

# **Procedures for LaCarte Unallowable Transactions**

Effective 10/15/2024

LaCarte cards are a convenience provided by the State to pay for purchases funded by the University. The State LaCarte Office has advised UL Lafayette that a LaCarte card cannot be used to pay for personal purchases or those that are not funded by the University. While the use of LaCarte is a convenience, noncompliance of the rules is not a privilege, and any perceived noncompliance may trigger a request for an explanation of the business purpose of using LaCarte, the inactivation of the LaCarte card and/or disciplinary action on the part of the cardholder.

## **Rights of the State/UL Lafayette**

In the event LaCarte is used for unallowable transactions in a twelve (12) month period, disciplinary actions may be taken by the inactivation of the LaCarte card and/or report to the Office of Human Resource Management. In the case of willful or negligent default of obligations under the LaCarte Cardholder Agreement, the State/UL- Lafayette has the following rights, to the extent authorized by law:

- To deduct from cardholder's paycheck, any unauthorized charges in accordance with UL Lafayette Purchase Card policy, until all unauthorized charges are paid in full.
- The State/UL Lafayette may pursue any remedy for the recovery of unpaid amounts, including referring unpaid amounts to an attorney for collection.
- The State/UL Lafayette may impose any appropriate corrective or disciplinary action permitted, including cancellation of LaCarte privileges and/or up to termination and possible criminal charges in the event of fraud, under applicable law.

## **Prohibited Purchases with LaCarte**

The LaCarte Purchasing Card may **NOT** be used for the following purchases:

- Alcoholic Beverages, Cash Advances or gift cards, Consultant fees, Speaker fees or honorariums
- Controlled Substances (prescription drugs, narcotics, etc.), unless special permission has been granted. Entertainment costs (ski tickets, tours, etc.), unless special permission has been granted.
- Employee's individual meals while traveling must be paid for personally, and then reimbursed through a Chrome River expense report. The cost of individual meals is NOT an allowable expense on the LaCarte card.
- Personal Purchases – University business only (No fans, heaters, office decorations, coffee pots, etc.)
- Fuel purchased for personal vehicles is NEVER allowed. The university reimburses personal vehicle use by mileage and only with preapproval through Chrome River.
- State Sales Tax. The university is exempt from Louisiana State Sales Tax and a refund must be requested.

10/2/2024

## **Procedures for Reimbursement of Non-Compliant or Prohibited Transactions with LaCarte**

It is the cardholder's responsibility to reconcile all LaCarte transactions within Chrome River. When a cardholder uses LaCarte to pay for non-compliant or prohibited transactions, the cardholder has violated the LaCarte policy which may result in the inactivation of the LaCarte card for 30 days or longer. In the audit process, if it is deemed that the transaction is not allowable with state funds, the report will be returned in Chrome River with a reason for the return and will need to be coded to NREIMB. This will serve as a written warning. If additional unallowable charges are placed on LaCarte within a twelve-month period, disciplinary action may be taken. The following steps must be taken to reimburse the university:

- 1) An Expense Report must be processed in Chrome River with required attachments. The non-compliant or prohibited transactions must be allocated to NREIMB (1000-1452)
- 2) Payment must be made at the Cashier's Office by cash or check in the Student Union. The Cashier's Office must include the cardholder's name, the last four (4) digits of the cardholder's credit card number, the allocation "NREIMB" expense code (1000-1452), and the Chrome River Expense Report number if it has been processed.
- 3) After the reimbursement is made to the Cashier's Office, a copy of the Cashier's reimbursement receipt shall be attached, by the cardholder, to the noncompliant Expense Report in Chrome River.
- 4) If the Expense Report has already processed and a notification has been sent to the cardholder from the Comptroller's LaCarte Collections staff, it will be necessary to reply to the email with the Cashier's receipt attached to avoid the withdrawal from the cardholder's payroll.
- 5) If the noncompliant transaction has not been paid by the cardholder within thirty (30) days of the notification from the Comptroller's LaCarte Collections staff, the amount will be sent to the Payroll office for withdrawal from the next payroll.
- 6) If the cardholder fails to process an Expense Report for the LaCarte transactions within 60 days of the transaction, the LaCarte Program Administrator has the authority to process the Expense Report and code the transactions to NREIMB. The cost of the NREIMB transactions will be withdrawn from the cardholder's next payroll.
- 7) Repeated noncompliance will result in the inactivation of the cardholder's LaCarte card for at least 30 days.

If the cardholder is approved to use Foundation funds to reimburse themselves for the non-compliant or prohibited transaction(s), a Foundation Warrant request can be processed to reimburse the cardholder by submitting the request to [Warrants@louisiana.edu](mailto:Warrants@louisiana.edu) and indicate that the payment is to be made to **them personally**. Please refer to the Foundation Warrant procedures at [Foundation Warrant | Office of Financial Services \(louisiana.edu\)](#).

The Foundation Warrant process does not exempt the cardholder from state and university rules and regulations, and the business purpose must be provided on the Foundation Warrant. The LaCarte/Travel Office does not monitor the processing of the Foundation Warrants and are managed by the Finance Office.

## **Procedures for Reimbursement of State Sales Tax Paid with LaCarte**

UL Lafayette as a state university is exempt from Louisiana State Sales Tax. When a cardholder pays for Louisiana State Sales Tax with a LaCarte card, the cardholder must:

- 1) allocate the portion of the purchase for the tax to 1000-1453 (SALETX) (LaCarte Sales Tax / Non-Reimbursable) on the Chrome River Expense Report,
- 2) request a refund from the merchant and include a comment on the Expense Report of the date, time and name of who has been contacted for a refund.
- 3) If a refund is issued by the merchant before the submittal of the Expense Report, the credit should be added to the Expense Report allocated to SALETX for that amount.
- 4) If the merchant has been notified and refuses to provide a refund, the Expense Report must provide the information of who they spoke to and why they would not refund the tax.
- 5) If the cardholder does not request a refund, the tax will be processed as a withdrawal from the cardholder's payroll.

### **Procedures for Fraudulent Charges to LaCarte**

For fraudulent transactions charged to a LaCarte card, the cardholder is to notify the LaCarte office immediately, and the cardholder is to cancel their card by calling the number on the back of the card. The cardholder should reconcile the fraudulent transaction by processing a Chrome River Expense Report and allocating the transaction to NREIMB using the report type: "General Purchases". The description on the Expense Report must have the notation that it is a fraudulent charge and the date the Bank of America was contacted. The charge will be held by the Comptroller's LaCarte Collections staff until the Bank of America has credited the charge. When a credit has been issued, an Expense Report should be processed as a General Purchase coded to NREIMB and attach a pdf of the Expense Report where the transaction was first reconciled. These charges will **not** be charged to the cardholder unless it is discovered that the cardholder committed the fraud. Note: If the bank has not been contacted concerning the fraudulent charge within 60 days, the bank will not reimburse the fraudulent charge. The cardholder will be responsible for this charge.

### **Transition to New Procedures**

Effective today, if a Foundation Warrant has already been submitted to [Warrants@louisiana.edu](mailto:Warrants@louisiana.edu), upon receipt of the Collections email notification from [LaCarteCollections@louisiana.edu](mailto:LaCarteCollections@louisiana.edu), please reply to that email with the date the Foundation Warrant was submitted and the amount of the request.

**If a University account is created in Banner by the Comptroller for Foundation purchases as a University account, the purchases or travel expenses can be charged to the University designated account, however all purchases and travel expenses are subject to state rules, regulations and laws.**

**Purchases made using grant funds are subject to state rules, regulations and laws.**

**Non-Compliant or prohibited charges cannot be charged to any University account.**

**At no time should the cardholder make a payment directly to the Bank of America.**

Reminder: Non-compliant charges cannot be paid with a LaCarte card.