

LaCARTE PURCHASING CARD FREQUENTLY ASKED QUESTIONS

1. I have a LaCarte purchasing card; can I use this card for purchasing airfare services?

An employee's individual LaCarte purchasing card CANNOT be used to purchase airfare. Individual corporate travel card or agency CBA (Controlled Billed Accounts) **must be used to purchase contract airfare.** This is a mandatory requirement by the airlines in order to continue to receive discounted, non-penalty state contract airline tickets. An employee's corporate travel card may also be used to purchase lowest logical airfare tickets and other travel related expenses such as food and lodging, but it is not mandatory.

2. Will all of my employees get a card?

Each agency will determine their cardholders. The card program is not designed for every employee to receive a card, however there are no minimum or maximum number of cards that can be issued. Cards should be issued to those employees that purchase within the scope of their job.

3. How can I control the types and amounts of purchases made by each employee assigned a card?

Controls can vary for each individual cardholder. Depending on the individual's responsibilities you can set controls to allow spending at specific merchant types and you can control spending daily, weekly, or monthly by the dollar amount and/or number of transactions.

4. What type of credit card is issued?

The State of Louisiana has partnered with Bank of America. The credit card issued is a VISA®, which is accepted world-wide.

5. What about business owners who don't accept Visa?

Ask them to call their bank to learn how acceptance of a credit card can improve their cash flow. You may also notify your program administrator and have Bank of America contact them. Remember, if Visa® is not acceptable, you would process your purchase as you do today.

6. Is the credit card issued in an agency's name or the employee's name?

Credit cards are issued in the individual's name. The card is the responsibility of the employee.

7. Is an employee personally responsible for payment of the card charges?

No, the charges are direct payments by the agency. However, the employee is responsible that all charges are for valid business purchases, and that they have the authority to make such purchases. Unauthorized purchases may become the responsibility of that employee, and their agency will handle reimbursement of the unauthorized charge by either a personal check or payroll deduction.

8. Will I have to pass a credit check?

No.

9. Who is liable if a card is lost or stolen?

If a card is reported lost or stolen, immediately (which means as soon as the cardholder is aware that it has been lost or stolen) there is no liability. It is the cardholder's responsibility to call the proper authorities to report the card lost or stolen.

10. Where do I report a card lost or stolen?

You must telephone Bank of America Customer Service at 1-888-449-2273 immediately. This number is available 24 hours a day, 7 days a week, 365 days a year. Lost cards reported by telephone are blocked immediately. Replacement cards should be issued within 24 hours. You must also notify your agency's program administrator.

11. As a cardholder for the state, what are my liabilities?

The program policy requires at a minimum that each employee, prior to receiving a card, must receive card holder training. Training would provide the employee with a copy of the agency's guidelines and give the employee an opportunity to ask questions. Also prior to receiving a card each employee must sign a "Cardholder's Agreement" form. This form requires signature by the cardholder indicating that they take responsibility for the security of the card and that they will use the card for only authorized, business related purchases.

12. What happens if I accidentally charge a personal cost?

You should immediately inform your supervisor and reimburse your agency. Remember: Any pattern of "accidents" may cause you to lose your privilege; a deliberate attempt to use the card for personal purchases is considered theft.

13. Is sales tax exempt for card purchases?

Yes, this is a direct payment by the state. The state has applied for one statewide tax-exempt number for credit card purchases. This tax-exempt number is printed on the face of the credit card. Each cardholder will be liable for advising the merchant of the exemption and ensuring that tax is not charged.

14. What purchases are currently allowed to be made by use of the credit card?

The Office of State Purchasing, Division of Administration has authority on the overall use of the 'LaCarte' Procurement Card Program. Purchases can currently be made at any participating merchant where the "single purchase amount" does not exceed \$1,000. Remember, purchasing requirements shall not be artificially divided so as to constitute orders less than \$1,000.

15. Can the credit card be used to obtain cash?

No.

16. Are credit card purchases exempted from purchasing requirements?

No. Credit card purchases are never to circumvent purchasing regulations. The Procurement Card Program is not intended to replace current Purchasing Policies, Rules and Regulations, Louisiana Statutes, or Executive Orders.

17. Is it a risk to purchase items over the telephone and the Internet?

No. Generally, 80 percent of all purchases are made over the telephone. When using the Internet, take caution to purchase from known vendors, or to check credentials. Most websites have an indicator if they are a secure website. Check to ensure the site you are using is secure.

18. What action must I take if I change agencies or leave state service?

The card must be turned in and cancelled with their agency program administrator. Each card's charges are tied to an accounting code that are tied to that agency's funds. If you are required to carry a card under the new agency, they must request a new card. Upon termination from the state, all cards must be cancelled.

- **Agency** State Department that arranges with the card issuer, Bank of America, for the issuance of 'LaCarte' cards to authorized employees and agrees to accept liability for their employees' use of the cards.
- **Agency Program Administrator** Person designated by the department head to coordinate, monitor, and oversee an agency's purchasing card program. Serves as liaison between the cardholder, the agency/budget unit head, State Program Administrator and the Bank of America. Processes new card applications, changes to cardholder information, maintains cardholder profiles within INFOSPAN, the software provided by Bank of America, while providing assistance and support to all sections within their department.
- **Cardholder** An employee of the State who is approved by his/her Department or Agency head to use 'LaCarte' to execute purchasing transactions on behalf of the agency. The cardholders name appears on the 'LaCarte' card and that person is accountable for all charges made with the card.
- **Cardholder Agreement Form** This form states that the cardholder has read and understands the policies and procedures of the State and his/her Agency relative to the procurement card use and agrees to comply with all of these established procedures. This form must be signed by the Cardholder prior to issuance of the card.
- **Cardholder Enrollment Form** This form contains pertinent cardholder information necessary for statement and mailing purposes, contact information, daily/monthly spending limits and budgetary controls. This form must be completed for all prospective cardholders.
- **Card Issuer** Bank of America's services were contracted for by the State of Louisiana, to issue 'LaCarte' Visa® Purchasing Cards to State Employees, to provide electronic transactions and billing to the Agencies for all purchases made on the cards, and to collect payment from the Agencies.
- **CPA Software** Card Program Administrator Software provided by Bank of America for the purpose of entering cardholder information, requesting cards and making changes to cards.
- **Default Account** The account code assigned to an individual cardholder's card. An object code assigned to the department's budget for supplies normally purchased by the cardholder. All charges made by the cardholder will default to this object code until reallocated by accounting personnel into an appropriate line item account(s). Default account information is set up by OSIS (Office of Statewide Information Services). This code is comprised of a 3 digit fund, a three digit agency number, a four digit org number (P followed by appropriated unit number) and a 4 digit pre-determined object code (3185).
- **Hierarchy Reporting** Process of viewing cardholder spending information by detail or summary according to your organization structure. Establishing a reporting hierarchy allows you to view spending and other card program data at various management reporting levels within your organization.
- **Infospan Software** Data management software package provided by

Bank of America. This software package contains approximately 80 predetermined reports to assist in program management.

- **Memo Statement of Account** A listing of all transactions charged to the cardholder's account through the end of the monthly billing cycle. The Bank sends the statement directly to the cardholder, on a monthly basis for reconciliation purposes. This is not a bill. The cardholder must reconcile within the allotted number of days according to their agency policy and forward to supervisor/reviewer for approval.
- **Merchant Category Code (MCC)** Codes assigned by the Bank to suppliers that indicate their type of business. The State has separated these codes into three categories; prohibited, restricted and allowable. Purchases from merchants designated as prohibited will not be allowed. With sufficient justification, the State Program Administrator can remove restrictions and allow purchases from restricted merchants. Each 'LaCarte' card is encoded with the types of MCC's that a cardholder is authorized to purchase from. Attempts to purchase at either prohibited or restricted suppliers will be denied.
- **Monthly Spending Limit** A maximum dollar limit assigned to the cardholder for the total of all charges made during the monthly billing cycle.
- **Purchasing Card** Louisiana 'LaCarte' purchasing card is a Visa® credit card issued by Bank of America for use by authorized state employees for the purpose of making purchases on behalf of their department. Issuance of this card in no way affects established purchasing rules and regulations but provides an alternative method for payment.
- **Single Purchase Limit** Amount set by the State Program Administrator as the maximum dollar amount (total amount of sale) allowed for any single transaction made with the 'LaCarte' card.
- **Supervisor/Reviewer** Individual(s) within an agency who is responsible for requesting purchasing cards for Departmental employees who make official purchases. The Supervisor is responsible for verifying that all charges against the cardholder's account are authorized and made in accordance with the program guidelines and that the transaction is supported by adequate documentation.