


# LDH LACARTE CARD (PCard) PROGRAM

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	<b>Louisiana Department of Health (LDH)</b>	
	<b>Policy Number</b>	58.4
	<b>Content</b>	LDH Policy for LaCarte Purchasing Card
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LDH is committed to fostering, cultivating and preserving a culture of equity, diversity and inclusion. Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our Department’s reputation and achievement as well.

If there is a discrepancy between an LDH Policy and a Program Office or facility policy, the LDH policy shall govern/overrule/supersede the conflicting section within the Program Office or facility policy.

## I. PURPOSE

As stewards of State taxpayer’s dollars, the purpose of this policy is to establish a single policy to assist employees of all LDH offices/divisions/bureaus/units who have been approved to hold and/or approve a LaCarte Card “PCard” based

on a need to purchase official Louisiana Department of Health (LDH) business-related goods and services.

## II. INTRODUCTION

### Policy Statement

It is the policy of the LDH to establish and administer the PCard Program and to set the requirement standards for possession and use in accordance with the Statewide LaCarte Purchasing Card Policy issued by the Division of Administration/Office of State Travel (DOA/OST). The use of the PCard for purchases does not negate any current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, as applicable.

The PCard is a Visa card issued by Bank of America (BOA) for the State of Louisiana and will be identified with the State of Louisiana seal and marked Louisiana “LaCarte”. The cards are white and embossed with the employee’s name, department name, account number and tax-exempt number. The use of LaCarte will be limited to low-dollar orders only (\$5,000 or less).

The PCard enables employees to purchase items with the convenience of a credit card, while providing management with a means of maintaining control over those purchases. It is intended that PCards be issued to selected LDH employees only when the procurement of goods/services, for official state business use only and cannot be procured by other means (i.e. state contract/purchase order). When this payment method is used, processing through the state’s systems (LaGov) is not required. The PCard can be used with any merchant that accepts Visa as a form of payment.

## III. DEFINITIONS

*Accountant:* The individual responsible in Workflow for assuring that all PCard holder transactions have been allocated to proper account coding and are completed so that the export file can be created by Bank of America. This individual, depending on the corporate account they are assigned to, and the Workflow procedures for that corporate account, may have the ability to upload itemized receipts and perform transaction allocations.

*Agreement Form:* A form signed by a program administrator, PCard holder and approver, annually, that acknowledges they have received required training from the agency, completed the state’s certification requirement and received a passing

score of at least 90, understand the PCard Policies, both state and agency, and accept responsibility for compliance with all policies and procedures.

*Billing Cycle:* The period of time between billings. For example, the State of Louisiana PCard closing period ends at midnight on the 5<sup>th</sup> of each month.

*Billing Cycle Purchase Log:* Electronic form in WORKS, used in the reconciliation process for purchases/services charged during the billing cycle. The log is used to document PCard holder's approval of purchases billed by matching the log and the original documentation uploaded to each transaction. Approval of the log by the PCard holder is by electronic signoff (through WORKS Workflow); likewise, designated approver's approval is by electronic signoff (online in Workflow). Electronic Logs must be in an un-editable format such as a PDF.

*Card Abuse:* Use of the card for non-approved State business purchases such as for personal purchases. See the definitions for "card misuse" and "fraud"

*Card Misuse:* Use of the card for legitimate purchases but for goods or services that are prohibited by the State or internal policy (e.g., purchases for fuel for a State Vehicle when the agency participates in the Statewide Fuel Card Program). See the definitions for "card abuse" and "fraud"

*Controlled Billed Account (CBA):* A credit account issued in an agency's name (no plastic card issued). These accounts are direct liabilities of the State and are paid by each agency. CBA accounts are controlled by a single authorized accountholder/authorizer to provide means to purchase any allowed transactions/services within PPM49.

*Cycle Limit:* Maximum spending (dollar) limit a PCard is authorized to charge in a billing cycle. These limits should reflect the individual's purchasing patterns. These are preventative controls and, as such, should be used judiciously.

*Default Coding:* Agency specific accounting assigned to an individual PCard holder's transaction which exports to the agency's accounting system, if applicable.

*Department Head:* An elected officer, an appointed officer, the executive head of a State agency or President of a College or University.

*Disputed Item:* Any transaction that was double charged, charged an inaccurate amount, or charged without the corresponding goods or services being received by the individual PCard holder.

*Dormant Card:* an account with no transactions within a twelve month period.

*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.

*Export File:* Data that pushes from Bank of America WORKS into ISIS/LEO or other applicable accounting system, which imports to the agency's financial system to create the voucher for Bank of America payments.

*Fraud:* Any transaction, intentionally made for profit or personal gain that was not authorized by the PCard holder, or not for Official State Business. See the definitions for "card misuse" and "card abuse".

*Incidental Expense:* Expenses incurred while traveling on official State business that are not allowed on the State LaCarte Purchasing Card.

*INTELLILINK:* Visa's web-based auditing tool, which is used to assist with monitoring and managing the agency's card program usage to ensure that card use, conforms to all policies and procedures.

*LaCarte Purchasing Card (PCard):* a credit account issued in a state employee's name. This account is the direct liability of the State and is paid by each agency. PCard accounts are the preferred means of payment for purchases of goods and services. Also referred to as the LaCarte Card and Purchasing Card.

*LaGov:* State of Louisiana's integrated system used for accounting, financing, logistics, human resources, procurement, travel and data warehouse storage and reporting.

*LDH/Agency PCard Program Administrator:* Person responsible for administering and managing the Purchasing Card Program at the Agency level and who acts as the main contact between the agency, the State, and the issuing bank.

*Merchant:* A business or other organization that may provide goods or services to a customer. Synonymous with "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. A merchant is assigned a MCC Code by the acquiring bank.

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

*Non-Approved Purchase:* A purchase made by a State PCard holder 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.

*PCard Holder:* A State of Louisiana employee whose name appears on the PCard and is given authority to make purchases within preset limits on behalf of the agency. Contracted employees cannot hold card accounts. A WAE or student worker would require special approval, if the account holder is deemed necessary.

*PCard Holder Approver:* Individual within the agency who is responsible for verifying that all charges against the PCard holder's account are authorized and supported by adequate documentation. In the majority of cases, this will be the same person authorized to approve purchases in the LaGov Automated Purchasing System. The assigned approver must be at least one level higher than the PCard holder, and should be familiar with the goods the cardholder would be purchasing.

*PCard Holder Enrollment Form:* A form that initiates the PCard issuance process for the PCard holder. This form contains PCard holder information necessary for statement and mailing purposes, contact information, daily/monthly spending limits and budgetary controls. This form must be submitted to the LDH PCard Program Administrators after approval is obtained from the PCard holder's Approver.

*Performance Evaluation System (PES):* An annual assessment of an employee's overall performance based on work tasks and behavior standards.

*Personal Purchases:* Non-work related goods or services purchased solely for the benefit of the PCard holder, the PCard holder's family, or other individual(s) to include clients at facilities that decide not to accept what the agency is providing to them from a pre-selected vendor; these include items/services of a particular brand or type.

*Policy and Procedure Memorandum 49 (PPM49):* The State of Louisiana's general travel rules and regulations. These regulations apply to all state departments, boards, and commissions created by the legislature or executive order and operating from funds appropriated, dedicated, or self-sustaining; federal funds; or funds generated from other sources.

*Receipt:* A merchant-produced original document 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, original invoice, packing slip, credit receipt, etc.) This must match the online transaction amount and be matched to any other related documentation regarding the transaction.

*Single Transaction/Purchase Limit (STL):* The maximum spending (dollar) limit a PCard is authorized to charge in a single purchase. The STL limit may be up to \$5,000; however, this limit should reflect the individual's purchasing patterns. These are preventative controls and, as such, should be used judiciously.

*Spend/Purchasing Card Profile:* Unique profile associated with a PCard holder that sets the card credit limit, single purchase limit and MCCs on the PCard holder's ability to make purchases on behalf of the state. The Profile name must be unique and should be set up in the following format, this is an example only – CL 5,000; STL 5,000; MCCG 5511616 PRM.

*Split Purchase:* A practice whereby one or more PCard holders or suppliers split a purchase into two or more transactions and/or purchase orders to circumvent either Single Transaction Limits or bid requirements. The Statewide Purchasing Card Policy prohibits this.

*Statewide Program Administrator:* Central point of contact, in the Office of State Travel, responsible for managing and overseeing the Statewide LaCarte Program.

*Transaction:* A single purchase of goods or services. A credit also constitutes a transaction. Single purchases may be split into multiple transactions, by Works. Each transaction that was split, by Works, should have all documentation attached from the original purchase.

*Transaction Documentation:* All documents pertaining to a transaction, either paper or electronic. The documentation is also used for reconciliation at the end of the billing cycle. Examples of transaction documentation include, but are not limited to original itemized purchase receipts/invoices (with complete item descriptions, not generic such as "general merchandise, quantities, individual pricing, and total), receiving documents, credits, disputes, and written approvals.

*Travel Card:* a credit account issued in a State employee's name. This account is the direct liability of the State and is paid by each agency. Travel Card accounts are the

preferred means of payment for purchases of goods and services related to travel. Also referred to as the State Travel Card.

*WORKS*: Bank of America's web-based system used for program maintenance, card issuing/suspension/cancellation and reporting.

*WORKS Workflow*: Bank of America's online system that includes user profiles and transaction workflow, transactions are coded and interfaced to the LaGov system for payment monthly.

## IV. POLICY GUIDELINES

### A. Purchasing Authority

#### a. Program Limit

The use of the PCard will be limited to low-dollar orders (\$5,000 or less). Program limits will be changed by Purchasing Card Policy Amendments issued by the DOA/OST, or when special approval is received to increase limits beyond \$5000. Multiple purchases may be made with the PCard but not exceeding the cardholders set program limit.

#### b. Single Transaction/Purchase Limit

The LDH PCard Program Administrator may allow a single transaction/purchase limit (STL) of no more than \$5,000 without prior approval from the DOA/OST. Limits by the agency should reflect the individual's purchasing pattern. These are preventive controls and, as such, should be used judiciously. Exceptions to the STL may be requested from the DOA/OST by the LDH PCard Program Administrator by submitting the LaCarte Request for Exception Form

The DOA/OST must approve in writing any authority for a STL increase or a one- time override above \$5,000. LDH relies on best practice in regards to increasing the STL, which calls for the lowest amount that is needed for the duties of that individual.

### B. Small Dollar Purchases

Small dollar purchases should never be artificially divided to avoid the PCard policy limits. PCard holders are prohibited from splitting a transaction between two or more transactions in order to circumvent the STL imposed on the card regardless of the amount of the STL.

The small dollar purchase as a whole must be evaluated to ensure the PCard is the appropriate means of payment for goods and/or services.

1. Are the goods/services for official state business use only and not for employee/client personal use?
  - a. If employee personal use, then the purchase is not permitted.
  - b. If client personal use, per Title 50, Part VII, Subpart 3, Chapter 301; as long as the facility is making the client aware of what the facility is providing (purchasing via a purchase order) and the client objects then the client has the right to use their personal funds, where a process shall be set up through the facility to access those personal funds, to purchase the clients personal item(s).
  - c. Pcard holders shall first verify if there is a current state contract or Veteran Hudson/Small Entrepreneurship Agreement in place for goods and/or services and utilize a purchase order, regardless of the cost negotiated on the state contract.

#### C. Sales Tax Exemption

PCard/CBA charges are a direct liability of the State; therefore, as a rule Louisiana state sales tax should never be charged on PCard purchases. The State of Louisiana tax exemption number is printed on the front of the PCard.

It is the PCard holder's responsibility to ensure that state tax is not charged. PCard holders must make every effort at the time of purchase to avoid being charged Louisiana State sales tax, if in-state sales taxes are charged, it is the PCard holder's responsibility to get a credit issued to their PCard, or the PCard holder should be made to reimburse the agency the total amount of the state taxes. Documentation of attempts to obtain credit for any State Sales Tax charged in error must be maintained with the documentation for the transaction where the tax was charged.

In the event state sales tax is charged and a credit is warranted, it will be the PCard holder's responsibility to have the vendor/merchant (not Bank of America) issue a credit to the PCard holder's account.

#### D. Surcharge/Convenience Fee



Merchants may include a surcharge, processing or convenience fee. Suppliers cannot charge both a surcharge and a convenience fee. VISA and MasterCard have strict merchant guidelines governing the assessment of surcharge fees:

- The merchant must register with VISA 30 days prior to beginning a surcharge policy.
- The merchant must provide clear disclosure to the customer.
- The amount of the surcharge must be listed as a separate item and detailed on the itemized receipt.
- The surcharge must apply to all credit cards accepted by the merchant.
- The surcharge must be equivalent to the merchant's interchange rate, but cannot exceed 4%.

For any charge where the Supplier has charged a surcharge, a cardholder or user should obtain a copy of the acknowledgement letter sent to the Supplier by Visa authorizing the Supplier to impose a surcharge as part of their supporting documentation.

Convenience Fees are charged as a flat fee (regardless of the total cost) when purchases are made via one form of payment channel over another – online or by phone vs. in store or by mail.

The decision to use a PCard on a purchase that will incur a surcharge or convenience fee should be based on rare and extenuating circumstances such as no other form of payment is accepted, timeliness of payment to avoid late fees, urgency of the needed item or services, lack of other vendors, etc. Agencies are required to carefully evaluate the necessity of the PCard transactions, which are subject to surcharge or convenience fees.

#### E. Purchases Providing Cash or Cash-Like Incentives

When a purchase results in cash or cash-like incentives, the cash and/or incentives are the property of the LDH and may not be used for personal gain. Examples may include, but are not limited to, rebates, gift cards, two-for-one purchases, and spend rewards. The LDH recommend Pcard holders do not participate in these promotional offers. It is the responsibility of the PCard holder to be assured that any monetary or cash incentive rewards received because of a LDH purchase become property of the LDH.

#### F. Card Distribution and Maintenance

All contact with the Bank of America for PCard set up, maintenance, and closure (except for reporting lost/stolen or fraudulent charges) will be handled by the LDH PCard Program Administrator. When changes to information regarding a PCard arise, such as PCard holder's name, e-mail or mailing address, please submit the request via email to the LDH PCard Administrator to include updated driver's license/state issued identification, court document, marriage certificate, passport, citizenship papers, military identification, and/or social security card. For name changes, a replacement card will be issued to the PCard holder.

#### G. Card Renewal

Expiring PCards will automatically be replaced/renewed prior to the expiration date by the issuing bank and sent to the LDH Pcard Program Administrator for distribution to Pcard holders who have completed the annual requirements of re-certification from the states online training class, agency training, and who have signed the most current PCard Holder Agreement Form. Please note that the expiring card shall be cut in half and returned to the LDH PCard Program Administrator.

#### H. Declared Emergency Use

In the event of a State of Emergency declared by the Governor, the PCard may be changed to allow higher limits and opening of certain MCC codes for essential employees who are PCard holders that would be active during an emergency situation. An emergency profile must be created in WORKS which shall not exceed the following limits, without prior approval from DOA/OST: CL \$25,000, STL \$25,000; travel and rest MCC groups may be removed if determined to be necessary for group accommodations; however, the cash MCC 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 that may be in place. It is the LDH PCard Program Administrator responsibility to ensure that all cards are returned to their original profile once the emergency declaration has expired and/or when higher emergency limits are no longer necessary.

#### I. Centrally Billed Account (CBA)

LDH offices/divisions/bureau/units with Centrally Billed Accounts (CBA), all CBA transactions must be in accordance with PPM49 – Louisiana Travel Policy. The purpose of the CBA is to provide a means of payment for airfare, auto rental, hotel lodging, and conference registration only. There is no

plastic card issued. If it is determined that personal or other unauthorized charged are occurring on the CBA account, disciplinary action shall be taken to resolve the misuse/abuse of the account. CBA account numbers shall be protected and secured in the same manner as the PCard.

#### J. Mansfield FuelTrac Cards

##### Fleet Vehicles

LDH offices/divisions/bureau/units shall participate in the State of Louisiana Fleet Card FuelTrac Program to maintain state fleet vehicles to include regular maintenance tasks, replacement parts to include key fob, repairs, fuel, etc. A FuelTrac Card should be maintained for each state fleet vehicle and contain default expenditure coding to be used for the state fleet vehicle. The PCard is not to be used for regular maintenance, replacement parts/service, or fuel.

##### Rental Vehicles

Agencies that do not have fleet, but utilize rentals shall work with their Driver Safety Coordinator/Fleet Manager and request a rental vehicle FuelTrac card. The rental vehicle FuelTrac card shall contain default expenditure coding to be used for the vehicle rental fuel purchases only. The PCard is not to be used for fuel in rental vehicles (nor personal vehicles).

##### FuelTrac Pin Numbers

It is the responsibility of the Driver Safety Coordinator/Fleet Manager to set up and abolish employee FuelTrac pin numbers. FuelTrac cards are not to be used to fuel an employee's personal vehicle at any time.

## V. CARDHOLDER RESTRICTIONS

The PCard has restrictions in place where the card will be blocked at the point of sale, if a purchase is attempted at a restricted vendor and/or commodity. Examples might include, but are not limited to, food, fuel, personal purchases, alcohol, cash advances, gifts, gift cards, travel, and entertainment expenses. Please refer to the list below for types of vendors and commodities where the PCard may not be used, please note this list is subject to change.

#### A. Restricted Vendors

- a. Drug Stores (pharmacies)\*
- b. Restaurant/Catering\*

- c. Liquor Stores
  - d. ATM
  - e. Legal Services
  - f. Transportation and Travel Services
  - g. Engineering, Accounting, Auditing, and Bookkeeping Services
  - h. Pawn Shops
  - i. Furniture Stores\*
  - j. Auto Repair Shops\*
- B. Restricted Commodities
- a. Food, Meals, and Refreshments\*
  - b. Alcoholic Beverages
  - c. Court Costs
  - d. Alimony
  - e. Child Support
  - f. Fines
  - g. Bail Bonds
  - h. Tax Payments
  - i. Cash Advances, Wire Transfer, or Money Orders
  - j. Consulting and Related Services
  - k. Gifts and/or Gift Card/Certificates\*
  - l. General Contractors
  - m. Insurance
  - n. Temporary Staffing Services
  - o. Construction and/or Improvement to Facilities (alterations, modification, remodeling, carpet, drapery, etc.)
  - p. Professional Services
  - q. Membership/Dues to Clubs/Social Organizations
  - r. Personal items not for official state business use\*

\* DOA/OST and/or LDH PCard Program Administrator exception must be approved on a case-by-case basis)

## VI. USAGE OF PCARD

### A. Placing Orders Using LaCarte Card

Use of the PCard is for official state business only. No purchase of personal items is permitted and all goods and services purchased shall be for official state business only and exempt from state sales tax. The PCard is limited to the person whose name is embossed on the card. All PCard holders shall verify if there is a state contract, Veteran Hudson/small entrepreneurship agreement in place where a purchase order can be utilized or a manual check prior to utilizing the PCard. PCards are only to be used when

the procurement of goods/services cannot be procured by other means noted previously.

a. Online Service Account

If it is necessary for a PCard holder to set up an online account (Amazon) in order to obtain the required item/services, the PCard holder must first receive approval from the LDH PCard Program Administrator to do so and show evidence that there is no other means to obtain the required item/services. Priority delivery membership/services (Amazon Prime) are not permitted on the PCard. 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. Passwords to the buyers account shall be provided to the LDH PCard Program Administrator, by doing this, the LDH will have access to view the accounts online while verifying that all purchases are being delivered directly to the business address associated with the PCard holder.

b. Third Party Payments

Third party payment processing services cannot be used to pay for goods/services using the PCard (Apple Pay, PayPal, Square, Google Pay etc.).

c. Reoccurring Payments/Charges

Reoccurring expenses are to be paid with a purchase order (i.e. telephones, MiFi, cellular, cablevision, postage, shredding services, waste pick up services, copier services, air/gas supplier, drug testing, background checks, and storage unit) monthly rental fees are to be paid via LaGov or LaGov Real Estate Module. A request for exception may be submitted to the LDH PCard Program Administrator and will be reviewed on a case-by-case basis.

d. Shipment location of goods or service

Purchasing goods and services on behalf of the LDH can be made in-store, through phone orders, or procured online, but shipments to the cardholder's home address or any employee home address is not permitted.

B. Card Declines

Once a transaction is declined, PCard holders are not to attempt the transaction again until they speak with the LDH PCard Program Administrator. If a vendor declines the PCard, it may be due to the spending limit being exceeded, the vendor's industry has

been blocked from the card, or the card was reported lost or stolen. If uncertain about the reason for the decline, please contact Bank of America at 1-888-449-2273 for an explanation or check the authentication log in Works. If the decline was in error, the PCard holder should contact the LDH PCard Program Administrator for assistance.

A written request (i.e. an email) along with the exception form by the PCard holder is required in order to grant an override for a declined purchase that is an allowable expense. If the purchase is being made outside of normal business hours, the employee must find an alternate payment method or terminate the purchase and contact the LDH PCard Program Administrator during normal business hours.

## VII. RESPONSIBILITIES

### A. PCard Holder Responsibilities

PCard holders are expected to make sound business decisions in the best interest of the State, to comply with the policies and procedures as set forth in this policy and to comply with the Division of Administration Statewide Corporate Liability LaCarte Purchasing Card Policy. Adherence to all policies allows for continued compliance, ensures accountability, and provides for proper checks and balances. The PCard should be safe guarded with the same level that is given to personal credit cards. LDH PCard holders are expected to know general policies and procedures governing the LDH PCard Program. All LDH agencies shall incorporate PCard compliance requirements as part of their employees Performance Evaluation System (PES) for all Pcard holders.

The **PCard holder** must maintain the following responsibilities:

1. Annually complete all required state and agency training on policies and procedures and sign the PCard holder Agreement Form, with original documentation given to the LDH PCard Program Administrators and a copy must be kept on file with the approver.
2. All PCard holders must verify if there is a state contract, Veteran Hudson/small entrepreneurship agreement in place where a purchase order can be utilized or a manual check prior to utilizing the PCard. PCards are only to be used when the procurement of goods/services cannot be procured by other means noted previously. Reoccurring expenses are to be paid with a purchase order (i.e. telephones, MiFi, cellular, cablevision, postage, shredding services, waste pick up services, copier services, air/gas supplier, drug testing, background checks, and storage unit) via LaGov or the LaGov Real Estate module.

3. The PCard holder is to never:
  - a. Loan to another person or use to pay for another person's expenses without prior approval from the DOA/OST.
  - b. Give account number or pin number to any individual other than the merchant in which a purchase is being made.
  - c. Include the full PCard account number in emails, faxes, reports, memos etc. If necessary use of the last four or eight digits are allowed.
  - d. Send a copy of the PCard if requested by a merchant. If this is required for payment, then the PCard holder must use another form of payment other than the PCard.
  - e. Use an individual PCard for personal purchases, non-business expenses for any reason.
  - f. Pay State sales taxes on purchases with this card, since it is a state liability.
  - g. Use the PCard to access or attempt to access cash under any circumstances.
  - h. Accept cash, gift cards or store credit in lieu of a credit to the PCard account.
  - i. Purchase gift cards/gift certificates, without prior approval from the DOA/OST, as they are considered cash and taxable.
  - j. Avoid procurement or payment procedures.
  - k. Purchase of alcohol, food, or entertainment services without obtaining prior written approval from the LDH PCard Program Administrators and from the DOA/OST.
  - l. NEVER MAKE A PAYMENT DIRECTLY TO THE BANK in the event that an unauthorized charge is placed on the individual's PCard. Making a payment directly to the bank will cause the monthly statement billing file to be out of balance, and the agency will have to determine the cause. Ultimately, it will be determined that a personal payment was made. In order to avoid this situation, report any unauthorized charges to the LDH PCard Program Administrators immediately, along with decision on how the funds will be reimbursed back to the agency.
  - m. Place reoccurring expenses (cell phone, storage unit rent, MiFi, postage supplies/rental, etc.) on their PCard, these reoccurring items shall be paid through LaGov.
  - n. Never purchase refreshments/snacks/meals/special meals without necessary approvals. This involves using the proper

form and obtaining the agency director/assistant secretary and the LDH Undersecretary written approval.

4. Notify the LDH PCard Program Administrator if fraudulent charges are noticed, as the card may need to be cancelled and another card issued.
5. Notify the LDH PCard Program Administrator if use of a card has changed and lower or higher limits are necessary by submitting the Credit Limit Change Form.
6. Immediately report a lost or stolen card by calling Bank of America at 1-888-449- 2273.
7. Agree to complete an exit interview with supervisor/approver and return the PCard immediately upon request or upon separation from the agency. PCard holder should discontinue use of the purchasing card immediately upon notification of separation. This will allow sufficient time for itemized receipts to be submitted and for outstanding charges to be processed before leaving employment. Failure to do so may result in charges not being reconciled.
8. Notify the LDH PCard Program Administrators immediately when anticipating and/or prior to an extended leave of absence. Ensure that all transactions have been reconciled and signed by both the PCard holder and PCard holder's supervisor/approver. Ensure that the account has been suspended until the PCard holder returns to work. Types of extended absences would include maternity leave, family medical leave, medical leave, military obligations, sabbaticals, etc.
9. Complete any Journal Voucher 50 (JV-50) within 48 hours of notice from the PCard Administrators or the Division of Fiscal Management. Failure to provide fully executed JV50 timely shall result in disciplinary action and credit line shall be reduced to \$1.
10. Complete a monthly log online through BOA's Works system. LDH has implemented WORKS Workflow; therefore, the Billing Cycle Log meets the requirements of the electronic log. Use of the WORKS Billing Cycle Log for reconciliation eliminates the need for manual signatures on the log since the sign off in the system constitutes an



electronic signature as long as it shows both the PCard holder and approver signoff/date.

11. Verify transaction(s) have been coded properly for payments as outlined in this policy and procedure and as required in WORKS Workflow for ISIS and LaGov Interface agencies.

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

#### WORKS WORKFLOW

- a) PCard holders must enter comments and/or line item descriptions for each transaction. This allows program administrators, auditors, and other third parties more oversight of transactions. Comments should include the purpose of the purchase, for whom the purchase was made, and other relevant information to allow outside parties to determine that the expense was business-related. If more space is needed, the purpose of the purchase and whom it is for may be documented on the invoice or itemized receipt BEFORE uploading into Works. In these instances, use the description field for listing what items/services were purchased as it only allows for fifty (50) characters to be entered.
- b) PCard holders must timely upload (no more than five (5) days of procurement) and attach a copy of the invoice and/or itemized receipt and any other relevant documentation (e.g. email correspondence) to the applicable single transaction in WORKS Workflow and not one upload for multiple transactions. Attachments must meet the following requirements:
  - Be a PDF document
  - Be legible, and must be able to be read (e.g. not too dark, not too light)
  - Contain copies of all pages of invoices or other documents.
  - If applicable PCard holder must add accounting codes to the GL segments.
  - PCard holders must sign off on all transactions in WORKS before the monthly credit limit will refresh.

#### B. LDH PCard Program Administrator Responsibilities

Department Head (Secretary) shall designate a departmental liaison referred to as the "LDH PCard Program Administrator." There shall be a primary and an alternate administrator who are responsible for reviewing transactions of individual PCard holders to ensure all transactions are legitimate and are official LDH business expenses and that the transaction is reconciled in a timely manner. All LDH agencies shall incorporate PCard compliance requirements as part of their employees Performance Evaluation System (PES) for LDH PCard Program Administrator.

The **LDH PCard Program Administrator** must maintain the following responsibilities:

- i. Keep informed of program updates distributed by the DOA/OST, as they are sent as an email and posted to the OST website and disseminating all information to the Department Head, PCard holders, approvers and any other agency personal as deemed appropriate.
- ii. Maintain the annual, original signed agreement form for the State of Louisiana Corporate Liability PCard Program for all participants of the PCard 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, internal agency policies and procedures as applicable, shall be provided to all program participants.
- iii. Maintain copies of the annual online LEO Certification for all PCard program participants.
- iv. Communicate all policy and procedural changes to all PCard program participants.
- v. Review the LDH PCard procedures at least annually to ensure compliance with all purchasing policies, rules and regulations, statues, executive orders, mandates as applicable.
- vi. Work with agency to ensure the approvers paygrade is one level higher than the PCard holder.
- vii. Develop internal procedures for requesting new cards and/or changes to existing cards to include PCard holder credit/spend limit while looking at PCard holder historical spend patterns.
- viii. Monitor the issuance of cards, ensuring prompt reconciliation of periodic statements.
- ix. Issue secure user ID's for each PCard holder, approver, accountant, auditors and PCard Program Administrators for LDH in all WORKS applications.
- x. Request cards, users in WORKS and perform any maintenance necessary for program participants.

- xi. Ensure that all program participants' job titles are listed in the Nickname Field in WORKS.
- xii. Terminate a PCard holder's status as a PCard holder and cancel PCards through WORKS.
- xiii. Immediately inform the State PCard Program Administrator of any misuse, abuse or fraudulent use of a PCard.

C.                   Approvers  
Responsibilities

The approver is an LDH employee who approves purchases made by the PCard holder to which they are assigned. Approvers are limited to twenty (20) PCard holders and must be the immediate supervisor or the person most familiar with the PCard holder's business needs that is at least one paygrade higher than the PCard holder. By approving each PCard transaction, the approver exercises critical control by ensuring authorized and appropriate PCard use and correct allocation of expenses in accordance with all purchasing policies, rules and regulations, statues, executive orders, mandates, policies as applicable. No PCard holder may approve their own PCard transactions. The PCard holder shall never be the final approver of their own monthly PCard log/online transactions. All LDH agencies shall incorporate PCard compliance requirements as part of their employees Performance Evaluation System (PES) for all Pcard approvers.

The **Approver** must maintain the following responsibilities:

- a) Obtain, review and understand the state and LDH policies. Maintain knowledge of all applicable current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal LDH policies and procedures as applicable on use of the PCard. Keeping informed of program updates as sent from the LDH PCard Program Administrators or anyone else associated with the PCard program.
- b) Annually complete both the state and LDH required training on policies and procedures and sign the Approver Agreement Form with original documentation given to the LDH PCard Program Administrators and a copy kept on file with the approver.
- c) Immediately report any fraud or misuse, whether actual, suspected or personal charges to the LDH PCard Program Administrator, as well as, any other personnel as required. The approver will participate in any disciplinary actions that may be deemed appropriate, if necessary.
- d) The approver and any PCard holder in which you are the approver, shall notify an LDH PCard Program Administrators immediately upon the following: separation; change in department/section; or during extended leave.

- e) Complete an exit review with the PCard holder regarding active transactions and sign off by both the PCard holder and approver in WORKS. Ensure supporting documentation and itemized receipts are secured, including the Billing Cycle Completed Purchase Log and Billing Statement, and obtain the PCard holder's and approver's required signatures, prior to departure.
- f) Ensure that the PCard is obtained from the employee upon separation or a change in department/section and return card to the LDH PCard Program Administrators. Ensure that the LDH PCard Program Administrator makes necessary changes to cancel the card and to remove the approver as the employee's approver and/or employee from the list of PCard holders for which approver is responsible, once the PCard holder has completed the exit interview.
- g) As a safeguard, the LDH Human Resources office will provide a bi-weekly report showing employee terminations. The LDH PCard Program Administrators will review this report to assure that no terminated employee has an active card. If this is found to be true, steps will be taken to reprimand the supervisor/approvers for not completing their required responsibilities.
- h) Ensure that either approver or the PCard holder notifies the LDH PCard Program Administrator if a card is lost (to include reason), stolen or has fraudulent charges. Ensure that the PCard holder immediately notifies the bank as well.
- i) Ensure each transaction, to the best of approver's knowledge:
  - i. Has an appropriate business purpose, not for personal use, fits the PCard holder's business needs.
  - ii. Complies with all current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal LDH policies and procedures as applicable.
  - iii. Includes an original itemized receipt and complete supporting documentation, including a detailed line item description where generic descriptions is on itemized receipts such as "general merchandise".
  - iv. Verify that itemized receipt date, supporting documentation and documentation dates, along with the log dates, correspond with known business needs.
  - v. All itemized receipts and supporting documentation are scanned into WORKS Workflow, and tied to the appropriate transaction and reviewed against the original itemized receipt and supporting documentation.
  - vi. Does not include sales tax.

- vii. Has been coded properly for payments as outlined in this policy and procedures and as required in WORKS Workflow for ISIS and LaGov interface agencies.
- viii. All documentation corresponds with the program cycle dates (which begin the 6th of one month and ends the 5th of the following month).

NOTE: It is the approver's responsibility to verify the validity of each transaction, and that complete original documentation exists to support each purchase, service and/or credit, verifying that the purchases are for official state business, by reviewing both the original documentation and the attached documentation to each transaction that is in WORKS workflow.

- j) The approver must review the information and original documentation entered and scanned into Workflow, and submitted by the PCard holder prior to signing off on the transaction in WORKS. If the information is not correct, the approver should flag the transaction and electronically return it to the PCard holder for additional information and/or correction.
- k) All transactions must be approved in WORKS by the approver and not auto signed off. WORKS approver in WORKS must be the PCard holder's supervisor that is at least one paygrade higher and has a thorough knowledge of PCard holder's job responsibilities and is familiar with the business case and appropriate business needs for the PCard holder's transactions in order to determine if purchases are job-related or otherwise authorized. An approver's electronic approval certifies that the goods and/or services purchased are essential and necessary, appropriately budgeted for and comply with all requirements herein.

NOTE: The approver must sign off on all transactions in WORKS before the PCard holder's monthly credit limit will refresh.

- l) Ensure that the PCard holder reviews the electronic billing log against the monthly transactions and documentation for accuracy. All documentation, findings and justifications must be note in Works. Both the PCard holder and the approver must sign off electronically on every transaction in WORKS with no auto-sign off signatures before the WORKS monthly reconciliation will be considered complete.
- m) Review, at a minimum annually, all PCard holders which approver is designated as an approver along with profile limits to ensure appropriate utilization of the card and program intent. This will ensure that all PCard holders limits, MCC Codes, etc., are working properly for the PCard holder.

If limits or codes are not allowing the PCard holder to perform their duties, then the approver should contact the LDH PCard Program Administrator to make necessary adjustments.

- n) Understand that failure to properly fulfill responsibilities as a PCard approver could result, at a minimum, in the following:
  - i. Written counseling which would be placed in employee file for a minimum of 12 months.
  - ii. Consultation with LDH PCard Program Administrators, and possibly LDH Secretary and internal audit section.
  - iii. Disciplinary actions, up to and including termination of employment.
  - iv. Legal actions, as allowed by the fullest extent of the law.

## VIII. ETHICS

### A. Card Misuse

PCard holders, program users, or approving officials, auditors or anyone associated with the program who knowingly, or through willful neglect, fail 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.

### B. Fraudulent Charges

Any use of the PCard, which is determined to be an intentional attempt to defraud the state for personal gain or for personal reasons, is prohibited. An employee suspected of having misused the P-Card with the intent to defraud the state will be subjected to an investigation. Should the investigation result in findings that show that the actions of the employee have caused impairment to 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 at the discretion of the LDH 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, the Office of Inspector General and the Director of the Office of State Travel.

When it has been identified that an employee made an unauthorized, personal or unapproved charge on the state issued PCard, and it is determined that this was accidental and not an intentional fraudulent purchase, the PCard holder will be instructed to submit a check made payable to the Louisiana Department of Health within 30 days of the purchase in the amount of the unauthorized charge. With the check, the

PCard holder is to include the coding that the unauthorized transaction was allocated to so that the check is deposited as return of appropriation to the proper account coding. Repeated purchases will warrant cancellation of account.

Any recognized or suspected misuse of the P-Card Program should be immediately reported to the LDH PCard Program Administrators and may be anonymously, reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549 or for additional information one may visit: <https://oig.louisiana.gov/>

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

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

#### C. Non-Approved Purchases

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

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

When a non-approved purchase occurs, the PCard holder should be counseled to use more care in handling of the PCard. 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 must pay for the item purchased inappropriately. Should another incident of a non-approved purchase occur within a 12-month period, LDH's Appointing Authority should consider revocation of the PCard.

#### D. Merchant Forced Transactions

Commercial cards are accepted by a variety of merchants that process transactions only if approved by the issuing bank thereby abiding by the card controls in place. Merchant transactions are processed using one of the two steps as follow: Merchants process

transactions against card controls (MCC, limits, expiration date, etc.) and, if approved, receive an authorization number.

Merchants submit the transaction for payment from the bank.

1. In rare instances, merchants will circumvent the authorization process and only perform step two. This means that the merchant did not process the transaction against the card controls and therefore did not receive an authorization number.
2. If this happens, the merchant has forfeited all dispute rights, the transaction can be disputed by the PCard holder and unless the merchant provides a valid authorization number, the dispute will be resolved in the PCard holder's favor.

#### E. Internal Controls

1. Maintain budgetary controls.
2. Determine allowable MCC codes based on individual needs and the State's allowances.
3. Educate program participants on State and LDH policy requirements, procedures and allowances.
4. Educate program participants on use of the card sales tax requirements.
5. Educate PCard holders on the process of reporting a card lost, stolen and/or any fraudulent activity.
6. If a card is lost, stolen or damaged, the PCard holder must IMMEDIATELY notify Bank of America at 1-888-449-2273 and the LDH PCard Program Administrator after reporting the incident to the bank. If the card is located after reported lost or stolen, it must be destroyed by cutting it in half and both halves of the card must be forwarded to the LDH PCard Program Administrator. Bank of America will cancel the current account, and reissue a replacement card, which is mailed to the LDH PCard Program Administrator, to forward to the PCard holder.
7. Written procedures for ordering and canceling cards when lost or stolen or when a PCard holder leaves employment including an exit interview have been established.

An exit interview should include a review by the PCard holder and their supervisor/approving official of all current charges on the account, verifying that all necessary original supporting documents, original itemized receipts and required signatures have been obtained. Verify receipts are attached to each transaction in WORKS with a full description of item(s) purchased, not a generic description and both the PCard holder and approver have signed off on all transactions in WORKS Workflow. Cards and a copy of the exit interview are to be returned to the LDH PCard Program Administrators to be canceled and/or destroyed.



8. Procedures for PCard holders and approvers on extended leave have been established, and addressed within their respective responsibilities.
  - a. PCard holders are to contact the LDH PCard Program Administrator to lower their spending limits to \$1, along with completing all required transaction tasks in WORKS, processing their Billing Cycle Completed Purchase Log and Billing Statement, along with securing both the PCard holder and approver's signatures, prior to the start date of their absence.
  - b. Approvers are to contact the LDH PCard Program Administrator, to notify that a backup approver has been designated, during their absence. The backup approver must complete both OST and LDH online trainings, complete the Approver Agreement Form, and forward all documents to the LDH PCard Program Administrators, to be setup in WORKS, prior to the start date of their absence.
9. PCard holder's spending limits are to be suspended to \$1 during an extended absence and/or until the PCard holder returns. This will protect the PCard holder and LDH during their absence.
10. PCard/CBA charges are a direct liability of the State; therefore, as a rule Louisiana State sales tax should never be charged on PCard purchases. The State of Louisiana tax exemption number is printed on the front of the PCard.
  - a. It is the PCard holder's responsibility to ensure that state tax is not charged. PCard holders must make every effort at the time of purchase to avoid being charged Louisiana State sales tax, if in-state sales taxes are charged, it is the PCard holder's responsibility to get a credit issued to their PCard, or the PCard holder should be made to reimburse the agency the total amount of the state taxes. Documentation of attempts to obtain credit for any State Sales Tax charged in error must be maintained with the documentation for the transaction where the tax was charged.
  - b. In the event state sales tax is charged and a credit is warranted, it will be the PCard holder's responsibility to have the vendor/merchant (not Bank of America) issue a credit to the PCard holder's account.
11. Maintain a list of all LDH PCard holder's names and their approvers within the DSSAS with documentation showing notification to approvers of the PCard holders they are responsible for approving.
12. Ensure that every PCard holder's business email address matches the PCard holder's name in WORKS. Another PCard holder's email address or a personal email may not be used without prior approval from the Commissioner of Administration.
13. Monthly, the LDH PCard Program Administrator, along with all PCard holder approvers shall review PCard holders, PCard holder limits and ensure appropriate utilization. Documentation shall be maintained showing compliance with this

requirement to include a list of all PCard holders including a statement all were reviewed, signed and dated. Please note: The approver's agreement form cannot be substituted for this review, unless the agreement form is modified to add PCard holder limits.

14. Ensure that transactions are audited monthly in accordance with the Audit Requirements.
15. 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. If the cards is still inactive for 24 consecutive months, the card must be cancelled.

## IX. DOCUMENTATION

Documentation must be adequate and sufficient to adhere to purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures and for recording of expenditures in the state/agency accounting system as applicable. DSSAS will ensure that all supporting documentation along with the original itemized receipts are scanned and attached to each corresponding transaction.

It is the PCard holder's responsibility to obtain itemized original itemized receipts and any other documentation. Original documentation is required for all purchases and credits regardless of the order method. For items purchased over the counter, the PCard holder should obtain the original customer itemized receipt. When ordering by telephone, fax, or computer, the PCard holder must obtain a packing list or similar document. For items such as subscriptions, where the vendor does not normally generate an itemized receipt or packing slip, a copy of the ordering document may be used. Acceptable documentation must include a line description, with full description not a generic "general merchandise" description, and line item pricing for the purchase. Electronic itemized receipts are allowed if they are un-editable and are maintained in compliance with the agency retention policy. If the vendor is unable to provide an itemized receipt, the cardholder shall detail the items on the receipts they have. The cardholder and approver will both sign the receipt for verification. For internet purchases, the print out of the order confirmation showing the details, or the printout of the order details, or the shipping document if it shows what was purchased, the quantity and the price paid suffice for the itemized receipts.

If an itemized receipt is not furnished by the merchant (as may be the case with a phone or Internet order), documentation such as an order confirmation, packing slip, or invoice, etc. shall be obtained and shall contain an itemized and detailed description of the purchase. All itemized receipts must give an itemized and detailed description of the purchase and must include at a minimum:

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

If a PCard holder does not obtain an original itemized receipt and a duplicate cannot be obtained, the PCard holder should use LDH’s Missing Receipt Form. Multiple uses of the form in a fiscal year should result in suspension of card privileges for a period of time as determined by the agency.

All required original documentation (both paper and in an un-editable electronic format), special approvals, etc., must be submitted timely and in accordance with their agency’s internal policy and procedures.

The immediate approver must verify and ensure that the following controls are being met and that transactions are appropriate, accurate, have a business case and business need for the purchase, all itemized receipt dates and other supporting documentation dates are applicable with known need, if applicable, and were approved. Documentation of approval must be accomplished electronically online by signing off on the transaction.

1. Acceptable complete original documentation exists both paper and in an un-editable electronic format to support each purchase, service and/or credit, verify that purchases are for official state business and comply with any current purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures as applicable, as all must be followed during the use of the PCard and this policy.
2. Confirm all supporting original documentation is uploaded to Works. This should include the receipts with complete line item descriptions, approval forms and exemptions. Verify coding before the PCard holder and approver electronically sign off on the transaction.

All original itemized receipts and original supporting documentation must be maintained by the

DSSAS. All files must be centrally located in the DSSAS, and will be subject to review by the Office of State Travel, the Louisiana Legislative Auditors Office and any other duly authorized auditor. The act of signing off on transactions in Works, and noting any findings and justifications to the DSSAS, through the transaction comments, by the PCard holder and

approver, complete the monthly reconciliation and suffice for review and maintenance of the files, in accordance with record retention laws.

All system entries and scanned supporting documentation, when utilizing Workflow and electronic approvals are maintained electronically within the WORKS Workflow online system for up to 3 years. If an agency requires documentation retention for more than 3 years, it is the responsibility of the agency to obtain and archive the transaction data annually.

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

## **X. DISPUTES**

In the event a PCard holder finds items on the monthly billing statement that do not correlate with retained itemized receipts and supporting documentation, the PCard holder must contact the merchant to try to resolve the problem, such as where transactions were not made by the PCard holder, or involve incorrect transaction amounts, or if there is an issue with service or quality.

If the merchant agrees an error has been made, they will credit the PCard holder's account. The credit should appear on the next monthly billing statement. The PCard holder should check the next statement for credit.

If the dispute with the vendor is not resolved, the dispute can be processed in WORKS or the PCard holder can complete the Statement of Disputed Item Form. The Statement of Disputed Item Form may also be obtained at <https://www.doa.la.gov/doa/ost/forms/> must be completed and mailed or faxed with 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 be sent to the LDH PCard Program Administrator.

Disputed transactions will be paid; therefore, the PCard holder must mark purchasing documentation as "DISPUTED". PCard holder should retain a copy of the disputed documentation and verify itemized 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 90 days.

Sales tax is not a disputable item. It is the responsibility of the PCard holder to notify merchants that a purchase is sales tax exempt and provide the tax exemption number.

## **XI. RECONCILIATION AND COST DISTRIBUTION**

LDH will ensure that monthly statements are reconciled timely and any issues addressed immediately with Bank of America prior to the payment due date. Reconciliation procedures that ensure timely payment and/or allocation of transactions to the General Ledger, documenting as appropriate for reconciliation of transactions including the use of Works Workflow.

1. In WORKS Workflow, the PCard holder/approver/accountant must enter accounting distribution information for fund/agency/organization number and object as required in the online Workflow system.

All original supporting documentation including original itemized receipts must be scanned into Workflow and tied to the transaction. Any findings and justifications should be noted on the transaction and e-mailed to the agency's fiscal office for review and maintenance of files.

2. PCard holders can review their electronic billing statements, through Bank of America's Global Access system, on the 6<sup>th</sup> of every month. Transactions are available for processing online as soon as the transaction has posted to the WORKS online system.
3. Reconcile purchases/services charged during the billing cycle by matching the bank billing statement to their PCard log. The un-editable electronic log along with the supporting documentation and bank billing statement must be reviewed and certified by the PCard holder showing the purchases/services were received or reported as a disputed item. The PCard holder must scan all original supporting documentation, original itemized receipts, etc., into Workflow and tie each scan to the applicable transaction. In the WORKS Workflow system, when a PCard holder approves a transaction online, their signoff moves the transaction to the queue of their approver for their electronic signature.
4. Once all approvals and audits by PCard holder and approvers have been completed in Works, the PCard Program Administrator or designee, must review itemized receipts and coding in the program journal vouchers to correct any necessary coding changes. All original documentation is stored in the Bank of America's Works system.

5. It is crucial that all original itemized receipts, supporting documentation, approval document(s), etc., are uploaded to every Works transaction. Works maintains these files in one central location and they are available to all program administrators and auditors, as needed.
6. If it is determined that personal or other unauthorized charges are occurring on the card, appropriate steps, up to and including dismissal, shall be taken to resolve the misuse/abuse of the card.
7. Upon notification by the immediate supervisor/approver that the PCard holder reconciliation has been approved, the LDH PCard Program Administrator will ensure that the charges are distributed to the appropriate accounting codes.

## **XII. EXCEPTIONS**

The Director of the Office of State Travel, or designee, may waive in writing any provisions of these regulations when the best interest of the State will be served. Any requests for a waiver must be submitted through the LDH PCard Program Administrator.

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.

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.

## **XIII. VIOLATIONS**

PCard holder card will be brought down to \$1 for one month for any of the following instances and supervisor/approver and agency appointing authority will be notified. The LDH PCard Program Administrator shall document PCard holder non-compliance instances and on the third (3<sup>rd</sup>) instance of non-compliance the card shall be revoked and suspended permanently for any further use by that PCard holder.

- The PCard was used for personal purchase, to include client personal use, and/or unauthorized purposes
- The PCard was used to purchase meals or refreshments without the written approval using the proper form(s) and obtaining the approval

from the Undersecretary and/or without an approved exception from the DOA/OST.

- The PCard holder artificially divides a purchase to circumvent procurement regulations and the limitations of the PCard.
- The PCard holder fails to provide detailed, legible, itemized receipts.
- The PCard holder fails to provide, when requested, information about any specific purchase.
- The PCard holder does not adhere to DOA or LDH policies and procedures.

These violations and any other violations of this policy may result in corrective action or disciplinary action. Corrective action includes Improvement Letters (Civil Service Rule 12.9). Disciplinary actions are Suspension without Pay, Reduction in Pay, Involuntary Demotion and Dismissal (Civil Service Rule 12.3). Any corrective or disciplinary action taken is at the sole discretion of the Appointing Authority.

## XIV. LEGAL

All state guidelines identified herein, including purchasing policies, rules and regulations, mandates, Louisiana Statutes, Executive Orders, internal agency policies and procedures, and/or PPM49, apply to the use of Louisiana LaCarte Program Card. 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 Department of Health/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, and/or PPM49.

## XV. REVISION HISTORY

<b>Date</b>	<b>Revision</b>
04/04/2002	Policy created
02/27/2006	Policy revised
01/29/2007	Policy revised
12/22/2008	Policy revised
08/30/2010	Policy revised
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08/04/2014	Policy revised
09/29/2016	Policy revised
08/31/2018	Policy revised
02/19/2020	Housekeeping Change
2/15/2023	Policy revised
1/30/2024	Housekeeping regarding JV50
7/23/2024	Housekeeping – responsibility and change “registrations” to “subscriptions” in section IV
9/26/2024	Housekeeping – DOA/OST Policy Update(s)