte** to cardholders. In an hour, cardholders learn how the program works, how to use the card, where it can be used, and what the cardholder responsibilities are under the program.

b. Who will be the departmental liaison?

The department head and/or cardholder's supervisor has the option of designating a departmental liaison (and an alternate(s)) to be responsible for reviewing transactions of individual cardholders to ensure the transactions are legitimate business expenses and are charged to the appropriate account number and object code. If a Liaison is appointed, the liaison must receive training before any employees in the department obtain a card. Liaisons attend the same training sessions as the cardholders.

Liaisons responsibilities include:

- 1) Reviewing the **LaCarte** cardholder purchasing log and attaching supporting documentations to the cardholder purchasing log.

- 2) Updating an account number/object code on the weekly cardholder purchasing log if a purchase is to be charged to an account number other than the default account number.
- 3) Completing and sending the Disputed Item form for disputes with vendor and/or Bank of America.
- 4) Notifying the **LaCarte** Administrator, using the Disputed Item form, within three to five days of any unresolved disputes, noting the reason for dispute.
- 5) Notifying the **LaCarte** Administrator of lost or stolen cards.
- 6) Requesting the **LaCarte** Administrator cancel a cardholder's card (e.g., terminated employees, transferring departments, or loss of **LaCarte** privileges).
- 7) Collecting canceled cards from Cardholders and forwarding to the **LaCarte** Administrator.
- 8) Retaining copies of **LaCarte** entries and supporting documentation.
- 9) Providing ongoing training and support in the use of **LaCarte** to approved department cardholders.
- 10) Assisting Cardholders with erroneous declines and emergency transactions.

If a liaison is not appointed the liaison's responsibilities automatically become the responsibilities of the cardholder's supervisor.

c. To which budget account number will cards be assigned?

Each card is assigned a default account number approved by the department head. All purchases will be charged against this default account number. The cardholder or departmental liaison may change the account number for a specific purchase or split the charge to multiple account numbers. Only one card will be issued to each cardholder. Ex. John purchased \$200 worth supplies. John has two account numbers assigned to his LaCarte Purchasing card. He decided to place \$100 toward account 2-10xxx and \$100 toward account 5-26xxx.

Please note: A card application identifying a grant account as the default account number must also provide the expiration date of the grant. When an expired grant is renewed or the account number is changed, it is the responsibility of the department to notify the **LaCarte** Administrator in writing, providing the new account number and its expiration date. Notifications should be approved by the cardholders' Department Head and sent to the **LaCarte** Administrator. All grant accounts associated with the LaCarte Purchasing Card will be turned off 30 days prior to the expiration date.

d. Who will reconcile the LaCarte cardholder purchasing log?

Department policy will determine this responsibility. In some departments, the cardholder will be responsible for tracking, logging, and reconciling all purchases. In other departments, a designated person may be responsible for these activities, but it remains the cardholder's responsibility to provide all receipts and documentation to the person who will manage and submit the signed cardholder purchasing log to the LaCarte section. The journal entry for **LaCarte** will be an entry type in the General Ledger System. It is mandatory, receipts are reconciled and attached. **The purchasing log with documentation is to be submitted 5 days after date of purchase.**

e. Who will perform expense reallocations?

The person with update access who is responsible for reconciling weekly activity may be the one performing reallocations. However, the cardholder/purchaser may also have this responsibility.

f. Who will provide support for card-related activities when the departmental liaison is away or on vacation?

Cross-training within the department is required for **LaCarte** management, including reallocation of charges to a different account number and object code and transmitting the **LaCarte** cardholder purchasing log to the LaCarte Section.

La Carte Cardholder's Guide

The **LaCarte** may be issued to any full or part time employee or graduate assistant authorized by the department head with the understanding that the Department Head will assume all financial responsibility.

The **LaCarte** should be safeguarded with the same level of care that is given to personal credit cards. Sign the card immediately upon receipt.

Keep the **LaCarte** in an accessible but secure location.

Guard the card number carefully! Do not post it at a desk, write it any other place that is accessible to others, or allow a credit card merchant to keep the card number on file.

LaCarte is a University corporate card and will not affect your personal credit. However, it is the cardholder's responsibility to ensure that **LaCarte** is used within guidelines stated herein. Failure to comply with program guidelines may result in:

- account deactivation
- permanent revocation of card
- notification to management, internal audit and/or campus security for further investigation
- automatic payroll deduction using the default account number (usually logs are our only way of knowing specific accounts to charge; if a log is not submitted we must charge the default account number shown on the enrollment form)
- disciplinary measures that may include (depending upon the seriousness of the offense) reprimand, probation, suspension, demotion, or dismissal.

Suspension

LaCarte card privileges will be suspended if:

- LaCarte documentation is greater than 30 days outstanding
- **Missing receipt form** is provided in more than 2 instances within the Fiscal Year
- LaCarte purchasing log has not been submitted with proper approval
- Continued failure to follow LaCarte and Procurement guidelines

Cardholders with more than three suspensions will have their LaCarte privileges revoked. For questions concerning cardholder suspension, please contact Karen Thomas at (225) 771-5600.

Revocation

- Cardholder privileges will be revoked after two consecutive payroll deductions if LaCarte documentation has not been submitted

The **LaCarte** Administrator reserves the right to revoke or request the retrieval of the **LaCarte** at any time and the card must be returned upon request.

1. Ethics

The Cardholder, as an authorized purchaser for Southern University, must comply with the regulations relative to ethical conduct under the Code of Governmental Ethics Chapter 15 of Title 42 of the Louisiana Revised Statutes.

In any involvement (direct or indirect) with outside purchases, the cardholder's only legitimate interest must be that of Southern University. A cardholder must not give, or even appear to give a preference to anyone at the expense of the University. Showing personal favoritism to any supplier always has the potential effect of damaging the

University's reputation.

Suppliers/vendors are Southern University's business partners. Their imagination and creativity supplement the skills of the University's staff and faculty. The University expects quality products and top performance from suppliers.

Should any questions, concerns, or problems arise, do not hesitate to contact the **LaCarte** Administrator in Accounts Payable.

2. **All contact with Bank of America for card set up, maintenance and closure (except for reporting lost or stolen cards) will be handled by the LaCarte Administrator located on the 2nd floor of the J.S. Clark Administration Bldg in the Comptroller's Office.**

On occasion, it may be necessary to **change information on a card**. In these cases the information on an original card application may be revised by submitting an updated enrollment form to the **LaCarte** Administrator. Please include the cardholder name, last four digits of credit card number and the changes desired.

The **name on a card cannot be changed**. The card must be canceled and a new application completed.

New cards are issued for a period of two years, except those cards issued during the last year of the Bank of America contract with the state. Upon expiration, the cards are **automatically approved**.

Report a stolen, lost, or misplaced LaCarte card immediately by calling Bank of America at 1-888-449-2273 (24 hours a day, 365 days a year). The affected card will be automatically suspended by Bank of America. **Also, e-mail the cardholder's name and LaCarte number to the LaCarte Administrator** and a Replacement card will be issued in place of the old card by the **LaCarte** Administrator.

Immediately reporting lost, misplaced, or stolen **LaCarte** cards limits the University's liability for potential charges that may occur from unauthorized use. **Failure to promptly report a lost, misplaced, or stolen LaCarte may result in the University seeking reimbursement from the cardholder for unauthorized charges and can also result in loss of cardholder privileges.**

The **LaCarte** Administrator is required to **close an account** if a Cardholder: (a) transfers to a different department and does not have purchasing authority for the new department or (b) terminates employment. In addition to the above reasons for closing an account, a cardholder may be subject to disciplinary action, up to and including termination, for any of the following reasons:

- The **LaCarte** is used for personal or unauthorized purposes.
- The **LaCarte** is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law or regulation pertaining to the State of Louisiana or Southern University.
- **The Cardholder splits a purchase to circumvent procurement regulations and the limitations of the LaCarte or split a transaction into two or more transactions to get below the single transaction limit.**
- The Cardholder fails to provide Departmental Liaison with required receipts.
- The Cardholder fails to provide, when requested, information about any specific purchase.
- The Cardholder does not adhere to all of the **LaCarte** policies and procedures.

3. Card use and limits

Southern University requires that **certain types of suppliers/vendors be blocked from LaCarte use**-tuition reimbursement, personal purchases, alcohol, cash advances, gifts, travel-and entertainment-related expenses, such as airline tickets, hotel, etc. Please refer to the listing for types of vendors where the **LaCarte** may not be used on Page 18. Transactions will be blocked at the point-of-sale level via Merchant Category Codes encoded in the card. Please refer to page 19 for a list of authorized purchases on the LaCarte.

The **following** materials, supplies, and **services must always be requisitioned or pre-approved through the Office of Purchasing**, regardless of the dollar amount:

- Compressed gases
- Improvements to facilities (new construction, alterations, modifications, remodeling, etc), inclusive of carpet, draperies, mini-blinds, locks, and locksmith supplies for permanent structures.
- Items normally available through Facility Services and University Relations.
- Personal, professional, and consulting service contracts (object code 5000) department's mission).
- Items costing in excess of \$1,000.00.
- Plant acquisitions (i.e. equipment)

4. Placing orders using LaCarte

Cardholders may use **LaCarte** only for job-related purchases up to \$1,000.00 per vendor per day. Ensure the materials to be purchased are not on the list of items that must be procured through normal Purchasing Office procedures. Notify Department Liaison of alternate account number/object code if the purchase is to be charged to a different account than the default account assigned to the **LaCarte**.

- Call, visit, or fax the supplier/vendor selected to place the order or place the order on line via the worldwide web.
- To pay with the **LaCarte**, provide the vendor with your complete shipping instructions including name, authorized delivery Southern University address (Central Receiving) and internal location information.
- Inform the vendor that the purchase is exempt from sales tax. The University is generally exempt from paying Louisiana sales tax on purchases; the Louisiana Department of Revenue has assigned 128-4900-001 as the exemption number for all **LaCarte** purchases. The **LaCarte** code exemption number is embossed on the front of every card. Most merchants accept the **LaCarte** as sufficient evidence of exemption, but some merchants require a copy of sales tax exemption certificate. Vendors may request a tax exemption certificate by faxing a request to LaCarte Purchasing Card Section @ 225-771-5793.

Note: 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. 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 (not Bank of America) issue a credit to the cardholder's account. Southern University is exempt from paying Louisiana state sales tax and EBR Parish sales tax; however, in some circumstances cardholder's will be exempt from obtaining a credit from the vendor-merchant for state sales tax charges of \$25.00 or less. If a cardholder continually allows taxes for \$25.00 or less to be charged to the card, corrective measures will be taken.

- Ensure that support documentation is adequate and sufficient to adhere to State and Southern University Purchasing guidelines for recording of expenditures by including the following:
 - vendor name
 - detailed listing of what was purchased, including item description and quantity
 - total dollar amount of purchase
 - transaction date
 - shipping address, if applicable

Supporting documents may include, but are not limited to:

- original sales receipt
 - original packing slip
 - original cash register receipt
 - original copy of order form or application
 - e-mail notification confirming order placed, item ordered, amount purchased
- Ask the vendor to provide an extended price packing list with each shipment, or a copy of the **LaCarte** sales slip and original receipts for each in-person purchase. If placing an order over the internet, there should be a screen showing how much the card will be charged, including shipping. Print this page from the browser.
 - **Shipments to the cardholder's home are NOT allowed.** Shipments to other Southern University location are permissible, provided there are arrangements with the employee receiving the items to send the itemized receipt, packing list, and any other documentation included with the shipment. This documentation will be needed to attach to the **LaCarte** cardholder purchasing log.
 - Do not allow the supplier to make a partial shipment and back order the balance and charge for the total quantity.
 - If the **LaCarte** is declined by the supplier/vendor, it may be because a) spending limit has been exceeded, b) the vendor's industry has been blocked from the card, or c) contact Bank of America at 1-888-449-2273 for an explanation. If the decline was in error, the Cardholder should immediately contact the **LaCarte** Administrator in the LaCarte section of your campus for assistance. If the purchase is being made outside normal business hours, the employee must find an alternate payment method or terminate the purchase and contact the **LaCarte** Administrator during normal business hours.

Upon receipt of order,

- Make sure the supplier/vendor correctly filled the order. Verify that all of the items in the quantities received are specified on the **LaCarte** receipt or packing list.
- **Verify that sales tax was not charged to the invoice; if tax was charged, call the vendor immediately for a credit.**
- Save the **LaCarte** sales slip, itemized receipt or packing list, and shipping documentation.
- Provide expediting/order follow-up as necessary, including tracing lost shipments and filing claims for damaged shipments. Request guidance in these areas from the **LaCarte** Administrator. However, the responsibility for ensuring receipt of merchandise purchased on **LaCarte** remains with the Cardholder.

5. Paying for LaCarte purchases

The billing cycle with Bank of America is monthly. The Agency will ensure that necessary procedures and controls are in place prompt payment, reconciliation and cost distribution of charges and credits. Agency specific policies and procedures must be developed. These policies should address required approvals and authorizing procedures. Copies of this policy must be made available to all cardholders and other personnel responsible for LaCarte.

Bank of America will send paper statements and/or an electronic file containing all cardholder transactions. These files may be used for reporting and reconciliation.

- Retain **LaCarte** sales slips, itemized receipts, priced packing lists and supporting documentation (such as brochure, advertisement, copy of a catalog page, subscription order form, list of parts, etc).
- Reconcile purchases reflected on the weekly **LaCarte** cardholder purchasing log. Review each charge to verify it is correct and agrees with the actual receipt. Attach receipts for each purchase reflected on the cardholder purchasing log. If item descriptions are not provided on the receipt, indicate what was purchased and provide brief explanation for non-traditional supplies.
- A vendor's billing date may be different than the other date. If an order is received in more than one shipment, the dollar total of the receipts or packing slips from the partial shipments may have been billed as one charge on the **LaCarte** cardholder purchasing log.
- If only a partial shipment is received, only a partial charge should appear on the **LaCarte** cardholder purchasing log.
- A vendor's billing name may be different than the name known to the cardholder.
- Any reallocation of expenses to a grant or contract must comply with applicable account restrictions. Reallocation to/from a grant to another account must occur within the same billing cycle in which the original expense occurred. Expense transfers requested after the end of the monthly

cycle must comply with the established policies set forth by Sponsored Program Accounting.

- If transfers are not made in a timely fashion, and a grant is closed, the expense will be charged to the cardholder's departmental account.
- Sign and date the cardholder purchasing log. The cardholder purchasing log must be signed by a person with signature authority on the budget(s) charged by the transaction listed. If charges have been reallocated to other budgets, an appropriate signature(s) must appear next to each transaction not authorized by the person who normally signs the bottom of the cardholder purchasing log.
- Send the signed transaction log and all supporting documentation to the **LaCarte** Administrator in the LaCarte Section of the Comptrollers Office. The **LaCarte** Administrator will review the transactions and retain the information for seven years.
- Be certain to track returns, credits, or disputed items for future monthly billing cycle reconciliations. In case of returns, credits, or disputed items, the cardholder is responsible for coordinating directly with the supplier and Bank of America. The cardholder is responsible for informing the LaCarte Administrator of any returns, credits, or disputed items that may affect the cardholder's account.
- After reconciliation of each billing cardholder purchasing log, resolve any discrepancies.
- The University remits payment by automatic debit through a general operating bank account or by check.
- Individual charge transactions are received electronically each month from the Bank of America Works system. Journal Entries are manually prepared to charges to be posted to each cardholder's FRS account. If this option is not yet available, the cardholder is responsible for maintaining an accurate balance on the department account (s) or grant contract account (s).

6. Handling returns, credits and disputed items

Returns: If items are returned for any reason, request a "Return Goods Authorization Number" from the supplier, record that number on the supplier's merchandise return form and send it directly to the supplier. Keep a copy of the return form with the purchase receipts in case further follow-up is required. The Bank of America **LaCarte** Statement must be paid in full so any vendor credits will appear on future statements.

Credit: The supplier should issue a credit for any item that has been approved for return. **Under no circumstances should the cardholder accept cash in lieu of a credit to the LaCarte account.** Request a copy of the credit slip from the supplier. Keep it with the other **LaCarte** receipts and note the return information on the entry. This credit may appear on a subsequent **LaCarte** cardholder purchasing log. For reconciliation purposes, be aware that the charge for the merchandise and the credit for a returned item may not be on the same cardholder purchasing log. Submit receipts for the original charge for the cardholder purchasing log on which it appears. If it is necessary to keep the original receipt because an item is being returned, enclose a photocopy of the receipt with a note on the **LaCarte** entry. Submit the credit receipt when it appears on the weekly cardholder purchasing log.

Disputed items and billing errors: The cardholder should always attempt to resolve any disputes or billing errors directly with the vendor. If an agreement cannot be reached with the vendor, contact Bank of America at 1-888-449-2273 and notify the **LaCarte** Administrator. Bank of America operates its dispute process in accordance with bank card industry rules and customer service standards. Disputed charges will be processed in accordance with the applicable VISA rules. The following describes the disputed charge handling process, according to the VISA rules as supported by Bank of America on behalf of its clients:

The charge-back process:

- Cardholder notifies Bank of America to initiate dispute by notifying via telephone (1-888-449-2273) or fax (1-800-253-5846); cardholder also notifies the **LaCarte** Administrator who will follow the status of the claim.
- Bank of America receives data and places the charge in dispute status. Bank of America collects information necessary to support the charge-back, according to association rules, with the cooperation of the cardholder.
- Bank of America initiates the charge-back and the cardholder account is credited. The item is removed from dispute status. The merchant's bank receives the charge-back and a resolution period begins. If not, the merchant's bank will return the charge-back with accompanying support documentation.
- After reviewing the charge-back support documentation, Bank of America will:

Contact the **LaCarte** Administrator and rebill the account. Contact the **LaCarte** Administrator and execute a second charge-back if the charge-back is disputed again (this must occur within a specified timeframe, as regulated by the bankcard industry). Nearly all issues can be resolved using this process. If the cardholder is unable to obtain an acceptable resolution, contact the Department Liaison for assistance. The total amount billed by Bank of America will be charged to the individual departmental accounts and credits for disputed transactions will be posted to departmental accounts when credits appear on the Bank of America billing.

7. Audits and controls

Auditing the disbursement of University funds for settlement of valid claims for goods and services is the responsibility of the Office of the Comptroller's Operational Auditing Section. Departments using the Southern University **LaCarte** must do so in accordance with the internal controls and audit standards set forth by the University. Approval of an application for the use of the **LaCarte** by the appropriate Director, Dean, Department Head, or Administrative Officer signifies agreement that all departments/units/individuals using the approved cards will comply with the following guidelines and internal controls:

- All Departments/Units will ensure a separation of duties for processing **LaCarte** transactions. Audit and review of **LaCarte** transactions for propriety of purpose, proper documentation, use of appropriate account number and object code, and approval for payment will be performed and approved by the budget head or his/her supervisor if budget head is the cardholder.

- All **LaCarte** transactions will be audited/reviewed on a monthly basis for propriety of purpose. Charges not in compliance with University and State policies will be immediately reported to the cardholder's supervisor and the Chief Disbursement Officer.
- All **LaCarte** transactions will be audited for propriety of purpose, proper documentation (receipts, invoices, packing slips, etc.) valid account number and object codes, and that all corrections and adjustments are made in a timely manner.
- After auditing all cardholder purchases, Accounting Services will maintain records of each **LaCarte** transaction and the supporting documentation in an auditable state for a period of seven full fiscal years. (Support documentation for restricted and grant accounts must comply with University and granting agency requirements.) Disposal of the records will be in accordance with University policy on record retention.

8. Who can I call?

To report a lost or stolen card, contact Bank of America at:

Lost or Stolen Card:

Phone: 1-888-449-2273

Fax: 1-800-253-5846

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LaCarte Restricted Purchases

Restricted Businesses

- Liquor Stores
- Government Services (with the exception of government documents)
- Insurance Agencies
- ATM
- Attorneys
- Travel Agencies for individual travel
- Personal Transportation and travel costs
- Caterers
- Architectural, Engineering, Accounting, Auditing and Bookkeeping services
- Pawn shops

Restricted Commodities

- Alcoholic Beverages
- Court Costs
- Alimony
- Child Support
- Fines
- Bail Bond Payments
- Tax Payment
- Pawn Shops
- Cash Advances, Wire Transfers, Money Orders
- Consulting and Related Services
- Gifts
- General Contractors
- Insurance
- Legal Services
- Individual Memberships
- Temporary Help Services
- Individual Travel and Related Expenses
- Capital Equipment
- Discretionary Expenses
- Gift Certificates/Cards

Examples of Authorized Purchases

General Office Supplies
File Cabinet
Desk
Office Chair
3 in 1 Printer
Calculator
Small Lamp
Trash Can

Definitions

Cardholder – Southern University and A & M College employee whose name appears on the card and who is accountable for all charges made with the card.

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

Cardholder Enrollment Form – Form containing pertinent information on cardholder necessary for statement mailing purposes, contact information, daily/monthly spending limits and budgetary controls. Form **MUST** be submitted by the cardholder to the University **LaCarte** Administrator for completion and approval.

Default Account – The account code assigned to an individual cardholder's card. An object code assigned to the University's budget for supplies normally purchased by the cardholder. All charges made by the cardholder will default to this object code until transferred into the appropriate line item account(s).

Memo Statement of Account – A listing of all transactions charged to the cardholder's account through the end of the monthly billing cycle. This statement is sent by the bank, directly to the cardholder, on a monthly basis for reconciliation purposes. **THIS IS NOT A BILL.** Cardholder **MUST** reconcile this statement upon receipt and forward to supervisor/reviewer for approval. This form **MUST** be forwarded to Comptroller's Office-Attention LaCarte Administrator no later than the 22nd of each month.

Merchant Category Code (MCC) – Codes assigned to vendor to indicate their type of business. The card is encoded with types of MCC's from which a cardholder is authorized to purchase. Some MCC codes are prohibited and some are restricted. Attempts to use at prohibited or restricted vendors will be denied. Continued attempts will result in disciplinary action.

Merchant/Supplier – Vendor cardholder is dealing with.

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

Program Administrator – Southern University and A & M College Director of Purchasing, who acts as liaison between the cardholder, the State Program Administrator, and Bank of America. Provides support and assistance to all agencies, processes new card applications and changes to cardholder information, provides training and maintains policies and procedures.

Purchasing Card – A Visa credit card issued by Bank of America for the State of Louisiana for the purpose of making authorized purchases on behalf of Southern University and A & M College.

Support Documentation – Vendor produced document that records the relevant details of each item purchased, including quantities, amounts, description, cost, total charge amount, vendor's name (detailed sales receipt, original invoice, packing slip, credit receipt, etc.) and/or logging system maintained by cardholder.

Transaction/Charge Limit – The dollar limit assigned to each cardholder for each total charge made to the card. The University LaCarte Administrator will determine the limit to be set. A single transaction/charge may include multiple items, but cannot exceed cardholder's limit.

Unit/Budget/Department Head – Individual designated by the University responsible for assigning cardholder’s spending limits per transaction and per cycle as well as maximum number of transactions allowed within each billing cycle (within the overall limits established b the Division of Administration and the Office of Management and Finance).